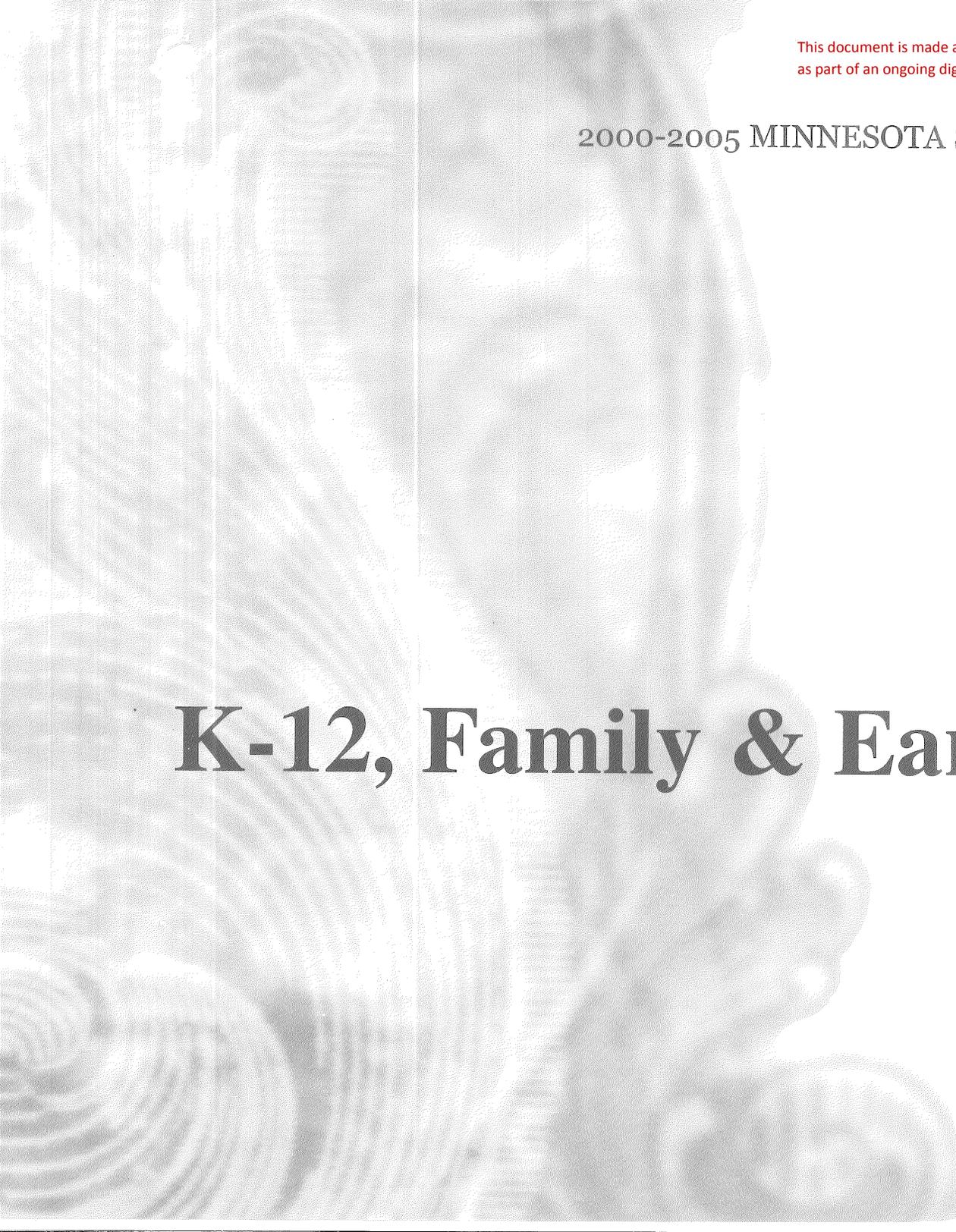


2000-2005 MINNESOTA STRATEGIC CAPITAL BUDGET PLAN

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Education: K-12, Family & Early Childhood

Presented by Governor Jesse Ventura
to the 81st Legislature

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2000-2005 MINNESOTA STRATEGIC CAPITAL BUDGET PLAN

EDUCATION: K-12, FAMILY & EARLY CHILDHOOD

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MINNESOTA STRATEGIC CAPITAL BUDGET PLAN 2000-2005

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EDUCATION: K-12, FAMILY AND EARLY CHILDHOOD

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The 2000-2005 Minnesota Strategic Capital Budget Plan **Executive Summary** and **Requests for Each Agency** can be viewed at the Department of Finance's web site at: <http://www.finance.state.mn.us/cb>

This document is available in an alternate format.

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AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

Project Title	2000 Agency Priority Ranking	Agency Project Requests for State Funds (\$ by Session)				Statewide Strategic Score	Governor's Recommendation 2000	Governor's Planning Estimate	
		2000	2002	2004	Total			2002	2004
Metropolitan Magnets	1	\$20,700	\$0	\$0	\$20,700	275	\$17,700	\$0	\$0
Library for the Blind Expansion	2	1,350	13,897	0	15,247	245	600	0	0
Early Childhood Learning Facility Grants	3	5,000	5,000	5,000	15,000	300	0	0	0
Maximum Effort Loan Program	4	15,800	0	0	15,800	285	15,800	0	0
Library Access Grants	5	1,500	3,000	3,000	7,500	270	0	0	0
School Access Grants	6	1,000	0	0	1,000	310	0	0	0
Total Project Requests		\$45,350	\$21,897	\$8,000	\$75,247		\$34,100	\$0	\$0

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AGENCY: Children, Families and Learning

AGENCY MISSION STATEMENT:

The mission of the Department of Children, Families and Learning (CFL) is to "increase the capacity of Minnesota communities to measurably improve the well-being of children and families" (M.S. 119A.01). This is accomplished by:

- Coordinating and integrating state-funded and locally-administered family and children programs;
- Improving flexibility in design, funding, and delivery of programs affecting children and families;
- Providing greater focus on strategies designed to prevent problems affecting the well-being of children and families;
- Enhancing local decision-making, collaboration, and the development of new governance models;
- Improving public accountability through the provision of research, information, and the development of measurable program outcomes;
- Increasing the capacity of communities to nurture and respond to the whole child by improving family access to services;
- Supporting parents in their dual roles as breadwinners and parents;
- Providing lifelong learning and quality library services to Minnesotans of all ages and abilities.

TRENDS, POLICIES AND OTHER ISSUES AFFECTING THE DEMAND FOR SERVICES, FACILITIES, OR CAPITAL PROGRAMS:

The issues facing the system that serves children, families, and their communities are changing. As the issues continue to evolve, our programs are improved to better address these changing needs. Some examples of factors that are driving this change process and the corresponding program improvements include:

- Moving from single agency systems that use the resources of only one agency to cross-agency systems that have joint responsibility for shared customers, students, and families.
- Moving from a system that expects and accepts failure for some learners to a system that believes and acts on the belief that every student can learn and be successful.
- Moving from a system that accepts physical barriers to one that provides full access to individuals of all abilities.
- Moving from system accountability based solely on organizational processes and inputs to include learner outcomes as a third and major accountability factor.
- Moving from a finance system designed around inputs to funding mechanisms

designed to facilitate and reward achievement of results.

CFL has 6 major funding requests driven by our mission to "increase the capacity of Minnesota communities to measurably improve the well-being of children and families." They include:

- 1) **Magnet Schools:** \$20.7 million is requested: \$17.7 million to complete construction of the East Metropolitan Arts and Science magnet school in Woodbury, and \$3 million for planning funds for another school in the West Metro. This program encourages collaboration among school districts as they develop new governance models and methods to support voluntary desegregation/integration efforts in the state.
- 2) **Library for the Blind Expansion:** \$1.4 million to increase shelving capacity and expand the current library facilities. This request addresses increasing space needs in the Minnesota Library for the Blind and Physically Handicapped, which is a state-owned facility.
- 3) **Early Childhood Learning Facility Grants:** \$5 million for grants to construct and/or rehabilitate Head Start and other early childhood program facilities. This project contributes to CFL's mission by encouraging localities to consolidate social services for children and families.
- 4) **Capital Loan Program:** \$15.8 million for capital loans to school districts in Cass Lake, Caledonia, and Red Lake. Because the state's role in capital funding for schools is limited, funding for these projects is considered to be bridge funding until the proposed enhanced debt service equalization program takes effect.
- 5) **Library Access Grants:** \$1.5 million to continue a matching grants program to assist Minnesota's public libraries in becoming ADA compliant.
- 6) **School Access Grants:** \$1.0 million to continue a matching grants program to assist Minnesota's schools in becoming ADA compliant.

Generally, the department's role in funding capital projects has been limited, due to the belief that the funding of school and library facilities is primarily a state responsibility, with state participation better addressed through equitable funding formulas than grant programs.

DESCRIBE THE AGENCY'S LONG-RANGE STRATEGIC GOALS AND CAPITAL BUDGET PLAN:

The goal of the Department of Children, Families and Learning is to assure that resources are available to provide safe, accessible, and program-appropriate facilities for the children, families, and their communities that are served by the agency and its collaborating local agencies. The primary focus for acquisition of resources varies according to the resource-generating authorities and the abilities of local agencies. It is the ultimate goal of the agency to meet all public school needs through equitable aid and levy programs. This includes: 1) disabled access issues; 2) public libraries that co-locate with public schools, potentially allowing them to

access this same funding source; 3) Head Start programs located in public school buildings, also potentially allowing them to benefit from the debt service equalization aid program or aid and levy program.

The 1999 Agency Performance Report included the following program outcomes as they relate to the agency's long-range strategic goals and capital budget plan:

- 1) program outcomes will improve when we "coordinate and integrate state funded and locally administered family and children's programs (p. 1, item 1);
- 2) "improve flexibility in the design, funding and delivery of programs affecting children and families" (p. 2, item 2); and
- 3) "increase the capacity of communities to respond to the whole child by improving the ability of families to gain access to services" (p. 3-4, item 6).

AGENCY PROCESS USED TO ARRIVE AT THESE CAPITAL REQUESTS:

As a normal part of CFL's operations, managers are expected to identify high priority needs and improvements in their area of responsibility and to assess these needs in relationship to the department's goals and objectives and state and federal mandates. Each of the projects included in this request supports one or more of the department's priorities.

AGENCY CAPITAL PROJECTS DURING THE LAST SIX YEARS (1995-2000):

The following funds have been appropriated for capital projects since 1995 (\$ in 000s):

<i>Laws 1995</i>	
Maximum Effort Loans (Kellilher, Littlefork-Big Fork, And Big Lake)	\$23,670
 <i>Laws 1996</i>	
Head Start	3,500
Youth Initiative	16,000
ISD 38, Red Lake	100
School Building Accessibility	2,000
Public Library Accessibility	1,000
 <i>Laws 1997</i>	
Metropolitan Magnet Schools	4,000
Metropolitan Magnet School, Robbinsdale	14,500

Laws 1998

Early Childhood Learning Facilities	5,000
Youth Enrichment	5,000
Recreation and Community Center Grants	10,800
Metropolitan Magnet Schools	22,200
Community Partnership School, St. Paul	14,030
Fridley Middle School	90
School Building Accessibility	1,000
Public Library Accessibility	1,500
McLeod West Interdistrict Cooperative	500
Grand Rapids Mississippi Education Center Library	1,400
Little Falls Carnegie ADA Grant	500
Minnesota School	385

Laws 1999

Metropolitan Magnet Southwest Integration, Edina	4,000
Metropolitan Magnet, East Metro Woodbury	1,300

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX AND E-MAIL:

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 Division of Management Assistance
 1500 West Highway 36
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 651/582-8756 fax 651/582-8873
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2000 STATE APPROPRIATION REQUEST: \$20,700

AGENCY PROJECT PRIORITY: 1 of 6

PROJECT LOCATION: Metro Area

PROJECT DESCRIPTION:

The department requests \$20.7 million: \$17.7 million to complete the East Metro Middle School magnet, and \$3 million in planning costs for the West Metro magnet. This request includes a cancellation of approximately \$7 million from the Edina project and reappropriation to the East Metro Middle School project, and an additional appropriation of \$10.7 million to complete the project.

This proposal contributes to the accomplishment of our mission by:

- Improving flexibility in design, funding, and delivery of programs affecting children and families;
- Providing greater focus on strategies designed to prevent problems affecting the well-being of children and families; and
- Enhancing local decision-making, collaboration, and the development of new governance models.

This program provides flexibility as opposed to mandates, is funded fully by the state and delivers programs without regard to school district boundaries. It focuses on the elimination of problems created by racism to improve the well-being of children and families. Local school boards and citizens have joined together collaboratively to form a joint governance system to manage these schools. A new and improved sense of cooperation to meet the needs of the children and families has evolved from this experience.

This program was initiated in 1994 (M.S. 124D.88) with a \$20 million appropriation for 2 magnet schools. The Tri-district elementary school, located in Maplewood, completed its third year of operation in June 1999. The K-12 Downtown School, located in Minneapolis, completed its first year of operation in June 1999. In 1997 funds were appropriated to construct a middle school in the Robbinsdale School District. That school will open in the 2000-01 school year. In the past, additional funding has been provided for planning and site acquisition for 2 additional schools.

This program is designed to promote and expand voluntary desegregation in participating metropolitan school districts. The state's policy, as demonstrated by the rules recently adopted by the State Board, to promote voluntary, rather than forced desegregation. Some communities outside of the metropolitan area are beginning to face desegregation/integration issues. Willmar and Moorhead are 2 examples. Willmar has already made a request for funding primarily for program start-up costs for a magnet school. The difference in rural Minnesota is that they often have

facilities available due to declining enrollment. That is not the case in the metropolitan area. The metropolitan magnets can serve as a program model as the needs surface in other parts of the state.

The agency is examining its current long-range plan to have 4 magnet schools in the east metropolitan area and 4 in the west metropolitan area. Our goal is to have continued expansion of the number of participating school districts and have schools strategically placed to provide access for students in metropolitan school districts. The department is working to develop measures to ensure that the magnet school program is achieving our goals for integration. Future requests will be determined upon completion of our review of the program.

As of October 1, 1998, enrollment in the existing magnet schools was 248 students in the downtown Minneapolis West Metro Education District (grades 3-8), and 419 students in the Tri-district school (grades K-6). Actual enrollment data shows that integration is occurring. In the Tri-district school, the minority enrollment was as follows: St. Paul - 62.61%; North St. Paul-Maplewood - 10.59%; and Roseville - 18.02%. Minority enrollment is significantly higher than in the participating suburban districts and significantly lower than in St. Paul. All reported ethnic groups are represented: American Indian - 17; Asian - 59; Hispanic - 28; Black - 100; and White - 215. The percent of minority enrollment in this school for the 1998-99 school year was 49%.

The West Metro was provided with a total of \$7 million for an elementary school in Edina. They have been unsuccessful in acquiring a site for the school and are trying to identify a site in another school district.

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

The agency potentially could incur costs for inspecting engineer services and grant administration. We request authority to recover these costs from grant proceeds. We estimated that costs would not exceed \$20 thousand.

OTHER CONSIDERATIONS:

None.

PROJECT CONTACT PERSON:

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Email: dan.bryan@state.mn.us or nancy.valento@state.mn.us

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition						07/1999	06/2001
Land, Land and Easements, Options	\$12,900	\$0	\$0	\$0	\$12,900		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	12,900	0	0	0	12,900		
2. Predesign							
SUBTOTAL	0	0	0	0	0		
3. Design Fees							
Schematic	0	0	0	0	0		
Design Development	0	3,000	0	0	3,000	07/1999	06/2001
Contract Documents	0	0	0	0	0		
Construction Administration	0	0	0	0	0		
SUBTOTAL	0	3,000	0	0	3,000		
4. Project Management							
State Staff Project Management	0	0	0	0	0		
Construction Management	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
5. Construction Costs						07/2000	06/2002
Site & Building Preparation	0	0	0	0	0		
Demolition/Decommissioning	0	0	0	0	0		
Construction	0	17,700	0	0	17,700		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	0	0	0	0		
Construction Contingency	0	0	0	0	0		
SUBTOTAL	0	17,700	0	0	17,700		
6. Art							
SUBTOTAL	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	0	0		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
8. Inflation							
Midpoint of Construction							
Inflation Multiplier		0.00%	0.00%	0.00%			
Inflation Cost		0	0	0	0		
SUBTOTAL		0	0	0	0		
9. Other							
SUBTOTAL	0	0	0	0	0		
GRAND TOTAL	\$12,900	\$20,700	\$0	\$0	\$33,600		

AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	12,900	20,700	0	0	33,600
State Funds Subtotal	12,900	20,700	0	0	33,600
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	12,900	20,700	0	0	33,600

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

PREVIOUS STATE CAPITAL APPROPRIATIONS FOR THIS PROJECT (Legal Citations)	Amount
Laws of Minnesota (year), Chapter, Section, Subdivision	
Laws of MN 1999, ch 240, Sec. 3, Edina	4,000
LAws of MN 1999, ch 240, Sec. 3, East metro site	1,300
Laws of MN 1998, Ch 404, Section 5, Subd. 5, East Metro site	3,800
Laws of MN 1998, Ch 404, Section 5, Subd. 5, Edina	2,000
Laws of MN 1997, 1st Sp Sess., Ch 4, Art. 2, Sec. 51,Subd. 13, Edina	1,800

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	20,700	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
Yes	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
Yes	MS 16A.695: Use Agreement Required (Finance Dept)
Yes	MS 16A.695: Program Funding Review Required (Agency)
Yes	Matching Funds Required (as per agency request)

Department of Administration Analysis:

Without predesign having been previously performed prior to the request no comments can be offered.

Department of Finance Analysis:

Due to the state's role in promoting voluntary desegregation, this program is viewed as having statewide significance.

Grant proceeds may not be used to cover the costs of state employees inspecting engineer services and grant administration.

Governor's Recommendation:

The Governor recommends general obligation bonding of \$17.7 million for this project. Planning funds for an additional school in the West Metro area are not recommended at this time in order to allow CFL to complete its review of the current long-range plan for integration, including a discussion of the role of capital and categorical aid funding in promoting integration in the state.

Cancellations of unused appropriations in past bonding bills for the Edina project are also recommended.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	80
Safety/Code Concerns	0/35/70/105	0
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	100
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	0
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	25
Total	700 Maximum	275

2000 STATE APPROPRIATION REQUEST: \$1,350

AGENCY PROJECT PRIORITY: 2 of 6

PROJECT LOCATION: Faribault

PROJECT DESCRIPTION:

The Minnesota Library for the Blind and Physically Handicapped (MLBPH) seeks \$1.35 million for renovating and converting the remainder of its basement area permanently to compact shelving and for the design of a 2-story addition to its current building. This project will allow MLBPH to meet the customer, programming, collection shelving, safety, and staff needs for the next 15 years.

Goal and Mission:

MLBPH is responsible for providing direct library services statewide to Minnesotans of all ages with visual, physical, and reading disabilities (M.S. 134.31 and Public Law No. 89-522). These individuals depend upon MLBPH for access to library materials in formats other than standard print. MLBPH's mission is:

- to ensure that visually, physically, and reading disabled Minnesotans of all ages have access to library materials and services in Braille, recorded format (cassette or record), large print, and electronic media with adaptive equipment;
- to provide school library services to the Minnesota State Academy for the Blind;
- to fulfill CFL's goal to "build the capacity of the state and its schools and communities to provide lifelong learning and quality library services and opportunities to Minnesotans of all ages"; and
- to fulfill the mission of the Office of Community Services of the Department of CFL "to maximize collaborative efforts of communities, school district and family service providers in support of lifelong learning...."

Increase in Customer Base:

MLBPH's print disabled customers are projected to increase by 5-7% annually. The potential number of MLBPH customers determined by the formula used by NLS is 66,288 in 1999 (NLS' formula is current state population x 1.4%). Approximately 75% of MPBPH's 11,000 customers are over the age of 65. Customer populations are likely to increase in the future:

MLBPH Customer Population Projections

	Actual	Projections			
	1995	2020	% Inc.	2050	% Inc.
Minnesotans over 65	8,250	9,735	18%	10,164	23%

	Actual	Projections			
	1995	2030	% Inc.	2050	% Inc.
Chronically Disabled Minnesotans over 65	135,058	265,207	96%	310,357	230%

Other factors contributing to this increase include:

- The definition of "print disabled" has expanded from visual to physical to reading disabled as federal law has changed.
- Educators are introducing Braille at when children are 1 year—moving up from 4 year old as the age at which begin using MLBPH services.

National Library Service for the Blind and Physically Handicapped (NLS):

MLBPH works in partnership with the Library of Congress' National Library Service for the Blind and Physically Handicapped (NLS), which administers a free national library program for visually and physically disabled persons who cannot use normal print library materials. The NLS program was expanded in 1952 to include blind children, in 1966 to include individuals with physical impairments that prevent the reading of regular or standard print, and in 1989 to include persons whose reading disabilities are organically based. Each decision has increased the number of Minnesotans who may qualify for the NLS program.

MLBPH is the only library in the state that is designated by NLS as the source for NLS materials and services for Minnesotans. MLBPH sends about 1,200-2,000 daily/310,000 items annually to MLBPH customers. The amount of materials distributed by MLBPH is comparable to circulation statistics reported in 1997 for Forest Lake (321,845), Hastings (305,494), or Alexandria (311,417).

In 1997, NLS determined that the in-kind value and federal support that it provides to Minnesota is over \$4.2 million for books, magazines, and free postage. In addition, NLS provides special listening equipment and free postage to mail them through the Communication Center of State Services for the Blind of the Department of Economic Security, which serves as the state's Machine Lending Agency for the NLS program.

Conditions at Existing Facility:

The MLBPH building was constructed in 1959, resulting in a one-story building with basement that was filled to capacity with shelving before it opened. The collection overflow was shelved in Dow Hall on the campus of Minnesota State Academy for the Blind (MSAB). When Dow Hall was condemned, an addition was added to 1959 MLBPH building in 1994. The resulting addition was engineered for high-density compact shelving to help compensate for the lack of adequate space in order to house the collections formerly shelved in Dow Hall plus any new materials added. With the demolition of Dow Hall in 1998, there are no buildings now remaining on

MSAB's campus that can be used for access and expansion of MLBPH's materials.

Once the remainder of the MLBPH building that can support compact shelving is full, there are no options remaining. This request includes addresses electrical and emergency exit stairwell safety issues and adding shelving to the remainder of the basement. Those areas converted to permanent compact shelving will remain usable as collection areas in an expanded building.

MLBPH Pre-Design Timeline:

Through a collaborative planning process, the Minnesota State Academies for the Blind and the Deaf, the Resource Centers for the Blind/Visually Impaired and Deaf/Hard of Hearing, and MLBPH reviewed their individual and collective needs and wrote a strategic plan to update the campuses and to identify program needs for the next 15 years.

The pre-design process began in 1998, with MSAB and MSAD reviewing their campus Facilities Master Plan. CFL worked with the Academies to document MLBPH's space needs. In the spring of 1999, the Department of Administration met with the design partnership team and the project pre-design architect to review the team's planning process and resulting draft document. Working with consultants and the Department of Administration, the MSAB/MSAD finished Revised Facilities Master Plan and Pre-Design (including cost analysis).

Factors Affecting Decision to Expand Existing Building:

Since MLBPH provides school library services to MSAB students and for deaf-blind students who use both campuses, it is highly desirable for MLBPH to remain on the MSAB campus. In addition, people who have made Faribault their home and who are visually, physically, or reading disabled, routinely use MLBPH.

It is unlikely that NLS will begin producing smaller materials, such as in a digital format, in time to alleviate space constraints. NLS will continue to serve its customers with Braille materials. In addition, they will continue to support the over \$248 million already invested in listening machines for the over 200,000 books on audio cassette in the MLBPH collection, and millions more in other libraries for the blind that are part of the NLS program. It took NLS over 40 years to stop producing books on records and they still provide special records players to support this format.

If MLBPH is unable to expand, space will need to be leased elsewhere once the existing building has been converted to high-density compact shelving in the areas that can support the weight of the shelving. MLBPH has done some preliminary investigation of potential sites in Faribault, including a former K-Mart and space in the former Regional Center, now part of the Faribault Correctional Facility campus. Leasing additional library space will require extensive costs for renovation for collection shelving, added staff, more telecommunications, climate control, and

purchasing a vehicle for mail deliveries, in addition to lease and operational costs.

MLBPH Staff Safety and Workers' Compensation Issues:

Due to the number of Workers' Compensation injuries that have totaled over \$100 thousand in the past 10 years, MLBPH will require a design that makes the library a safer place to work. For the compact shelving to be installed in the old basement several things must occur: the outside emergency fire stairs need repair or replacement; the wiring needs to be brought to code; the lighting needs to be replaced; and the walls need damp proofing to address problems with mold and mildew on the outer walls near the door opening to the fire stairs. If compact shelving is not purchased, the only places to store library materials will be in the aisles between shelving sections, which may violate local and state fire and safety codes. The proposed new addition includes a new joint loading dock to address safety issues with sidewalks, and the MLBPH and MSAB docks and delivery roads.

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

Staffing would need to increase by one FTE for additional grounds and building maintenance, roof maintenance, and HVAC support for the larger facility.

OTHER CONSIDERATIONS:

MLBPH has explored other sources of funding, including private and national sources, with limited success.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX AND E-MAIL:

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Children, Families & Learning
Library for the Blind Expansion

AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

Project Cost

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	\$0	\$0	\$0	\$0	\$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign							
SUBTOTAL	0	48	0	0	48	07/1998	10/1999
3. Design Fees							
Schematic	0	116	0	0	116	07/2000	06/2002
Design Development	0	155	0	0	155	07/2000	06/2002
Contract Documents	0	349	0	0	349	07/2000	06/2002
Construction Administration	0	0	155	0	155	07/2000	06/2002
SUBTOTAL	0	620	155	0	775		
4. Project Management							
State Staff Project Management	0	0	194	0	194	07/2002	06/2004
Construction Management	0	0	339	0	339		
Other Costs	0	0	155	0	155		
SUBTOTAL	0	0	688	0	688		
5. Construction Costs							
Site & Building Preparation	0	0	0	0	0	07/2000	06/2002
Demolition/Decommissioning	0	0	158	0	158		
Construction	0	100	8,039	0	8,139		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	0	150	0	150		
Construction Contingency	0	0	1,263	0	1,263		
Other Costs	0	0	75	0	75		
SUBTOTAL	0	100	9,685	0	9,785		
6. Art							
SUBTOTAL	0	0	97	0	97		
7. Occupancy							
Furniture, Fixtures and Equipment	0	500	1,375	0	1,875	07/2000	06/2002
Telecommunications (voice & data)	0	0	190	0	190		
Security Equipment	0	0	0	0	0		
Commissioning	0	0	97	0	97		
SUBTOTAL	0	500	1,662	0	2,162		
8. Inflation							
Midpoint of Construction		11/2000	03/2002				
Inflation Multiplier		6.50%	13.10%	0.00%			
Inflation Cost	SUBTOTAL	82	1,610	0	1,692		
9. Other							
SUBTOTAL	0	0	0	0	0		
GRAND TOTAL	\$0	\$1,350	\$13,897	\$0	\$15,247		

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	750	13,897	0	14,647
General Fund Projects	0	600	0	0	600
State Funds Subtotal	0	1,350	13,897	0	15,247
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	1,350	13,897	0	15,247

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	37	37	37
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	37	37	37
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	37	37	37
Change from Current FY 2000-01		0	37	37	37
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	750	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
Yes	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
No	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Department of Administration Analysis:

The predesign document has been submitted has been reviewed and appears to be in order. The scope for this project, in the year 2000, is understood to cover the installation of high density shelving in the existing facility only.

Department of Finance Analysis:

This project is viewed as having statewide significance due to the Library for the Blind's unique role as a service provider to Minnesotans with visual, physical, and reading disabilities.

Governor's Recommendation:

The Governor recommends a partial appropriation of \$600 thousand for compact shelving. This appropriation is from the general fund.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	80
Safety/Code Concerns	0/35/70/105	0
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	75
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	20
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	0
Total	700 Maximum	245

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2000 STATE APPROPRIATION REQUEST: \$5,000

AGENCY PROJECT PRIORITY: 3 of 6

PROJECT LOCATION: Statewide

The department requests \$5 million for grants to construct and/or rehabilitate Head Start and other early childhood facilities. This program provides funds to construct or rehabilitate facilities for Head Start and other early childhood programs.

As in previous years, the department recommends that these funds be awarded through a request-for-proposal process. The department continues to recommend that priority be given to projects involved in community collaboration efforts. Past projects have often included one-stop family centers that have resulted in co-location cost savings, as well as increased convenience and access for families. In addition, the department continues to recommend that priority be given to projects that include local matching funds, and projects from communities which demonstrate the residence of a high percentage of children living in poverty. Lastly, the department would continue to distribute grants statewide and achieve geographic distribution.

As with all bonding funds, grants must be made to political subdivisions of the state which, in turn, may lease space to nonprofit service providers. In addition, current legislation (M.S. 268.917) states that at least 25%, or up to \$50 thousand of each grant under this section must utilize Youthbuild (M.S. 268.361 to 268.367) or other youth employment and training programs to do the labor portion of construction.

Entities submitting proposals under the Early Childhood Learning Facility Grant Program were not statutorily required to commit a specific level of match in 1992, 1994, or 1996. Per 1998 legislation, the \$5 million appropriation must be matched on a 50% basis with non-state funds. This matching requirement applies program-wide and not to individual grants. In addition, the Commissioner of CFL is required to give priority to grants that involve collaboration among sponsors of programs under this section. Committed dollars from partners or other community organizations are considered to be a strong indication of such collaboration as well as overall community support. Over \$5 million dollars in match funds were secured in 1992. In 1994, over \$6 million dollars in matching funds were leveraged. In 1996, almost \$4 million was committed as match. Specific match dollars from the 1998 legislative appropriation are as yet undetermined.

To gauge commitment and remain consistent with the Department of Finance guidelines of a minimum 50% local match for bonding projects, the Early Childhood Learning Facility Grant Program should include a program-wide 50% match requirement. To accommodate smaller projects, as well as political subdivisions with less financial resources, the match requirement should apply to the program as a whole and not to individual projects.

The purpose of the proposed funding of the Early Childhood Learning Facility Grant Program is to assist with the construction, purchase or renovation of facilities. Basic rationale for this funding request is as follows:

1. *More facilities are needed to serve the increasing numbers of children requiring early childhood services.* Funding has increased for many early childhood programs, which in turn has prompted the need for more facilities to serve more children. For example, in F.Y. 1992 Head Start was funded to serve approximately 9,000 children and their families, and in F.Y. 2000 Head Start is funded to serve approximately 13,300 children and their families. From F.Y. 1992 to F.Y. 1998 the number of children served by Early Childhood Family Education (ECFE) increased by approximately 24,600 children. The need for child care has also increased. In 1990, 66% of children had parents in the workforce compared to 1995 when 77% of children had parents in the workforce. These increases have put tremendous strain on the early childhood infrastructure in Minnesota to finance facility start-up costs that program operating budgets simply cannot absorb.
2. *More facilities are needed to provide a full day of child care for children.* In F.Y. 1992 13,161 families were provided child care assistance monies, and in F.Y. 2000 over 32,147 families will receive child care assistance monies. The increase in most recent years can largely be attributed to welfare reform. For those programs which were serving children on a part-day basis such as Head Start, essentially twice the amount of space is needed to serve the same number of children now on a full day basis.
3. *More facilities are needed that meet licensing requirements.* The Department of Human Services (DHS) child care licensing rules require that Minnesota children be educated and cared for in environments that are safe and accessible. Deteriorating or inferior facilities, the need for relocation of sites, the need for additional space, the desire for co-location and family centers, an inadequate supply of licensable sites and the need to comply with licensing all confirm the need for this project. Demand for licensable, high quality early childhood facilities continues to outpace supply. Programs are continually faced with basic health and safety repair issues such as chipped paint, broken window sills, broken fences, and other crucial maintenance repairs which left unrepaired could cause children grave harm.
4. *Early childhood programs can maximize operating costs through the utilization of efficient facilities.* When early childhood programs have the opportunity to construct or rehabilitate facilities, cost-efficiencies can result due to structural design or co-location arrangements. The most recent request for proposal (RFP) contained the requirement that each applicant demonstrate how their project would be designed in a cost-effective manner. Applicants were also required to describe their needs analysis and planning process, including such topics as the consideration of co-location. One example of cost savings

includes expected operating cost savings due to fuel/energy efficiencies and program co-location, resulting from economies of scale. Another example of cost savings includes the purchase and renovation of an old school building that in turn will allow the school to recoup monies otherwise lost.

5. *Early childhood programs have limited access to funds to pay for the construction or rehabilitation of facilities.* The purchase, construction or major rehabilitation of early childhood facilities cannot be absorbed into program operating budgets. Many state and federal program dollars restrict the use of program funds for the construction or major rehabilitation of facilities. Additionally, access to bank loans and private foundation funds is very limited. The Early Childhood Learning Facility Grant Program is one of the very few funding sources available to help meet the need for construction, expansion and rehabilitation of Head Start and other early childhood learning facilities in Minnesota.

Following is a list of grant awards for F.Y. 1998:

**1998 Bonding Summary - Department of Children, Families and Learning
Early Childhood Learning and Child Protection**

Project Name	Amount of Grant	Match	Total Cost
Bertha-Hewitt Area Family Ctr	\$400,000	\$4,655,000	\$5,055,000
Browns Valley Family Service Center	\$119,700	\$87,520	\$202,220
Columbia Heights Family Ctr	\$200,000	\$2,414,848	\$2,614,848
Crookson Family Services Ctr	\$500,000	\$500,000	\$1,000,000
Cuyana Range Family Resource Ctr	\$200,000	\$150,000	\$1,050,000
Deer River Healthcare Ctr	\$500,000	\$131,000	\$631,000
Early Childhood Education/Development Ctr (St. Cloud)	\$400,000	\$650,000	\$4,000,000
Evergreen Heights Childcare Ctr (Chaska)	\$452,500	\$125,000	\$577,500
Head Start and Child Care Resource & Referral (Leech Lake Reservation)	\$200,000	\$2,048,004	\$2,248,004
McKnight Rehabilitation Project (Minneapolis)	\$400,000	\$403,085	\$803,085
Mona H. Moede Neighborhood Early Childhood Learning Center (Minneapolis)	\$400,000	\$2,082,200	\$3,000,000

Park Rapids Early Childhood-Family Center	\$500,000	\$796,000	\$1,296,000
Pillsbury Early Education Centers (Minneapolis)	\$55,763	\$55,763	\$111,526
St. Peter Community Center	\$300,000	\$566,000	\$866,000
Shakopee Family Center	\$391,600	\$381,000	\$797,600
Sue Williams Head Start/Family Development Center (St. Paul)	\$200,000	\$237,747	\$846,160
Umbrella Tree Visitation Center (Thief River Falls)	\$50,000	\$50,000	\$100,000
YWCA of Minneapolis Children's Center	\$200,000	\$900,000	\$1,100,000
Total	\$5,469,563	\$16,233,167	\$26,298,943

NOTE: Funds awarded in 1998 included \$469,563 in funds not expended in 1996.

Historical Totals:

FISCAL YEAR	Amount of Grant	Match	Total Cost
1996	\$2,867,479	\$3,759,051	\$6,501,530
1994	\$2,023,671	\$6,542,828	\$8,566,499
1992	\$1,976,329	\$5,399,576	\$7,375,905

Detailed information on fiscal years 1992-96 is available upon request.

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

None.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX AND E-MAIL:

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AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	12,500	5,000	5,000	5,000	27,500
State Funds Subtotal	12,500	5,000	5,000	5,000	27,500
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	31,935	5,000	5,000	5,000	46,935
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	44,435	10,000	10,000	10,000	74,435

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

PREVIOUS STATE CAPITAL APPROPRIATIONS FOR THIS PROJECT (Legal Citations)	Amount
Laws of Minnesota (year), Chapter, Section, Subdivision	
1998 MN Laws, Chpt. 404, Sec. 5, Subd. 2	5,000
1996 MN Laws, Chpt. 463, Sec. 21	3,500
1994 MN Laws, Chpt. 643, Sec. 17, Subd. 2	2,000
1992 MN Laws, Chpt. 558, Sec. 10	2,000

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	5,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
Yes	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
No	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
Yes	Matching Funds Required (as per agency request)

Department of Administration Analysis:

As the value of these grants fall below the threshold of a formal predesign we have no comment. However, it should be noted that CFL utilizes the predesign manual as a portion of the requirement for their RFP process.

Department of Finance Analysis:

In accordance with Department of Finance guidelines for local capital projects, this grant program requires a 50% match from non-state sources. Due to statewide grant eligibility and the distribution of previously funded projects, this proposal is viewed as having statewide significance. Funds from the 1998 legislative session have not been fully awarded.

Governor's Recommendation:

The Governor does not recommend capital funds for this project.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	80
Safety/Code Concerns	0/35/70/105	0
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	50
User and Non-State Financing	0-100	50
State Asset Management	0/20/40/60	0
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	50
Total	700 Maximum	300

2000 STATE APPROPRIATION REQUEST: \$15,800

AGENCY PROJECT PRIORITY: 4 of 6

PROJECT LOCATION: Caledonia, Cass Lake, Red Lake

PROJECT DESCRIPTION:

A total of \$15.8 million is recommend for maximum effort loans to Cass Lake School District (\$7.5 million), a modified plan for Caledonia (\$4 million), and for the Red Lake School District (\$4.3 million). The funding provides for the construction of a middle school at Cass Lake, and modified projects for Caledonia and Red Lake.

Cass Lake:

The \$7.5 million funds a new middle school for grades 5 through 8. The current facilities include a K-6 elementary school, a 7-12 secondary school, and a district service center. The middle school would alleviate overcrowding at the elementary school. The district would raise \$3.3 million through a local bond referendum.

The school district has been experiencing strong population growth at pre-school and elementary school levels. The district population is projected to experience continued population growth.

Caledonia:

In Caledonia, the \$4 million supplements funding for a new elementary school. While the Caledonia school district requests funds for a new high school and renovations to modify the high school into an elementary school, the department views the elementary school project as meeting the eligibility for a high priority capital loan project, and does not see the high school in that same light.

The district requested a \$14 million loan from the State, with the school district raising \$10 million locally. The requested amount would fund the building of a new middle/high school and remodel the current secondary school to serve as an elementary school. The recommended funding would assist the district in building a new elementary school. Revised bond referendum may need to be passed in order to fund this project as modified.

Red Lake:

The district's request included \$7 million for the construction of an early childhood facility; \$1.1 million for renovations to the middle school; and \$3.2 million for renovations to Ponemah elementary school. The \$4.3 million funds renovations to the middle school and Ponemah elementary school, but does not fund the requested early childhood facility.

The boundaries of the school district are contiguous with the Red Lake Indian Reservation boundaries. Because this land is not taxable, the district is unable to

pass a bond referendum for its facilities needs. Since 1994, the average age group enrolled in Red Lake's elementary grades has increased from about 70 per grade to 120 per grade. The current facilities have enrollment that is over capacity.

Background:

The Maximum Effort Capital Loan Program has been in existence since the late 1970s. School construction loans were first enacted in 1959. These programs have recognized the fact that school districts sometimes lack the property wealth necessary to raise funds at a level adequate to meet their facility needs.

Under current law a school district must obligate itself to sell bonds that will require the district to levy at 24% of the district's tax capacity. The state then loans the district the remaining funds to complete the project. If the tax capacity of the district increases, the district then begins to pay back the loan. Many districts have increased their indebtedness so that they continue to have local obligations and do not have to repay the loan. Interest rates on the loans are set at the time of the loan. It has been in the interest of some districts to refinance the total debt and pay back the loans to the state because of the more favorable bond rates in recent years.

Currently twenty-one (21) of the 349 school districts in the state have outstanding loans. Eleven (11) school districts have repaid their loans in full. \$171.8 million has been loaned to school districts. \$44.3 million has been repaid. The loan balance is currently \$187.7 million due to interest payment defaults.

Debt Service Equalization Enhancement

Funding for school facilities is primarily a local responsibility that should be planned for in district capital construction budgets. The Maximum Effort Capital Loan Program contains a number of provisions that serve as disincentives to school districts to fund their own projects before turning to the state for a capital loan.

As part of this capital budget, CFL is also proposing enhancements to the debt service equalization program that will create a simpler, more equitable system of state support for school construction in districts with low property valuations. This proposal will assist schools in planning for capital construction within their building construction and debt service budgets.

Proposed changes include:

- Adding a second tier to the debt service equalization program with an \$8 thousand equalizing factor (twice the equalizing factor used for current debt service equalization program) for districts with large debt service levies.
 - The second tier would be limited to the portion of the district's eligible debt service levy, that, when combined with the district's other debt service levy eligible for equalization, exceeds 20 percent of the district's adjusted net tax capacity (ANTC).
- Increasing the gross bonding limit from 10% of market value to 10 x ANTC.
- Increasing the capital loan threshold from 363% of ANTC to 10 x ANTC.
- Including additional criteria in law to ensure that any new facility enhances the educational programs for the students it serves. This criteria would include ensuring that the facilities will have a useful public purpose for at least the term of the bonds and that the district is projected to have adequate funds in its general operating budget to support a quality education for its students for at least five years. In addition, the district must have a technology plan in place.
- Eliminating the sparsity aid requirement in current law.
- Limiting the eligibility for capital loans to only those districts with extremely low property valuations.
- Changing the levy and repayment obligations for new capital loans to be the same as if the district had issued bonds under the second tier debt service equalization program. The required debt service levy would equal the annual principal and interest on the portion of the state's bonds used for the capital loan. The debt service aid generated by the levy would go to repay the loan, instead of being paid to the district. Other state aids payable to the district would be reduced by the amount of the net levy after debt equalization aid, and would also go to repay the loan.

When initially proposed, these changes will include a cap on the appropriation. CFL will prioritize the projects that are eligible for funding and the projects with the greatest need will be funded. The cost for implementing this program will be requested in the operating budget from the general fund. Current estimates for the program follow (\$ in millions):

FY 2002	FY 2003	FY 2004	FY 2005
\$10.2	\$14.4	\$17.8	\$21.2

These estimates include the cost of a "grandfather clause" that would make districts with outstanding debt service levies exceeding 20 percent of the district's ANTC eligible for enhanced debt service equalization and assumes two other districts would

qualify in FY 2002, and six districts in FY 2003. The estimates do not include Cass Lake and Caledonia in the new enhanced debt service equalization program.

This proposal will provide a more equitable and uniform means of assisting districts with high debt burdens and low property values by replacing the competitive grant approach with a uniform formula that will apply equally to all districts in the state. Finally, it would limit capital loans only to those few districts that are unable to fund projects.

IMPACT ON AGENCY OPERATING BUDGETS:

Costs for inspecting engineer services may be incurred.

OTHER CONSIDERATIONS:

The Department is responsible for doing a thorough review of the advisability of the loan requests. The requests were also reviewed by the State Board of Education prior to the commissioner making a recommendation to the legislature.

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AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	15,800	0	0	15,800
State Funds Subtotal	0	15,800	0	0	15,800
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	15,800	0	0	15,800

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	24,600	39,000	52,600
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	24,600	39,000	52,600
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	24,600	39,000	52,600
Change from Current FY 2000-01		0	24,600	39,000	52,600
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	15,800	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
Yes	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
Yes	MS 16B.335 (2): Other Projects (Legislative Notification)
Yes	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Department of Administration Analysis:

No comment.

Department of Finance Analysis:

Any funding provided for maximum effort loans should be viewed as a bridge toward more equitable funding of capital projects. The proposal to enhance debt service equalization addresses the concern that school districts should be encouraged to plan for capital needs within their operating budgets and that the state's role can be more fairly realized through an equalized aid and levy program.

Governor's Recommendation:

The Governor recommends general obligation bonding of \$15.8 million for these projects.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	80
Safety/Code Concerns	0/35/70/105	70
Customer Service/Statewide Significance	0/35/70/105	35
Agency Priority	0/25/50/75/100	50
User and Non-State Financing	0-100	50
State Asset Management	0/20/40/60	0
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	0
Total	700 Maximum	285

2000 STATE APPROPRIATION REQUEST: \$1,500

AGENCY PROJECT PRIORITY: 5 of 6

PROJECT LOCATION: Statewide

PROJECT DESCRIPTION:

The department seeks \$1.5 million to continue a matching grants program to Minnesota's public library jurisdictions (regional, county, and city). The Americans with Disabilities Act (ADA) mandates that public library building be accessible to all citizens. To meet these mandates, this request seeks to improve Minnesota's existing public library buildings for the benefit of senior citizens and disabled Minnesotans.

Goal and Mission:

The Department of Children, Families and Learning's (CFL) goal is to "build the capacity of the state and its schools and communities to provide lifelong learning and quality library services and opportunities to Minnesotans of all ages." The mission of the Office of Community Services of the Department of CFL is "to maximize collaborative efforts of communities, school district and family service providers in support of lifelong learning..."

Library Development and Services in the Office of Community Services is responsible for the Public Library Accessibility Grant Program. This matching funds grant program is a collaborative effort between communities and the state to remove architectural barriers in existing public library buildings. Without physical access, citizens may not have opportunities to use their public libraries for lifelong learning.

Background:

The Americans with Disabilities Act (ADA) mandates that any new library construction or alteration after 1/26/92, must be ADA compliant. The *1999 State Building Code*, Chapter 1341, "Minnesota Accessibility Code" specifically addresses design requirements for new public library building construction (parts 1341.0810-1341.0850). All public entities were required in 1992 to do a self-evaluation survey and those that employ 50 or more persons were required to place the self-evaluation survey on file and make it available for public inspection for 3 years (1993-1995). All applicants for the Public Library Accessibility Grant Program are required to include an updated copy of their ADA self-assessment survey with their applications

The Minnesota Legislature authorized \$1 million in 1994 and 1996 and \$1.5 million in 1998 in bonding funds for matching grants to public library jurisdictions (regional, county, and city libraries) for removal of architectural barriers from public library

buildings. The 1996 legislation set a cap of \$150 thousand per project, which must be matched by local funding for accessibility modifications.

In the 1998 Legislative session, the city of Little Falls was granted \$500 thousand for "the design and construction of capital improvements for handicapped accessibility to the Little Falls Carnegie Library." This set a precedent of direct allocation rather than participating in a competitive grant program.

In June 1999, with \$1.5 million available, 13 applications, totaling approximately \$900 thousand were reviewed. The Accessibility Grant Review Committee recommended approving 10 of the proposals, totaling \$479 thousand. A second round approved two additional applications, totaling \$152 thousand. The committee's recommendations demonstrate that the applied criteria ensure that only qualified projects will be approved, even if there is money available to fund all projects regardless of quality of the design and the application. The next round of grants will be reviewed in December 1999.

Local Tax Capacity:

Not all jurisdictions have the capacity to fully fund library accessibility modifications. Library facilities usage crosses jurisdictional boundaries, especially in rural areas that may lack library buildings in small towns. Minnesotans may borrow materials from any public library across the state. Since many library users commute to work, they may use 2 public libraries, one near their home and another near their place of work. A state and local partnership has been working toward ensuring accessibility of public library services to all Minnesotans regardless of the wealth of the local tax base. This matching grants program has provided 50% up to a maximum of \$150 thousand of the costs for removing architectural barriers from public library buildings for those communities. Local governments provide local matching funds for accessibility modifications and all remaining capital needs.

Customer Base:

Library Development and Services has identified factors that influence the percentage of Minnesotans who may have difficulty in using their local public library buildings: reduced mobility, less strength to open doors, additional lighting in order to see clearly, and need for assistance in using library features such as restrooms, photocopiers, workstations, etc. This need is projected to increase in the future:

- The percentage of Minnesotans over the age of 65 will increase from 12.7% in 2000, to 18% in 2020, and to 23.2% in 2050 (Source: Project 2030 of the Department of Human Services)
- The number of chronically disabled Minnesotans over the age of 65 will increase from 135,058 (1995), to 265,207 in 2030 (a 51% increase over 1995), and to 310,357 in 2050 (an 85% increase over 1995 and a 44% increase over

2030) (Source: Project 2030 of the Department of Human Services)

Accessibility Modifications Survey:

A 1997 survey done by Library Development and Services in collaboration with the Regional Public Library Systems Administrators identified accessibility modifications needed at that time with a cost estimate per category. These categories included:

- accessible drinking fountains (\$500 each x 115 projects totaling \$57.5 thousand)
- accessible circulation desks (\$5 thousand each x 108 projects totaling \$540 thousand)
- elevators (\$100 thousand each x 39 totaling \$3.9 million)
- additional space for wider aisles (\$200 thousand each x 74 projects totaling \$14.8 million)
- restrooms upgrades (\$10 thousand each x 84 projects totaling \$840 thousand)
- automatic door openers (\$1.5 thousand each x 179 projects totaling \$268.5 thousand)
- lever door handles (\$500 each x 128 projects totaling \$64 thousand)
- designated handicapped parking spaces (\$500 each x 90 projects totaling \$45 thousand)

That survey identified the need for \$20.5 million in funding in 1997. There have been a number of public library accessibility projects that have resolved some of these issues. We estimate that a minimum of \$15 million in accessibility modification funding is needed assuming some new facilities may be funded. The estimate is conservative, given the inflationary increases in construction costs over the span of the projected 10-year program.

Grants Process:

The Commissioner of Children, Families & Learning (CFL), in consultation with the State Council on Disability, reviews and approves applications. Projects are prioritized using criteria in statute. Examples of accessibility projects include:

- installation of elevators
- remodeling of rest rooms
- installing power-assisted door openers
- modifying reference or circulation desks to allow wheelchair access
- providing parking spaces designated for persons with disabilities
- replacing specialized furniture with new items in compliance with Americans With Disabilities Act (ADA)
- expanding book stacks areas to achieve ADA minimum aisle widths.

A competitive grant program ensures equitable distribution of funds based on objective criteria such as number of persons potentially receiving benefits and critical need. To ensure fair competition, workshops, provided through interactive television, will educate local librarians and policy makers throughout the state on design considerations and the grant application process. Additionally, Library Development and Services staff are available for advice on draft proposals before formal applications are submitted. Partnering with the Minnesota Council on Disability in the review process provides expertise on project design approval and compliance with ADA mandates. Administration of the program by Library Development and Services monitors progress, provides a verification process for adherence to accessibility designs, and documents local matching funds spent for accessibility needs.

Proposals rejected during one period may re-apply in subsequent grant cycles. Those rejected because of inadequate design and/or documentation will have improved projects because they receive advice how to revise their applications. If requests for funding exceed the amount available, those libraries with the most critical needs are given higher priority through a rating process.

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

Potential cost for inspecting engineer services and grant administration.

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AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	3,500	1,500	3,000	3,000	11,000
State Funds Subtotal	3,500	1,500	3,000	3,000	11,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	3,500	1,500	3,000	3,000	11,000
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	7,000	3,000	6,000	6,000	22,000

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

PREVIOUS STATE CAPITAL APPROPRIATIONS FOR THIS PROJECT (Legal Citations)	Amount
Laws of Minnesota (year), Chapter, Section, Subdivision	
1998 MN Laws, Chpt. 404, Sec. 5, Subd. 10	1,500
1996 MN Laws, Chpt. 463, Sec. 4, Subd. 5	1,000
1994 MN Laws, Chpt. 643, Sec. 14, Subd. 10	1,000

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	1,500	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
Yes	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
No	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
Yes	Matching Funds Required (as per agency request)

Department of Administration Analysis:

NA

Department of Finance Analysis:

In accordance with Department of Finance guidelines for local capital projects, this grant program requires a 50% match from non-state sources. The location of previously-funded projects indicates that this proposal has statewide significance due to the number of communities and citizens that have been served. However, the on-going state role in funding repairs to libraries and other community-based facilities is unclear.

Governor's Recommendation:

The Governor does not recommend capital funds for this project.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	40
Safety/Code Concerns	0/35/70/105	35
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	25
User and Non-State Financing	0-100	50
State Asset Management	0/20/40/60	0
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	50
Total	700 Maximum	270

2000 STATE APPROPRIATION REQUEST: \$1,000

AGENCY PROJECT PRIORITY: 6 of 6

PROJECT LOCATION: Statewide

PROJECT DESCRIPTION:

This request is for \$1 million for the Disabled Access School Grants program (M. S. 123B.67), which provides grants on a competitive basis, to school districts to remove architectural barriers from the building or site. The grants must not exceed the lesser of 50% of the approved costs of the project--up to a maximum of \$150 thousand. Districts participating in this program must match the grant with local district funds.

This project is consistent with the Department of Children, Families and Learning's goal to assure that all school buildings are safe and accessible. Under current law, school districts may levy up to \$300 thousand for disabled access projects when they do not have sufficient funds in their capital facilities account. This levy is not equalized and often is cancelled after truth-in-taxation hearings. This request will provide an equalizing effect and serve as a bridge until an equalized levy program is enacted into law. An aid/levy program is envisioned that would be based upon a project approval system similar to the current health and safety program. Such a program would assure that aid and levy are only appropriated where documented need exists.

History:

F.Y. 1994	\$1 million
F.Y. 1995	\$4 million
F.Y. 1996	\$2 million
F.Y. 1998	\$1 million

These grants are matched by local district funds so the total expenditure will be \$16 million. Grants have been awarded to over 90 districts and provide an incentive to bring school buildings into compliance with Americans with Disabilities Act (ADA). Additional information is available on location, year of funding, and type of project for the 95 grants that have been awarded.

Requests have typically been double the funds available. Survey data comparing 1994 and 1996 show a 34% decline in buildings totally not accessible and an 8% increase in the number of school buildings completely accessible. This is the only funding program for school building access unless the work is done through a larger local bond project or basic capital facilities funds.

In collaboration with the Minnesota Council on Disabilities, we have established the following priorities: access to the facility, access to the program, and access to restroom facilities. Other needs that are lower in priority, although qualified, are signage, door levers, drinking fountains and door openers. The department estimates that there is \$100 million worth of accessibility needs remaining in Minnesota's 1,611 public schools. We believe that up to 50% of those needs will be met through the use of local bond funds, other funding programs such as alternative levy/bonding, and through closing of under-utilized facilities.

Ninety-five grants have been awarded on a priority basis established in law. The first priority is recently reorganized school districts. The second is based upon the financial condition of the districts. Eligible applications are rank ordered first by newly reorganized and financial condition and then by financial condition only. All newly reorganized districts that applied have received grants. As projects are completed under budget or plans changed, the grant is adjusted, awards are given to the next highest priority district.

Capital facilities revenue, which is part of the basic school aid formula, can be used for disabled access projects. Many projects are funded as part of larger local bonding projects. There is no federal program available for ADA capital projects.

IMPACT ON AGENCY OPERATING BUDGETS:

None.

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CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	4,000	1,000	0	0	5,000
General Fund Projects	4,000	0	0	0	4,000
State Funds Subtotal	8,000	1,000	0	0	9,000
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	8,000	1,000	0	0	9,000
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	16,000	2,000	0	0	18,000

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

PREVIOUS STATE CAPITAL APPROPRIATIONS FOR THIS PROJECT (Legal Citations)	Amount
Laws of Minnesota (year), Chapter, Section, Subdivision	
1998 MN Laws, Chapter 404, Section 5, Subd. 8	1,000
1996 MN Laws, Chapter 463, Section 4, Subd. 4	2,000
1994 MN Laws, Chapter 643, Section 14, Subd. 9	4,000
1993 MN Laws, Chapter 373, Section 6, Subd. 4	1,000

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	1,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
No	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
Yes	Matching Funds Required (as per agency request)

Department of Administration Analysis:

NA

Department of Finance Analysis:

In accordance with Department of Finance guidelines for local capital projects, this grant program requires a 50% match from non-state sources. Due to statewide grant eligibility and the distribution of previously funded projects, this proposal is viewed as having statewide significance. The benefit of a grant program over and above the aid and levy programs that are available to the schools now is not clear.

Governor's Recommendation:

The Governor does not recommend capital funds for this project.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	80
Safety/Code Concerns	0/35/70/105	35
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	25
User and Non-State Financing	0-100	50
State Asset Management	0/20/40/60	0
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	50
Total	700 Maximum	310

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AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

Project Title	2000 Agency Priority Ranking	Agency Project Requests for State Funds (\$ by Session)				Statewide Strategic Score	Governor's Recommendation 2000	Governor's Planning Estimate	
		2000	2002	2004	Total			2002	2004
Asset Preservation	1	\$1,750	\$750	\$750	\$3,250	435	\$1,750	\$750	\$750
West Wing Noyes Hall Phase One	2	2,066	0	0	2,066	315	2,066	5,007	0
West Wing Noyes Hall Phase Two		0	5,007	0	5,007		0	0	0
Site Work/Garage/Parking/Road Work		0	1,551	0	1,551		0	0	0
Mott Hall Vocational Renovation		0	2,416	0	2,416		0	0	0
MSAD Frechette/MSAB Dorm Expansion		0	7,410	0	7,410		0	0	0
MSAD Lauritsen Recreation and Fitness Center		0	0	5,271	5,271		0	0	0
MSAD Rodman Dining		0	0	6,359	6,359		0	0	0
MSAB Vocational Building/Industrial Building		0	0	1,257	1,257		0	0	0
MSAD Garage		0	0	1,034	1,034		0	0	0
Total Project Requests		\$3,816	\$17,134	\$14,671	\$35,621		\$3,816	\$5,757	\$750

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AGENCY MISSION STATEMENT:

The Minnesota State Academy for the Deaf (MSAD) and the Minnesota State Academy for the Blind (MSAB) are statewide public schools with dormitory facilities that provide programming for deaf or blind students. Students receiving educational services through the Academies range between the ages of 0-22, come from all regions of the state, and often have additional disabilities, some quite severe. Federal law mandates that services provided by the Academies meet the student's need for a free and appropriate public education within the least restrictive environment. Students attending the Academies have direct access to the services necessary for them to become productive citizens. In addition to services provided on campus, the Academies offer services within the community and within public schools across Minnesota.

To fulfill the agency mission, the Academies both educate enrolled students and support public schools to educate students to:

- develop self-esteem and acquire social, leadership and specialized skills, such as Braille or sign language;
- complete a course of study comparable to public schools;
- earn a living, become integrated into the community, live on their own or in supported living arrangements;
- prepare for higher education or vocational training; and
- acquire orientation and mobility skills for travel within the community.

The range of services provided by the Academies is unique and often complex when compared to most public schools, making the Academies a necessary option for school districts.

Services Provided:

The Academies have provided educational services to deaf and blind students for more than 130 years. Historically, the Academies were the only educational option available to deaf or blind students. If students were deaf or blind it was assumed they would attend the Academies. Today, most deaf and blind students attend school in their local community. Students who attend the Academies are referred by their local school districts. The Academies:

- provide services that would be prohibitively expensive or unavailable in public schools;
- assist the state in meeting the federal statutory requirements of the Individuals with Disabilities Education Act (IDEA);
- provide access to a direct communication environment, comprehensive services, additional resources, and increased opportunities, which meet the specific needs of students as mandated by their individualized education plans (IEPs).

TRENDS, POLICIES AND OTHER ISSUES AFFECTING THE DEMAND FOR SERVICES, FACILITIES OR CAPITAL PROGRAMS:

Enrollment Trends:

Services provided by the Academies have begun shifting over past years in an effort to maintain students within their own communities and meet gaps in services for deaf and blind students. While the core program offered by MSAB and MSAD continues to be the 24-hour educational program, the Academies also strive to work collaboratively with local school districts and other governmental agencies to identify service delivery gaps, develop model programs, and encourage or provide services in underserved areas.

Enrollment trends for both schools are shown below:

Enrollment*	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>	<u>1998-99</u>	<u>1999-00 Projected</u>
MSAB	58	57	63	66	56	60
MSAD	158	150	145	148	157	160
TOTAL	216	207	208	214	213	220

*Annual enrollments are based on a May 1st count and reflect only those students in enrolled status.

In addition to educating enrolled students, the schools provide services to non-enrolled students, school districts, and educators. Those services include:

	<u>Numbers Served</u>
MSAD Life, a 4-week work program	10
MSAB Life, a 6-week work program	8
MSAB Summer School, a 3-week program	74
MSAD Summer School, a 3-week program	75
MSAB Direct Services in Public School	25
MSAB Workshops for Families	18 families
MSAD Workshops for Families	52 families
MSAB Teachers of the Blind Training	100+
MSAD Consultation to Teachers of Deaf	50

The following issues may affect future enrollment:

- School districts, especially rural districts, may not be able to meet the impending certification requirement for sign language interpreters, which may result in increased enrollment at MSAD.

- Advances in technology and the Academies' ability to provide instruction in this area will likely encourage increased enrollment for both schools. In the past, the Academies' lack of technology has had a negative impact on the level and effectiveness of educational services offered.

Other Issues Affecting the Demand for Capital Programs at the Minnesota State Academies:

The changing educational needs of deaf and blind students affect the capital and facility requirements of the Minnesota State Academies. Many students now arrive at the Academies with multiple challenges, and the Academies must meet these challenges by providing additional services to support students in the educational process. Other factors affecting the demand for capital programs are incorporated in the agency's long range strategic goals.

PROVIDE A SELF-ASSESSMENT OF THE CONDITION, SUITABILITY, AND FUNCTIONALITY OF PRESENT FACILITIES, CAPITAL PROJECTS, OR ASSETS:

The Academy for the Deaf and the Academy for the Blind are located on separate campuses, about one mile apart from each other, in the town of Faribault, Minnesota. The Academy for the Deaf is situated on 50 acres of land adjacent to Shattuck-St. Mary's School, a private educational facility. The campus houses 11 major buildings, two of which are on the National Register of Historic Places. The Academy for the Blind Campus occupies 30 acres of land adjacent to the District One Hospital and the Faribault Correctional Facility. The campus consists of 5 major buildings.

For programmatic purposes, the schools are located on two separate campuses. Because blind students rely on auditory information and deaf students rely on visual information, co-locating the schools on one campus is not feasible. Furthermore, teaching methods are so unique that higher education course work is divergent. Consequently, teachers of the blind are not qualified to work with the deaf without advanced training and vice versa.

The Academy for the Deaf was constructed to house and educate a larger enrollment in an "institutional" environment. Consequently, there is structural space that can be adapted to meet most needs. For example, the strategic plan includes major renovation of Mott Hall to address improvements to the vocational program.

The Academy for the Blind was not designed to meet the needs of students with multiple disabilities. Consequently, its capital plan focuses on the adapting the current facilities to a changing student population.

As a result of several major projects funded by direct capital appropriation by the legislature, including asset preservation and CAPRA funding, many of the buildings have been improved over the past years. These projects have included:

- renovation of the east wing of Noyes Hall;
- upgrades to exterior lighting;
- replacement of the Tate Hall tower, which burned;
- replacement of the MSAD gym floor;
- upgrades to the fire alarm systems;
- replacement of a boiler burner;
- replacement of a number of roofs and windows;
- demolition of Dow Hall;
- sidewalk replacement;
- access improvements to comply with the Americans with Disabilities Act.

In spite of these recent efforts to address deferred maintenance and asset preservation, the facilities on both campuses require additional renovation and repair in order to provide a safe and effective learning environment for students. A report on asset management completed by the Office of the Legislative Auditor in February 1998 found the Academies in poor condition. Of the 13 agencies included in the study, the Academies were the only agency given a ranking of "poor", the lowest possible rating. To address these needs, the Academies have developed an inventory and cost estimate of deferred maintenance requirements. The estimated cost of completing all of the projects identified in this inventory is currently over \$10 million.

DESCRIBE THE AGENCY'S LONG RANGE STRATEGIC GOALS AND CAPITAL BUDGET PLAN:

The primary long range strategic goal of the Academies is to ensure all students receive a free and appropriate public education within the least restrictive environment, as mandated by the Individuals with Disabilities Education Act (IDEA). The Academies will provide specialized programming to equip deaf and blind students with skills necessary to become productive citizens. The Academies also provide support to local educational districts through a variety of services for non-enrolled students.

The Academies' long-range capital goals include:

- maintaining the physical plant to preserve the state's investment in the Academies' facilities;
- providing adequate classrooms, dormitories, meeting and support space, and athletic activity space for programs;
- preserving the historic buildings, two of which are on the National Register;
- assuring that the physical plant is accessible, safe, and up-to-date in areas such as energy efficiency, mechanical systems, and utility services.

In order for the agency to fully implement its strategic plan and meet its programmatic goals, it must achieve its capital goals.

AGENCY PROCESS USED TO ARRIVE AT THESE CAPITAL REQUESTS:

The Academies undertook a major master facility planning effort beginning in the winter of 1996 and ending in the summer of 1997, and updated in 1999. This process examined the current and emerging needs of both campuses. Capital projects were identified to adequately address the needs of the operational program. The architectural firm of the Adams Group was selected to lead the Academies through a process of master planning, due to their experience in school design and, as importantly, use of strategies to involve employees in a participatory approach for developing capital recommendations.

The 1997 process included an advisory team composed of department representatives across the agency which worked with the design team throughout the process. Staff and students also were involved in a participatory group process to identify needs. Each school worked separately in their respective focus and design groups. For 3 days, the Adams Group conducted an on-site analysis of needs for each campus by identifying deficiencies, needs and desires, and considering ideal spaces for each campus. In addition, the Adams Group completed a walk-through assessment of all buildings on both campuses, which revealed a number of deficiencies that were recorded and considered in the master plan development.

Once all the facts were gathered, the Adams Group began to match current building space with future needs. Through an interactive process with the advisory team, projects were developed and placed in ideal locations for the individual campuses. Asset preservation components were included within the projects to make sure all deficiencies were addressed in renovation projects. The final plan included space planning, scheduling, and cost estimates for each project identified. A consultant specializing in cost estimates for school planning was hired to systematically review and develop cost estimates for each project. The master planning effort generated a long-range strategic plan that incorporates a solid planning effort based on input from both education professionals and the architectural design team. (A separate brochure is available for additional information on the master planning.)

In 1999, the master plan was updated to include emerging needs and the needs of other agencies residing on the campus. The Minnesota State Academies, in partnership with the Minnesota Department of Children, Families and Learning, developed a joint strategic facilities Master Plan that also addresses the needs of the Minnesota Library for the Blind and the Minnesota Resource Centers, which are housed on the campus. While their individual missions may vary according to the services they provide, these 5 agencies depend on each other for support and collaborate to provide services in a coordinated manner.

Review of the Minnesota State Academies' capital needs has and will continue to be

an ongoing process. Staff and managers are continually encouraged to bring forth suggestions for capital improvements. The superintendents and the physical plant director have reviewed capital plans for a variety of concerns, including asset preservation. Various studies have analyzed existing mechanical and infrastructure deficiencies. Cost estimates were obtained from either private consultants or the Department of Administration. These cost estimates are included in the capital budget projects outlined for consideration.

AGENCY CAPITAL BUDGET PROJECTS DURING THE LAST SIX YEARS (1994-1999):

Projects Paid For From Bond Sale Appropriations:

- 1998 Appropriation:
 - Projects in Process:*
 - Lysen Renovation
 - Tate Hall Renovation
 - Asset Preservation Projects
- 1996 Appropriation:
 - Demolition of Dow Hall
 - Sidewalk replacement at MSAB
 - Exterior Lighting at both MSAB and MSAD

Asset Preservation Projects

- Replace Windows, Noyes Hall, MSAD
- Replace Roofs, Laundry Buildings, MSAD/MSAB
- Replace Windows, Industrial Building, MSAB
- Replace Windows, Rodman Hall, MSAD

- 1994 Appropriation
 - Project completed:
 - Noyes Hall Renovation
 - Project Cancelled:
 - Science Lab Renovation (Incorporated in Lysen Renovation Project)

Projects Funded Through CAPRA:

1992 CAPRA:

- Mott Hall Roof Replacement, MSAD
- Tate Hall Structural Steel Support, MSAD
- Tate Hall and Noyes Hall Exterior Restoration, MSAD
- New Boiler Burner, MSAD Power Plant
- Underground Storage tank replacement at MSAD

1994 CAPRA:

- Renovation of Fire Warning System, MSAD

Fire Sprinkler System, Tate and Frechette Halls, MSAD
 Mechanical System Upgrade Power Plant, MSAD
 Asbestos Abatement/Reinsulation, Mott and Pollard Halls

1996 CAPRA:

Replace Tower, MSAD
 Replace Gym Floor, MSAD
 Upgrade Fire Alarm System, MSAD/MSAB
 Replace Burner Boiler, MSAD
 Replace Quarry Tile, North Porch, Tate Hall, MSAD
 Dust Collection System, MSAB

1998 CAPRA:

Replace Roof, Frechette Hall
 Replace Roof, Rodman Hall
 Sewer Survey, MSAB and MSAD
 Rebuild Boiler, MSAD Power Plant
 Steam Line Repair, MSAD Between Power Plant and Frechette Hall
 New Walls, Lauritsen Gym
 Asbestos Abatement, Noyes Hall

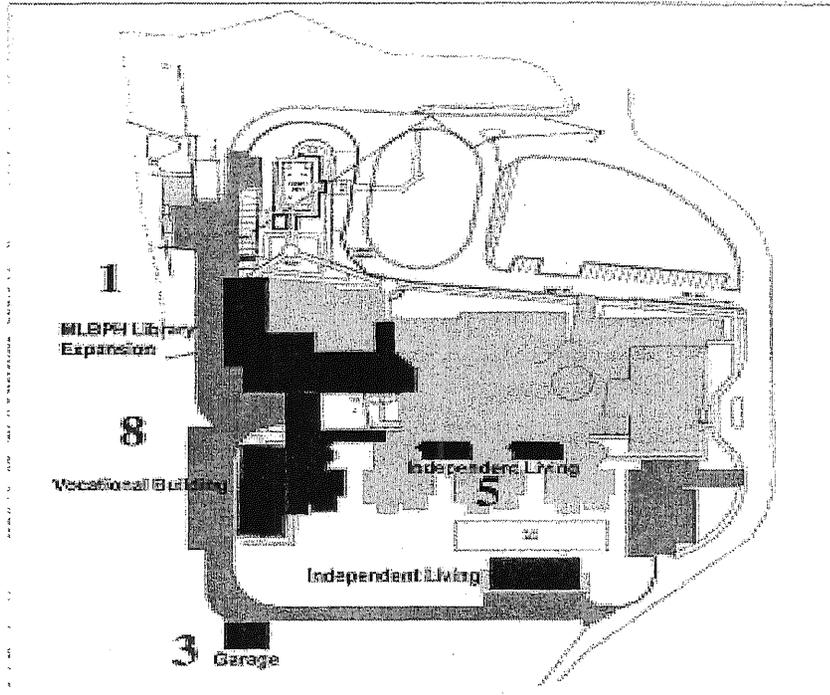
Projects Funded Through State ADA Barrier Elimination Project 1992-1994

Several projects funded include curb cuts, power doors, rest room renovation, elevators signage, ramps, renovations to gym locker rooms on both campuses, accessible door hardware, accessible vestibule with power operated doors, and accessible paths on both campus to playing fields.

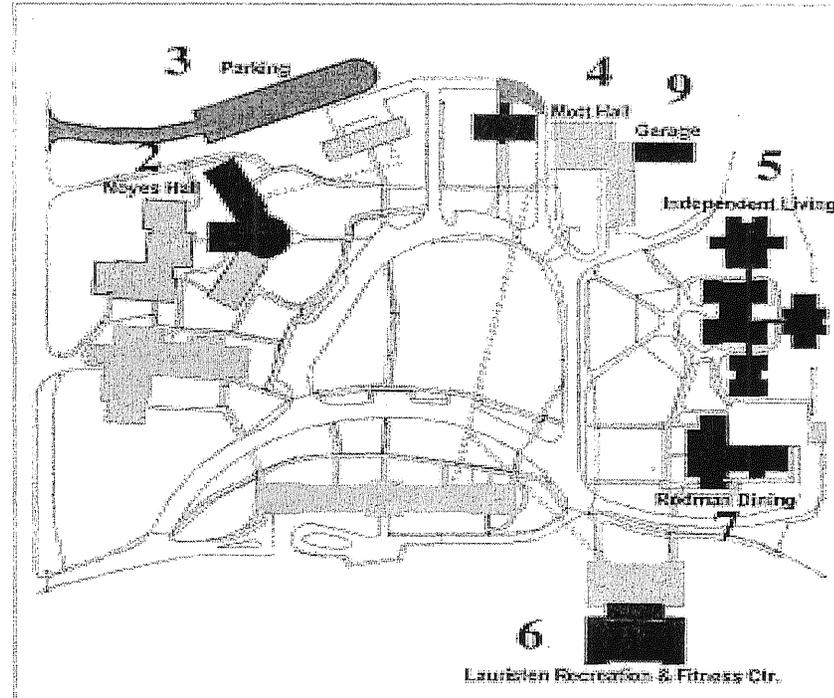
Asset preservation and CAPRA funding:

1992 CAPRA \$430 thousand	1992 Asset Preservation \$0
1994 CAPRA \$836 thousand	1994 Asset Preservation \$0
1996 CAPRA \$583 thousand	1996 Asset Preservation \$750 thousand
1998 CAPRA \$615 thousand	1998 Asset Preservation \$725 thousand

MSAB Master Plan



MSAD Master Plan



#1 – The Minnesota Library for the Blind and Physically Handicapped Expansion project is being requested by the Department of Children, Families, and Learning.

The #1 request for the Minnesota State Academies is Asset Preservation.

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2000 STATE APPROPRIATION REQUEST: \$1,750

AGENCY PROJECT PRIORITY: 1 of 2

PROJECT LOCATION: Faribault

PROJECT DESCRIPTION AND RATIONALE:

The Minnesota State Academies for the Deaf and the Blind are requesting \$1.75 million for asset preservation activities, to address health and safety issues and to maintain the physical plant at both campuses. There are 3 components to this request:

- General asset preservation
- MSAD electrical upgrade
- MSAB sewage/water improvements

General Asset Preservation

The Minnesota State Academies is a small agency with 15 major buildings that were constructed between 1890 and 1983. While the buildings continue to serve deaf or blind students, many maintenance repairs are necessary to preserve the facilities. Funding is needed to meet code requirements and address deferred maintenance issues that cannot be financed with other sources. High priorities include roof, door and window replacements; asbestos removal; sidewalk replacement; and installation of fire protection systems.

MSAD Electrical Upgrade

According to an electrical power study report conducted in the spring of 1999, the current electrical infrastructure on the MSAD campus is so old and suspect that it presents potential life safety hazards. The study recommends the following upgrades:

- Replace the switchgear and transformers in the Power Plant and Noyes Hall.
- Replace the old fabric-insulated 4160 volt wiring.
- Modernize the distribution panels in Mott and Pollard Halls.
- Replace the standby generator and transfer switch with new equipment twice the size.

MSAB Sewage/Water Improvements

Inadequate water/sewer lines on the MSAB campus create a dangerous health and life safety situation. The present water system does not provide adequate water pressure for fire protection. Sewer lines are crushed and broken, rendering sections inoperable. A study completed in September 1999 by Allen Jazinsky, civil engineer, recommends the following:

- Construct an extension to the water main loop.
- Repair and line the lateral sanitary sewer and adjust the manhole.
- Install manholes, storm sewer and repair pipe.
- Repair storm sewer end sections and construct erosion control.

Failure to address these needs in a timely fashion will lead directly to the deterioration of the physical plant, additional expense to the state, safety hazards, and energy inefficient buildings. Benefits for completing the projects include safer and improved facilities to provide educational services to students and to local education districts throughout Minnesota.

IMPACT ON STATE AGENCY OPERATING BUDGETS (FACILITIES NOTE):

There will be no significant impact on operating costs as a result of these improvements.

OTHER CONSIDERATIONS:

Addressing these needs would assist the Academies in becoming more proactive regarding long-range planning, instead of focusing on inefficient short-term fixes to problems.

The Minnesota State Academies received a \$750 thousand appropriation for asset preservation in 1996 and a \$725 thousand appropriation in 1998. An additional \$75 thousand was added to the agency's operating budget during this past legislative session to assist with smaller ongoing needs, bringing the total operating budget for repair and replacement to \$225 thousand annually.

The list of asset preservation projects developed by the staff for the agency is estimated to cost \$10 million.

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AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	\$0	\$0	\$0	\$0	\$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
3. Design Fees							
Schematic	0	0	0	0	0		
Design Development	0	0	0	0	0		
Contract Documents	0	0	0	0	0		
Construction Administration	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
4. Project Management							
State Staff Project Management	0	0	0	0	0		
Construction Management	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
5. Construction Costs						07/2000	06/2002
Site & Building Preparation	0	0	0	0	0		
Demolition/Decommissioning	0	0	0	0	0		
Construction	0	1,750	750	750	3,250		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	0	0	0	0		
Construction Contingency	0	0	0	0	0		
SUBTOTAL	0	1,750	750	750	3,250		
6. Art	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	0	0		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
8. Inflation							
Midpoint of Construction							
Inflation Multiplier		0.00%	0.00%	0.00%			
Inflation Cost		0	0	0	0		
SUBTOTAL		0	0	0	0		
9. Other							
SUBTOTAL	0	0	0	0	0		
GRAND TOTAL	\$0	\$1,750	\$750	\$750	\$3,250		

AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	1,750	750	750	3,250
State Funds Subtotal	0	1,750	750	750	3,250
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	1,750	750	750	3,250

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	1,750	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
Yes	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
No	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Department of Administration Analysis:

12/7/99

NA

Department of Finance Analysis:

The agency received a \$750 thousand appropriation during the 1996 legislative session and a \$725 thousand appropriation during the 1998 session. Asset preservation funds will be used to correct code deficiencies and address life safety matters, as reflected in the safety/code concern score. The Academies long range capital plan includes on-going funding for asset preservation.

Because the Academies serve deaf and blind students from throughout the state of Minnesota and have two buildings on the National Register of Historic Places, this request is deemed to have statewide significance.

Governor's Recommendation:

The Governor recommends general obligation bonding of \$1.75 million for this project. Also included are budget planning estimates of \$750 thousand in 2002 and \$750 thousand in 2004.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	120
Safety/Code Concerns	0/35/70/105	35
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	100
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	60
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	50
Total	700 Maximum	435

2000 STATE APPROPRIATION REQUEST: \$2,066

AGENCY PROJECT PRIORITY: 2 of 2

PROJECT LOCATION: Faribault

PROJECT DESCRIPTION AND RATIONALE:

The Minnesota State Academies for the Deaf and the Blind are requesting \$2.066 million to correct a potential life safety hazard created by the presence of mold in the west wing of Noyes Hall on the MSAD campus.

A study conducted by the Safety & Industrial Hygiene Unit of Department of Employee Relations (DOER), dated March 27, 1998 identified significant air quality concerns. Carpet samples and air samples revealed high concentrations of cladosporium, penicillium and aspergillus. The dust sample taken contained significant levels of penicillium, alternaria and aspergillus. Bacteria counts were elevated and dominated by environmental types indicating elevated moisture levels. Aspergillus samples were 10- times higher than the outside samples taken.

Since the initial study was issued, the Academies have worked to eliminate contaminants, including cleaning the carpets, adding dehumidifiers, bleaching affected surfaces (walls/floors) and repairing the outside foundation of the building. Despite these efforts, the problem appears to be worsening. The smell of mold is evident upon entry to the building, and staff members with known allergies to mold are unable to work in the building. In a repeat air quality study conducted in September 1999 mold was found on both exterior and interior walls of the building, indicating the mold had spread. Final results of this second air quality study are now available.

Major renovation is required to eliminate air quality problems caused by the mold. Mold abatement, estimated to cost \$1.5 million, includes removing the plaster and stripping the inside of the exterior walls down to the stone, treating the walls with a bleaching agent, and, after allowing the stone to dry, re-plastering and finishing the walls. The recent test results revealed the need for some of the interior walls to also be stripped, bleached and re-finished. In addition, the mechanical system must be upgraded to prevent the return of mold. This upgrade is estimated to cost an additional \$500 thousand, bringing the total cost of correcting the mold problem to \$2.066 million.

IMPACT ON STATE AGENCY OPERATING BUDGETS (FACILITIES NOTE):

The addition of air conditioning is expected to increase utility costs by \$6 thousand per year.

OTHER CONSIDERATIONS:

Noyes Hall, which is listed on the National Historic Registry, was partially renovated in 1995 to provide space for the middle school program. This renovation addressed and solved similar air quality problems that were present in the east wing at the time. Since the renovation, the east wing no longer has air quality problems.

A second request for funding will be made during the next capital budget cycle to complete phase II of the Noyes Hall Project at an estimated cost of \$5 million. The West Wing of Noyes Hall requires additional renovation to provide adequate classroom/living skills areas for special needs students, a teleconferencing center, site/sound improvements to the auditorium and space for the Minnesota Resource Centers.

The Minnesota Resource Center staff are in undesirable building conditions, including severe space restrictions and poor ergonomics. Temporary adjustments are being made to address poor ergonomic conditions and reduce potential worker's compensation claims.

Phase I and Phase II of the Noyes Hall renovation are independent, stand-alone projects. However, completing the projects concurrently reduces overall project costs, especially in the area of project management. In addition, completing the renovation at one time reduces the length of time that educational programs are disrupted. During construction, programs, students, and staff must be temporarily relocated in other campus space.

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AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	\$0	\$0	\$0	\$0	\$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign							
SUBTOTAL	0	16	0	0	16	07/2000	03/2001
3. Design Fees							
Schematic	0	22	0	0	22	07/2000	03/2001
Design Development	0	29	0	0	29	07/2000	03/2001
Contract Documents	0	66	0	0	66	07/2000	03/2001
Construction Administration	0	29	0	0	29	07/2000	03/2001
SUBTOTAL	0	146	0	0	146		
4. Project Management							
State Staff Project Management	0	32	0	0	32	03/2001	06/2002
Construction Management	0	41	0	0	41		
Other Costs	0	24	0	0	24		
SUBTOTAL	0	97	0	0	97		
5. Construction Costs							
Site & Building Preparation	0	0	0	0	0	03/2001	06/2002
Demolition/Decommissioning	0	0	0	0	0		
Construction	0	1,500	0	0	1,500		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	0	0	0	0		
Construction Contingency	0	120	0	0	120		
SUBTOTAL	0	1,620	0	0	1,620		
6. Art							
SUBTOTAL	0	16	0	0	16	03/2001	06/2002
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	0	0		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	16	0	0	16	07/2000	06/2002
SUBTOTAL	0	16	0	0	16		
8. Inflation							
Midpoint of Construction		03/2001					
Inflation Multiplier		8.10%	0.00%	0.00%			
Inflation Cost	SUBTOTAL	155	0	0	155		
9. Other							
SUBTOTAL	0	0	0	0	0		
GRAND TOTAL	\$0	\$2,066	\$0	\$0	\$2,066		

AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	2,066	0	0	2,066
State Funds Subtotal	0	2,066	0	0	2,066
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	2,066	0	0	2,066

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	74	74	74	74	74
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	31	31	43	43	43
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	105	105	117	117	117
Revenue Offsets	0	0	0	0	0
TOTAL	105	105	117	117	117
Change from Current FY 2000-01		0	12	12	12
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	2,066	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
Yes	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Department of Administration Analysis:

12/7/99

The predesign has been reviewed and appears to be adequate for this project request.

Department of Finance Analysis:

The Minnesota State Academies are requesting funds to correct air quality problems, created by the presence of mold in Noyes Hall. The mold presents a potential life-safety concern to the students and staff who use the building.

This project is deemed to have statewide significance because children from throughout Minnesota attend the deaf school, and the building is listed on the National Register of Historic Places.

Governor's Recommendation:

The Governor recommends general obligation bonding of \$2.066 million for this project. Also included are budget planning estimates of \$5.007 million in 2002.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	40
Safety/Code Concerns	0/35/70/105	70
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	75
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	60
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	0
Total	700 Maximum	315

AGENCY CAPITAL BUDGET REQUEST
 Fiscal Years 2000-2005
 Dollars in Thousands (\$137,500 = \$138)

Project Title	2000 Agency Priority Ranking	Agency Project Requests for State Funds (\$ by Session)				Statewide Strategic Score	Governor's Recommendation 2000	Governor's Planning Estimate	
		2000	2002	2004	Total			2002	2004
Delta Dormitory Upgrades	1	\$296	\$0	\$0	\$296	315	\$296	\$0	\$0
Asset Preservation	2	918	250	250	1,418	410	918	250	250
Repair & Maintenance Building	3	123	2,243	0	2,366	270	0	0	0
Air Condition East Building	4	31	475	0	506	145	0	0	0
Air Condition Gaia Building	5	81	0	0	81	145	0	0	0
Sitework		0	1,096	0	1,096		0	0	0
Media Arts Building		0	3,124	0	3,124		0	0	0
Learning Resource Center		0	0	267	267		0	0	0
Theater/Dance Complex		0	0	530	530		0	0	0
Total Project Requests		\$1,449	\$7,188	\$1,047	\$9,684		\$1,214	\$250	\$250

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AGENCY MISSION STATEMENT:

The Center for Arts Education's mission is to deliver innovative public education services centered in the arts. These services include:

- educating artistically talented and motivated high school students;
- developing quality arts education opportunities for all K-12 Minnesota pupils;
- supporting schools, cultural organizations and communities in the development and implementation of educational programs centered in the arts;
- conducting research and developing assessment, curriculum and instructional tools and resources;
- educating teachers, administrators, artists and others statewide about innovative programs in the arts that contribute to the improvement of education for all students.

TRENDS, POLICIES AND OTHERS ISSUES AFFECTING THE DEMAND FOR SERVICES, FACILITIES, OR CAPITAL PROGRAMS:

Center-wide Issues

Site Topography. Center facilities are sited on land that is an integral part of the Bassett Creek Watershed District. Concerns about rate of flow and water quality have prompted the watershed district and city of Golden Valley to require the development of a water management plan for the campus that anticipates the center's architectural master plan.

Age of Facilities and Deferred Maintenance. Most campus buildings were erected in the early to mid 1960s and are poorly constructed and inadequately designed for their current purposes. Purchased in 1980, the campus has required considerable upgrading. The previous owner performed little facility maintenance and invested minimally in building infrastructure. Poorly-designed heating and ventilating systems impact health, staff productivity, and the life cycle of equipment.

Technology. The Center is committed to the use of electronic technology to support all its functions, including instruction, student guidance, counseling, professional development, research, administrative services, and maintenance of general communication networks; local, state and national.

Security. Schools as "safe zones" can no longer be assumed. Arson, theft, vandalism and deadly assaults are not uncommon. This unfortunate trend has implications for how buildings are designed, maintained and staffed. In the case of a residential high school, it presents special challenges.

Funding. The Center receives its operational funding through a direct general fund appropriation. Capital needs are addressed through the state's bonding process. It

does not have the authority to raise additional funds through the property tax system, as do local public school districts. As a public school, it may not charge tuition for the educational services it provides. While fees are charged for residential students' room and board, the fees do not cover the full cost; the balance of residential costs is borne by the Center's operating budget.

Arts High School

As required by law, the arts high school enrolls up to 300 eleventh and twelfth grade students on an annual basis, with equal enrollment among the state's 8 congressional districts. General trends and issues in the school program include:

Increasing Levels of Interest.

- Admission inquiries have shown consistent increases.
- Applications have increased by 6% over the last 4 years.
- A high yield rate (accepted students/those actually enrolling) of more than 90% indicate strong, serious interest.
- Decreasing rates of acceptance reflect increasing numbers of applications and fixed enrollment cap.

Indicators of Increasing Interest: Applications and Enrollment

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Admissions Inquiries:	1,300	1,500	1,650	1,700	1750
Applications: (incl. juniors & seniors)	335 (+17%)	335 (+0%)	348 (+4%)	355 (+2%)	355 (+0%)
Total Accepted:	144 (43%)	193 (58%)	198 (57%)	186 (48%)	186 (48%)
New Students Enrolled:	125 (87%)	177 (92%)	187 (95%)	168 (92%)	164 (89%)
Five Year Average Yield:	91%				

Applications by Art Area/Juniors Enrolled

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Dance	18/17	27/19	27/22	23/10	21/10
Literary	48/16	58/21	51/25	45/20	49/16
Media Arts	32/15	27/15	37/17	35/13	32/15
Music	95/29	78/40	93/45	83/33	85/33
Theater	53/27	51/31	65/35	51/24	57/22
Visual Arts	112/39	105/51	109/43	115/44	116/47

Applications have been received from students in 482 Minnesota towns and cities.

Graduate Satisfaction. The Center's annual alumni survey showed that 90% of respondents felt their educational experiences were good and would recommend the program to other students.

Access. Qualified students are being denied admission because of space. The Center's governing board is committed to making the school available to as many qualified students as possible. In some cases, this may mean additional space, enhanced staff, or curriculum changes.

Overcrowding. Students do not have adequate common or library spaces in which to gather, study, use reference materials, and conduct research. Visual, media and theater arts spaces are overcrowded. Space constraints limit curriculum delivery.

Student Health. There is no on-site recreational or exercise facility for students. The previous gymnasium was converted to dance and theater space in 1989. Parents are consistently concerned about the lack of structured exercise opportunities for their children. Sometimes a sedentary population, students need appropriate outlets to maintain their physical health.

Curriculum. The school curriculum is comprehensive and arts-centered. Students major in one of 6 arts areas: dance, theater, music, visual arts, literary or media arts. The curriculum is designed to provide in-depth arts instruction in one field, as well as interdisciplinary instruction across academic and other arts areas. Students graduate with a strong liberal arts education that enables them to pursue a variety of post-secondary choices -- college, arts conservatory, or technical careers.

Growth in Special Populations. As in other public school systems, the arts school has experienced significant growth in numbers of students requiring special consideration and support, both academically and behaviorally. This has been especially apparent in the number of residential students who enter the school with "special needs contracts," i.e., students who have a history of chemical abuse or disabling medical/behavioral conditions such as diabetes, depression, etc.

An Education Model. Created to demonstrate effective instructional practices and innovative curricular strategies, the arts school serves as a model to other schools in the development, delivery and assessment of instructional programs centered in the arts. Frequent visitors and requests for information and assistance are received.

Statewide Professional Development and Research Programs

The Center is an essential component in the state's effort to improve K-12 education and student achievement. Research continues to reveal how the arts engage

students and can improve academic achievement. Trends impacting the configuration and delivery of professional development opportunities include:

Increasing Pressure for Accountability in Public Education. Poor student test scores are causing taxpayers in general, and school personnel, in particular, to question and examine current instructional and assessment strategies.

Teacher Interest in Making Improvements. Teachers are demonstrating personal interest in improving their instructional performance through participation in "best practice" networks and center-sponsored workshops, conferences, and institutes.

School District and Community Interest in Making System-wide Improvements. Arts organizations, higher education and business groups are interested in collaborative efforts and partnerships to improve student achievement using strategies that move beyond traditional methods normally employed in educational settings.

Impending Teacher Shortage. Projected teacher shortages are causing schools to seek ways to improve teacher retention and engagement with their work. Qualified arts teachers are in great demand, and alternative methods are being sought within communities to deliver and support arts-centered instruction.

Implementation of State Graduation Standards. New state graduation standards have been adopted and include the arts. Their inclusion requires ongoing teacher professional development if students are to graduate with the appropriate number of standards.

PROVIDE A SELF-ASSESSMENT OF THE CONDITION, SUITABILITY, AND FUNCTIONALITY OF PRESENT FACILITIES, CAPITAL PROJECTS, OR ASSETS:

While some remodeling was done in 1990 to begin the conversion of a 2-year religiously oriented junior college to a residential public arts high school and teacher education center, the facilities, until recently, have remained extremely inadequate. The completion of new student instructional, music performance, and office/conference spaces -- the result of a 1996 bonding appropriation -- has dramatically improved teaching conditions and alleviated overcrowding in some arts and academic programs. The construction of the new "west wing," now allows some staff, students, materials and equipment to be housed in spaces that are functionally appropriate, climate-controlled year-round and ventilated properly.

Design and construction is currently underway to begin remodeling the older "east wing," formerly the main/administration classroom building, and the "Gaia" building which previously housed arts high school music and academic programs. Construction will also address some asset preservation and health safety issues. The result of a 1998 bonding appropriation, these projects represent a mix of partial,

interim and long-term solutions to some remaining operational and facilities issues. Once the remodeling is completed, our facilities will help address the space needs of students and staff, and allow for better delivery of programmatic services.

After these improvements have been made, additional space will still be needed for instruction, performance, student recreation and exercise, storage for resource materials, and repair and maintenance functions. Other problems with the existing facilities include: improper ventilation, inappropriate religious pre-cast panels, deteriorating water piping, poor storm management and drainage, and outdated mechanical and electrical systems. Given the vintage of original construction, it is likely that infrastructure issues will continue to emerge.

DESCRIBE THE AGENCY'S LONG-RANGE STRATEGIC GOALS AND CAPITAL BUDGET PLAN:

The Center's long-range strategic goals revolve around its 2-pronged mission: 1) to operate the state arts high school; and 2) to offer and support professional development to the teaching field in K-12 systems statewide.

Arts High School

The arts high school educates artistically talented high school students through a challenging, comprehensive academic and arts curriculum delivered in a safe environment. The students are expected to obtain skills and training by professionals that provide them with a range of meaningful choices after high school.

Within the high school program, 2 prevailing forces impact the composition and delivery of instruction, the level of support services, and the physical plant requirements: 1) the profile of the learner; and 2) the fact that the school is a 24-hour residential facility or extended day program for most of its clientele. Many students have been unable to receive the type of instruction suited to their learning styles, interests and career needs. The arts high school must provide facilities and instruction appropriate to how students process information and imagery.

Because the school draws students from across the state, a campus residence hall is provided for those students who must live away from home in order to attend the school program. There is only one operational dormitory on campus, requiring all residential students (125-140) to live under one roof, in close quarters. For most of these 15-18 year olds, it is their first break from their families, friends and local communities and, often, their first exposure to an urban environment. They must be monitored, counseled and their safety secured.

Specific strategic goals are to:

- increase awareness of the program and deepen the applicant pool to ensure those who will benefit most from the program are aware of the opportunity;

- diversify student, teacher and administrative populations;
- explore increasing enrollments of 11th and 12th graders, especially in areas of high demand, and explore the possibility of opening a 10th grade;
- continue to improve curricular offerings, instruction and assessment to meet a range of students' post-secondary objectives and interests;
- strengthen career counseling for students who do not pursue higher education;
- improve access to library and technology resources;
- meet students' recreational, exercise and social needs more effectively;
- create stronger links between parents, the community, and residential and commuter students;
- explore options for community summer school classes, taught by school staff or community personnel;
- share the school's work outside the agency through a variety of strategies, on-site, off-site, electronically.

Professional Development and Research/Assessment/Curriculum Programs

This division of the Center provides programming, curriculum development, training and technical expertise to teachers, artists and school systems beyond the arts high school to improve arts education instruction statewide and model how the arts, used as instructional tools, can contribute to the improvement and reform of general education. In addition to operating the state's arts high school, by law the Center is charged with facilitating the integration of arts education programs into traditional curricula across school districts.

With the adoption of the new K-12 graduation rule, the arts will be required for students graduating from high school in 2004. The Center assists educators and administrators as they seek resources and support to meet new state standards. In addition to the new standards, the Center is continuing its work to demonstrate the pedagogical contribution the arts bring to a comprehensive education and extend its professional "reach" based on the following strategic objectives and means:

- Conducting, facilitating and disseminating research which supports the use of arts in classroom instruction;
- Developing curriculum content that is student-centered, engaging and relevant;
- Developing partnerships with schools and communities to assist with the integration and long-term sustainability of arts education systemwide;
- Developing and promoting information networks such as "best practice" efforts to share teaching techniques and strategies among practitioners in the field;
- Providing parity of access to areas which have traditionally been underserved and geographically isolated; and
- Improving participation levels on a sustained basis in professional development programs. Current data reveal the following number of professional contacts:

	<u>1992-93</u>	<u>1995-96</u>	<u>1998-99</u>
Professional Development Institute	2,688	4,461	4,970
Research, Assessment & Curriculum Programs	-	-	2,009

Primary clientele include K-12 teachers, teaching artists and higher education instructors and students in schools of education.

Center-wide Strategic Goals and Operating Principles

- Maintain and promote the agency as a community resource.
- Maintain and enhance partnerships with the city of Golden Valley, and other local units of government.
- Restore campus wetlands to their natural condition and landscape grounds in ways that will contribute to student learning, recreation and exercise.
- Protect employee health and safety by ensuring that buildings are free from hazardous substances, designed and operated to maximize air quality.
- Preserve, protect and secure capital assets, resources and equipment.
- When financially possible, invest in capital solutions that yield long-term savings, rather than succumbing to short-term fixes with greater costs over time.

Capital Budget Plan

The Center's capital budget plan is the result of a master planning process undertaken in the spring of 1995 and updated in 1997 and 1999. Capital projects directly support identified needs and strategic objectives that are integral to the agency's mission. The plan is designed to concentrate student instructional spaces in wings that wrap around the old east wing and new west wing. This placement maintains instructional spaces in close proximity to each other, thereby encouraging interdisciplinary instruction and faculty collaboration, facilitating scheduling and making student supervision easier. It also results in some mechanical and operational efficiencies.

The student center, the proposed building for dedicated student recreational and exercise space is located away from the academic center near the residence hall to minimize instructional disruptions and create some physical and psychological separation from the school environment and academic pressures. One of the challenges for the Center was the design of a campus plan in which spaces were accessible to the general public for purposes of performance, exhibition, research, study, training and community use, while at the same time protecting student safety and privacy. For these reasons, permanent location with other governmental agencies that often means significant and uncontrolled traffic, has not been explored.

Master plan projects are listed below:

<u>Description</u>	<u>Status</u>
1. <i>New Instructional Resources Building ("west wing")</i> (Arts high school academic classrooms; music, literary, offices/conference spaces; new campus power plant)	Completed 1999
2. <i>Gaia Building Renovations and Upgrades</i> (Conversion of student spaces to adult education/mechanical upgrades)	Under Construction
3. <i>East Wing Renovations</i> (Improved instructional spaces/visual, media arts, enlarged student support/administrative/technology services)	Construction 2000
4. <i>Asset Preservation</i> (Sprinkler systems, foundation repairs, parking lots, old front entry demolition)	Partially Completed Remaining Construction 2000
5. <i>Asset Preservation</i> (Window replacements and domestic water pipe replacement (east wing))	Proposed 2000 Session
6. <i>Delta Residence Hall Upgrades</i> (Mechanical/electrical upgrades, furniture replacement)	Proposed 2000 Session
7. <i>East Wing Climate Control Improvements</i> (Air condition, improve air quality and ventilation)	Proposed 2000 Session
8. <i>Gaia Building Climate Control</i> (Air condition adult instructional/common spaces)	Proposed 2000 Session
9. <i>New Repair/Maintenance Building</i> (Work rooms, storage equipment/inventory) Design Only	Proposed 2000 Session
10. <i>Sitework</i> (Storm water drainage, grading, landscaping)	Future
11. <i>New Theater/Dance Building</i> (New instructional, performance, community spaces)	Future
12. <i>New Media Arts Building</i> (Additional instructional space)	Future

- | | |
|---|--------------------------------------|
| 13. <i>New Learning Resource Center (library)</i> | Future |
| 14. <i>New Academic classroom Building</i>
(Additional instructional spaces) | Future
Assumes Greater Enrollment |
| 15. <i>New Student Center</i>
(Exercise, recreational spaces) | Future |
| 16. <i>Gaia Building Addition</i>
(Additional teacher education and resource spaces) | Future |
| 17. <i>East Wing Visual Arts Renovation</i>
(Additional instructional spaces) | Future |
| 18. <i>New Residence Hall</i>
(More student rooms) | Future
Assumes Greater Enrollment |
| 19. <i>Asset Preservation</i>
Emerging/Unanticipated Issues | Future |

post-occupancy evaluations of new construction and renovations to determine if capital or program needs have been altered in unanticipated ways by the availability and configuration of new space.

AGENCY CAPITAL BUDGET PROJECTS DURING THE LAST SIX YEARS (1994-1999):

	(\$'s in 000's)	
<u>CAPRA Projects:</u>		
Dormitory Fire Alarm Upgrade	\$ 36	1993
Asbestos Abatements	\$ 16	1993
Water Damage Repairs-Main Building	\$ 38	1993
Dormitory Roof Replacement	\$ 44	1993
Dormitory Foundation Repair	\$ 46	1993
Replace Sub-basement Water Piping-Main Bldg.	\$ 65	1994
Remove Underground Oil Tank	\$ 21	1994
Replace GAIA Windows	\$ 250	1995
Replace GAIA Roof	\$ 40	1995
Sprinkler Installation Main Building	\$ 299	1997
Replace Gas Line to Alpha and Beta Dormitories	\$ 15	1997
Steam Line from Admin to Gaia	\$ 73	1999
 <u>ADA Improvement Projects</u>	 \$ 740	 1990-95
 <u>Agency Bonding Appropriations</u>		
Renovation Beta Dormitory (appropriation returned)	\$ 789	1994
Instructional Resources Facility	\$6,800	1996
Renovations to Administration Building-East	\$ 780	1998
Asset Preservation	\$ 465	1998
Renovations to Gaia Building (PDI)	\$ 150	1998

AGENCY PROCESS USED TO ARRIVE AT THESE CAPITAL REQUESTS:

In the spring of 1995, the Center undertook a master planning process to examine in a comprehensive way its emerging capital needs. Center management felt strongly that planning needed to be guided by those who would actually use new facilities. The Adams Group, architects and planners, was selected to lead the process because of their significant experience in school design and use of a participatory design model driven by the needs of the client. The process was informed by staff interviews, program documents, strategic planning work, surveys, student and staff design "gaming," review of existing building plans and other informal feedback.

The master plan has been revised twice since 1995. In 1997, it was altered to change the siting of the proposed theater/dance complex; it was also amended to merge those program functions into one building, given the similarity with which they operate and their ability to share some types of spaces. In 1999, the plan was revised to accommodate the requirements of the new water management plan, retain some significant existing landscape elements and include a new repair/maintenance building that had been omitted from the original planning. Additional professionals, such as civil engineers and landscape architects informed this process.

The master plan process culminated in a strategic document that charts a course of capital improvement and new development for the agency over an extended period of time. It assumes continued programmatic success, increased interest in Center initiatives and opportunities, and optimum capital outcomes. Biennial capital budget requests are based on extensive planning. Requests for significant new construction will not move forward until management and staff have had opportunities to conduct

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2000 STATE APPROPRIATION REQUEST: \$296

AGENCY PROJECT PRIORITY: 1 of 5

PROJECT LOCATION: 6125 Olson Memorial Highway, Golden Valley, MN

PROJECT DESCRIPTION:

This request is for design and construction of electrical and mechanical system improvements and for the replacement of worn furniture and window coverings in the campus residence hall.

Electrical Upgrades. Constructed in the mid-1970s, the dormitory is now unable to accommodate the power demands needed to support the array of electrical and electronic equipment students bring from home. This has meant imposing restrictions on the use of many students' personal items, or has created dangerous situations where equipment is used surreptitiously. This work involves the installation of new circuits in each of the 90 dormitory rooms, new breakers in each of the 6 wings (2 wings per floor), and rough-ins for computer terminals in each student room.

Mechanical Upgrades. The original dormitory mechanical system was configured so that two student rooms share a manually controlled valve, not a temperature-controlled thermostat. When students wish their spaces to be cooler or warmer, they either open the valve to the "on" position, which forces uncontrolled heat into their room continuously, or close the valve, which shuts off the air flow completely. Installation of thermostats in each student room would allow temperatures to be maintained at a constant, comfortable level, and dormitory staff will be able to secure and lock thermostats if necessary to avoid tampering with the controls.

The temperature on all three levels of common area on each wing is controlled by one thermostat on the first floor located near the front exterior door. This situation results in artificially low temperature readings on the first floor because of the thermostat's proximity to cold airflow from the door; and the migration of uncontrolled heated air to the upper floors on which there are no thermostats. When students open windows on the upper floors to cool the common areas, the cold air drops, forcing the boiler to pump more hot air onto the first floor. Corrective measures include moving the first floor thermostat to an interior space away from cold airflow, and installing thermostats and ductwork in each common area on each floor. Decentralizing and improving the quality of control in student rooms and common areas will result in less fuel consumption, reduced maintenance on the boiler, and increased occupant comfort.

Window Covering and Furniture Replacement. Current cloth window coverings are worn out and energy inefficient. More durable treatments are required to withstand the pressures of adolescent behavior, reduce heat loss through windows, and

provide greater visual security. Existing dormitory furniture is 30 years old. Student desks, especially, are in extremely poor condition and take heavy student wear. New desks would be purchased from MinnCor, state correctional facility industries.

From a strategic perspective, these projects support the center's goals of maintaining a compelling and comfortable residential environment for out-state students, achieving operational efficiencies, and creating opportunities for enhanced communication with parents through computer access in a residential setting. The technology rough-ins also enhance the potential for residential summer professional development programs on campus over extended periods of time.

Project cost breakdowns, in \$000s:

<u>Construction</u>	
Mechanical Upgrades	\$ 83
Electrical Upgrades	\$ 50
Subtotal	\$133

<u>Furniture, Fixtures, and Equipment</u>	
Window Treatments	\$ 42
Furniture / Desks	\$ 40
Subtotal	\$ 82

<u>Other:</u>	
Contingency	\$ 22
Professional Fees	\$ 33
Inflation Cost	\$ 26
Total	\$296

Because furnishings exclusive of construction are not bond eligible, cash is requested for window treatments and desk replacements. Construction estimates were prepared by R.J. Johnson Architecture & Interiors, LKPB Engineers and MinnCor.

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

None.

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TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	\$0	\$0	\$0	\$0	\$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign							
SUBTOTAL	0	0	0	0	0		
3. Design Fees							
Schematic	0	8	0	0	8	09/2000	10/2000
Design Development	0	3	0	0	3	10/2000	11/2000
Contract Documents	0	13	0	0	13	11/2000	01/2001
Construction Administration	0	9	0	0	9	04/2001	10/2001
SUBTOTAL	0	33	0	0	33		
4. Project Management							
State Staff Project Management	0	0	0	0	0		
Construction Management	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
5. Construction Costs						04/2001	10/2001
Site & Building Preparation	0	0	0	0	0		
Demolition/Decommissioning	0	0	0	0	0		
Construction	0	133	0	0	133		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	0	0	0	0		
Construction Contingency	0	22	0	0	22		
Other Costs	0	0	0	0	0		
SUBTOTAL	0	155	0	0	155		
6. Art							
SUBTOTAL	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	82	0	0	82	09/2001	10/2001
Telecommunications (voice & data)	0	0	0	0	0	09/2001	10/2001
Security Equipment	0	0	0	0	0		
Commissioning	0	0	0	0	0		
SUBTOTAL	0	82	0	0	82		
8. Inflation							
Midpoint of Construction		07/2001					
Inflation Multiplier		9.80%	0.00%	0.00%			
SUBTOTAL		26	0	0	26		
9. Other							
SUBTOTAL	0	0	0	0	0		
GRAND TOTAL	\$0	\$296	\$0	\$0	\$296		

AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	214	0	0	214
General Fund Projects	0	82	0	0	82
State Funds Subtotal	0	296	0	0	296
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	296	0	0	296

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	0	0	0
Change from Current FY 2000-01		0	0	0	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	214	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
Yes	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
No	MS 16B.335 (4): Energy Conservation Requirements (Agency)
Yes	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Department of Administration Analysis:

12/7/99

This project is primarily for infrastructure and some refurbishment and does not require a formal predesign.

The design fees, occupancy and contingency % are above Admin guidelines but due to the nature of the project may be justified.

Department of Finance Analysis:

This project is viewed as having statewide significance due to the state's responsibility to provide a safe environment for its students.

Governor's Recommendation:

The Governor recommends general obligation bonding of \$214 thousand and a general fund appropriation of \$82 thousand for this project.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	120
Safety/Code Concerns	0/35/70/105	0
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	100
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	0
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	25
Total	700 Maximum	315

2000 STATE APPROPRIATION REQUEST: \$918

AGENCY PROJECT PRIORITY: 2 of 5

PROJECT LOCATION: Golden Valley

PROJECT DESCRIPTION: Asset Preservation

This request is for various asset preservation projects, including design and construction of replacement of windows, removal of ornamental precast panels, installation of a new exterior wall treatment on the campus' original main building, and installation of new vertical domestic hot and cold water piping.

Windows. The original building on campus (now referred to as the "east wing") was constructed in the early 1960s. Its windows are single-glazed, energy inefficient with a low R value, poorly insulated, oddly-sized, cumbersome to operate and difficult to maintain. Operable hardware is breaking off and is not replaceable. Although staff have saved parts from similar windows that were replaced in the Gaia building, those supplies are now almost depleted. Windows that no longer operate properly have been secured permanently, creating ventilation problems in a building that is not well climate controlled. The windows leak both air and water. The existing frames and caulking are deteriorating. These defects result in excessive internal heat gains, and exacerbate air quality issues that already exist because of poor fresh air exchange systems, and the lack of humidification and cooling. Interior surfaces are at risk of water damage. **Estimated Cost: \$394 Thousand.**

Precast Panels. The windows are separated by large, decorative precast panels which serve no structural purpose. The 35 year old panels are stained and expensive to clean. Some are cracking and contain religious insignia inappropriate for a public building. This proposal includes removal of the precast panels and replacing them with new face brick panels, steel support angles, roof/cant flashing and caulking along the vertical panel joints adjacent to the new windows. **Estimated Cost: \$241 Thousand.**

Insulation. A new 1-1/2" rigid extruded polystyrene cavity insulation will be placed between the new brick veneer and the existing 12" masonry wall around the second story level of windows. These improvements will result in the wall energy envelope's 'R' value; i.e., its resistance to temperature change, improving by 260%, and the window energy envelope improving by 379%. The architect suggests combining the panel, window replacements and insulation into one project for reasons of efficiency. Panels and windows are adjacent and would require only one contractor mobilization. **Estimated Cost: \$27 Thousand.**

Water Piping. The vertical domestic hot and cold water piping, also 1960s vintage, is comprised of cast-iron and is corroding and breaking. Some of the connecting pipe shows severe blockages due to calcium and iron deposits, resulting in inadequate

water pressure to operate kitchen equipment, the emergence of leaks in the system (as evidenced by ceiling tile stains) and poor water quality. Water quality testing has revealed significant amounts of minerals and other elements in excess of recommended levels for drinking water.

Current practice when repairing leaks is to perform "by-pass" repairs; inserting new pipe around the damaged pipe to divert water away from the existing corroded sections. This is a short-term solution to a problem that will continue to worsen.

Engineers recommend installing a new copper pipe system adjacent to the old one, rather than removing all the old piping and replacing it with new. This will reduce construction costs. Complete demolition carries with it a hefty price tag, as the old pipe is wrapped with asbestos insulation. Leaving the old pipe in place with its asbestos wrap, which is in good condition and contained, means that asbestos removal would be required only at critical points of intersection with the old system. No water will move through the existing pipe; it will simply become dormant. **Estimated Cost: \$256 Thousand.**

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

Engineers estimate energy savings from the window and brick panel installation at between \$2,500-\$3,500 annually. Assuming savings of \$3 thousand, this is almost a 10% reduction in energy costs for the east wing. Additional utility savings will be achieved when the new windows combine with a more energy-efficient roof (with 6" of insulation compared to the existing 1-1/2") due to be installed in the next 8-10 years.

Immediate savings to the Center's repair and betterment account from the water pipe installation are estimated between \$1-\$5 thousand annually, depending on the nature of the leaks, their location, and the extent of damage occurring to ceilings, floors, equipment, etc. Major savings are prospective in nature. If the entire system is replaced, there will be no repair costs incurred and those funds can be used elsewhere to make upgrades and maintain existing systems.

OTHER CONSIDERATIONS:

Project analysis and cost estimates were provided by RJ Johnson Architecture & Interiors, Inc., Minneapolis and Houston Engineering, Minneapolis.

Future projected asset preservation projects include: 1) removal of pre-cast panels on the exterior of the Gaia building, adding insulation and installing new face brick panels; and 2) completion of asbestos removal in east wing floors and ceilings.

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AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	\$0	\$0	\$0	\$0	\$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign							
SUBTOTAL	0	0	0	0	0		
3. Design Fees							
Schematic	0	25	0	0	25	09/2000	10/2000
Design Development	0	10	0	0	10	10/2000	11/2000
Contract Documents	0	40	0	0	40	11/2000	03/2001
Construction Administration	0	25	0	0	25	04/2001	04/2002
SUBTOTAL	0	100	0	0	100		
4. Project Management							
State Staff Project Management	0	0	0	0	0		
Construction Management	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
5. Construction Costs						04/2001	04/2002
Site & Building Preparation	0	0	0	0	0		
Demolition/Decommissioning	0	0	0	0	0		
Construction	0	656	250	0	906		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	0	0	250	250		
Construction Contingency	0	70	0	0	70		
SUBTOTAL	0	726	250	250	1,226		
6. Art							
SUBTOTAL	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	0	0		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
8. Inflation							
Midpoint of Construction		10/2001					
Inflation Multiplier		11.10%	0.00%	0.00%			
Inflation Cost		92	0	0	92		
SUBTOTAL	0	0	0	0	0		
9. Other							
SUBTOTAL	0	0	0	0	0		
GRAND TOTAL	\$0	\$918	\$250	\$250	\$1,418		

AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	918	250	250	1,418
State Funds Subtotal	0	918	250	250	1,418
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	918	250	250	1,418

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	0	0	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	0	0	0
Revenue Offsets	0	0	0	0	0
Other Offsets	0	0	<3>	<3>	<3>
TOTAL	0	0	<3>	<3>	<3>
Change from Current FY 2000-01		0	<3>	<3>	<3>
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	918	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
Yes	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Department of Administration Analysis:

Requests for Asset Preservation are supported by Admin.

Department of Finance Analysis:

This project is viewed as having statewide significance due to the state's responsibility to provide a safe and accessible environment for its students.

Governor's Recommendation:

The Governor recommends general obligation bonding of \$918 thousand for this project. Also included are budget planning estimates of \$250 thousand in 2002 and 2004.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	120
Safety/Code Concerns	0/35/70/105	35
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	75
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	60
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	50
Total	700 Maximum	410

2000 STATE APPROPRIATION REQUEST: \$123

AGENCY PROJECT PRIORITY: 3 of 5

PROJECT LOCATION: Golden Valley

PROJECT DESCRIPTION:

This request is for the design of a new maintenance building that will: 1) house the center's repair and maintenance staff; 2) provide work and shop areas for the storage of inventory, and for the diagnosis, repair and servicing of furniture, equipment, machinery and system components; 3) create supplemental storage spaces for arts program-related materials, supplies and archival works, and 4) provide areas of instruction and assembly for visual and theater arts programs.

Since its occupancy of the Golden Valley Lutheran College campus in 1989, the Center has experienced chronic shortages of space in which to build, store, repair and maintain the equipment needed to support the campus. That need has become more critical since the demolition of the original boiler house, which included some small spaces for repair and storage. The construction of a new heating and cooling plant in 1997 included only the installation of a significant boiler operation and protected areas for placement of an electronic energy management system. It is not possible to store any materials that are considered flammable in the vicinity of the boilers because of fire code, nor is it possible to use adjacent space as work area. Dust particles and other contaminants can easily jeopardize the boiler equipment and sensitive energy management controls.

Since the demolition of the old boiler building, maintenance staff and equipment have been housed in one of two vacant student dormitories. Both buildings are substandard structures, poorly heated and ventilated, and filled with asbestos. Having been designed as residential units, they consist primarily of small spaces with very low ceilings. Upper floors are accessed through either narrow ramps or staircases, making it impossible to transport or store heavy pieces of equipment or machinery beyond the first floor.

There are no large spaces suitable for purposes of repair and inadequate space for maintaining inventory. For example, repair staff are limited in their ability to purchase replacement parts such as motors, belts, fans, etc. in bulk, at lesser cost, than if purchasing for an immediate, singular repair. There are no suitable office spaces to conduct administrative functions. This is problematic for staff because they are expected to monitor and manage independent contractors, meet with sales and repair representatives, and test prospective equipment and new products, etc.

A facility of this size and scope would also contribute to the arts high school's visual and theater arts programs by providing large spaces that could be used for storage

and instruction. Works of art currently in storage in the Beta Building could be moved to climate controlled and appropriately designed spaces closer to the visual arts studios where the archival pieces are used for instruction and assessment. Moving the storage function out of Beta would also create an opportunity for its demolition.

In the visual arts, new curricular opportunities, i.e. metal-working and large-scale sculpture classes, would emerge. The school's theater program would use such spaces for theatrical set assembly in technical theater classes. Currently, this type of work is sandwiched in inadequately sized areas and constrains design and curricular objectives. For example, there is no existing place on campus where students can cut a 4'x8' sheet of plywood, an 8' or larger 2x4 or drill a 1-1/4" hole safely. Neither are there large enough doors or strategically placed loading docks to facilitate the movement of visual arts or theater pieces to and from performance or gallery spaces.

A 1995 architectural study to determine building re-use potential for purposes other than student residential life concluded that the buildings were so poorly designed and limited by major deficiencies in their mechanical and electrical systems that re-use for any purpose, including residential life, would be cost-prohibitive.

IMPACT ON STATE AGENCY OPERATING BUDGETS (FACILITIES NOTE):

Additional biennial estimated operating costs include \$24 thousand per year for utilities, electronic security, trash removal and cleaning services. Additional staff required: 0.5 security guard at \$30 thousand for the biennium.

OTHER CONSIDERATIONS:

Project planning and cost estimating were provided by the Adams Group and Constructive Ideas, St. Paul.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX, AND E-MAIL:

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AGENCY CAPITAL BUDGET REQUEST
 Fiscal Years 2000-2005
 Dollars in Thousands (\$137,500 = \$138)

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	\$0	\$0	\$0	\$0	\$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign							
SUBTOTAL	0	17	0	0	17	10/2000	10/2000
3. Design Fees							
Schematic	0	20	0	0	20	11/2000	11/2000
Design Development	0	26	0	0	26	12/2000	01/2001
Contract Documents	0	60	0	0	60	02/2001	06/2001
Construction Administration	0	0	26	0	26	09/2002	08/2003
SUBTOTAL	0	106	26	0	132		
4. Project Management							
State Staff Project Management	0	0	0	0	0	09/2002	08/2003
Construction Management	0	0	58	0	58		
Other Costs	0	0	25	0	25		
SUBTOTAL	0	0	83	0	83		
5. Construction Costs							
Site & Building Preparation	0	0	37	0	37	09/2002	08/2003
Demolition/Decommissioning	0	0	38	0	38		
Construction	0	0	1,264	0	1,264		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	0	250	0	250		
Construction Contingency	0	0	64	0	64		
SUBTOTAL	0	0	1,653	0	1,653		
6. Art							
SUBTOTAL	0	0	17	0	17	07/2003	08/2003
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	116	0	116		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	0	17	0	17		
SUBTOTAL	0	0	133	0	133		
8. Inflation							
Midpoint of Construction			01/2003				
Inflation Multiplier		0.00%	17.30%	0.00%			
SUBTOTAL		0	331	0	331		
9. Other							
SUBTOTAL	0	0	0	0	0		
GRAND TOTAL	\$0	\$123	\$2,243	\$0	\$2,366		

AGENCY CAPITAL BUDGET REQUEST
 Fiscal Years 2000-2005
 Dollars in Thousands (\$137,500 = \$138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	123	2,243	0	2,366
State Funds Subtotal	0	123	2,243	0	2,366
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	123	2,243	0	2,366

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	30	30	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	24	24	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	54	54	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	54	54	0
Change from Current FY 2000-01		0	54	54	0
Change in F.T.E. Personnel		0.0	0.0	0.5	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	123	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
No	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Department of Administration Analysis:

12/7/99

The nature and scale of this request falls below the threshold of a formal predesign. However, this campus has an exemplary recent planning record with its facility requests.

Department of Finance Analysis:

This project is seen as strategically significant due to its close link with the Center's mission.

Governor's Recommendation:

The Governor does not recommend capital funds for this project.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	80
Safety/Code Concerns	0/35/70/105	70
Customer Service/Statewide Significance	0/35/70/105	70
Agency Priority	0/25/50/75/100	50
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	0
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	0
Total	700 Maximum	270

2000 STATE APPROPRIATION REQUEST: \$31

AGENCY PROJECT PRIORITY: 4 of 5

PROJECT LOCATION: 6125 Olson Memorial Highway, Golden Valley, MN

PROJECT DESCRIPTION:

This request is for the design of air cooling, ventilation, and humidification systems in the original main classroom/administration (east wing) building.

Current Situation

The east wing of the main building is part of the original Lutheran College campus construction of the mid 1960s. The climate control system is unsophisticated and spartan. There is no humidification, and the air exchange system is marginally effective. There is no way in which consistent internal temperatures can be maintained throughout the building. The lack of capacity for cooling and humidification is of increasing concern in three major areas: 1) Staff health, morale and productivity; 2) Damage to, and operational efficiency, of electronic equipment; and 3) Damage to information resources used by arts high school students and adult professional development program participants.

Staff health, morale and productivity. During the summer of 1999, average internal temperatures for more than a month ranged from 85-96 degrees, with relative humidity between 75 and 90 percent.

A short-term solution has been to purchase window unit air conditioners for office spaces. However, because the building windows are unusually sized, the air conditioners are small, custom-built and expensive, usually costing about \$1,800 a unit. They are inefficient, must run at full tilt to produce minimal cooling and push a pitiful amount of air around even the smallest of offices. Because of the cost, purchases have been limited to between 2 and 3 a year.

Another alternative considered and rejected was moving administrative, technology or student services staff into climate controlled west wing spaces for the summer months, but the time and expense make such an option impossible.

Damage to Equipment. The Center has invested heavily in electronic hardware and sophisticated equipment to support its administrative infrastructure and instructional programs. The array of equipment is extensive and includes computers, printers, copying machines, projectors, digital cameras, editing stations, etc. Much of this equipment is housed in spaces that are not air conditioned or humidified. Technical environmental specifications for printers recommend temperatures not in excess of 79 degrees or humidity of 50%. Computer manufacturers suggest environments of

between 50 - 104 degrees, with the optimum around 75 degrees, and humidity not in excess of 90%.

Damage to Information Resources. The Center houses a unique collection of arts education materials in addition to the general resources provided to support the on-site arts high school program in its Learning Resource Center. Resources include printed materials, video tapes, slides, and electronic equipment. About 18% of the collection is unique to the center's library and is not available through other state university, community college or agency libraries. The collection of videotapes is especially unique statewide and not easily replaced. Distributors sell out their stock and either do not replace out of date items or price them prohibitively high when supplies dwindle.

The effect of fluctuations in temperature on sensitive materials is significant. Research conducted at the Library of Congress has indicated that chemical deterioration of paper occurs more quickly if paper is exposed to temperature fluctuations than if stored at a constant temperature. As temperatures rise and fall, moisture migrates in and out of the material, causing swelling and shrinkage. Other enemies of paper include mold, mildew and embrittlement, all encouraged and accelerated by high levels of heat and humidity.

Videotape appears to be most sensitive to damage by environmental conditions. Research conducted at Rutgers University has indicated that as a magnetic medium, videotape is extremely susceptible to damage from high and fluctuating temperatures and relative humidity, air pollutants and dirt. Recommended storage conditions are between 65 and 68 degrees, with humidity in the range of between 35-45%.

Alternative strategies to comprehensive climate control pursued to date include the placement of two freestanding dehumidifiers in the Learning Resource Center (LRC). Staff report minimal improvement in patron comfort, but no significant drop in humidity levels. Placement of unit air conditioners was also explored with engineers during the summer of 1998. After considerable study, engineers noted that in order to cool the space, which is good-sized, very large units would be required. Because of their size, the units were projected to protrude over several courses of bookcases, rendering access to those areas impossible. And, because of their size, noise levels were projected to be intolerably high. The idea of window units was, therefore, abandoned. Moving the LRC collections, print, video, or electronic to other air conditioned spaces on campus during the summer is not logistically feasible or operationally reasonable. It would take weeks to pack up and unload materials in a different location. During those weeks, the collection would be unavailable to the public. It would also mean the reconnection of computers, the relocation of catalogues and the dislocation of staff, upon whose expertise clients depend for locating appropriate resources. It would render them totally ineffective in

their positions as reliable and competent reference sources. And, it would damage the credibility of the center as a serious player in the education arena.

New Strategy. Engineers were asked to investigate options that would re-use existing equipment and augment current capacity where practical. They were also asked to explore ways to decentralize the system's operating controls so that unoccupied spaces or spaces which did not contain sensitive equipment, would not have to be cooled, only ventilated.

The proposed solution re-uses the 12 existing air handling units located on the roof and in mechanical rooms on the first and second floors. These units currently are only capable of heating and ventilating, with a supply fan, steam heating coil angle filter section and mixing box section. Under the improvement plan, a cooling coil and condensate pan would be added to the existing units by removing the filter and mixing box sections, reworking the unit casing, reconnecting the return and outside air ductwork and upsizing the fan motor. Cooling would be provided by an air cooled chiller located on the existing roof or at grade. Insulated chilled water supply and return piping would be routed on the roof and down to the air handling units in the mechanical rooms. There would be 12 zones, each zone controlled independently or each other.

Previous estimates for air conditioning assumed the replacement of all air handling units, resulting in proposed costs in excess of \$1 million.

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

Increased utility costs of \$12 thousand are expected, biennially. This cost assumes cooling 50% of the building. Estimates were provided by LKPB Engineers, Roseville.

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AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	\$0	\$0	\$0	\$0	\$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
3. Design Fees							
Schematic	0	5	0	0	5	10/2000	11/2000
Design Development	0	12	0	0	12	12/2000	01/2001
Contract Documents	0	14	0	0	14	02/2001	05/2001
Construction Administration	0	0	9	0	9	10/2002	06/2003
SUBTOTAL	0	31	9	0	40		
4. Project Management							
State Staff Project Management	0	0	0	0	0		
Construction Management	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
5. Construction Costs						10/2002	06/2003
Site & Building Preparation	0	0	0	0	0		
Demolition/Decommissioning	0	0	0	0	0		
Construction	0	0	338	0	338		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	0	0	0	0		
Construction Contingency	0	0	51	0	51		
SUBTOTAL	0	0	389	0	389		
6. Art	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	0	0		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	0	4	0	4	10/2002	06/2003
SUBTOTAL	0	0	4	0	4		
8. Inflation							
Midpoint of Construction			03/2003				
Inflation Multiplier		0.00%	18.10%	0.00%			
Inflation Cost		0	73	0	73		
SUBTOTAL	0	0	0	0	0		
9. Other							
SUBTOTAL	0	0	0	0	0		
GRAND TOTAL	\$0	\$31	\$475	\$0	\$506		

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	31	475	0	506
State Funds Subtotal	0	31	475	0	506
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	31	475	0	506

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	6	12	12
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	6	12	12
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	6	12	12
Change from Current FY 2000-01		0	6	12	12
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	31	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
Yes	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Department of Administration Analysis:

12/7/99

This project is primarily for infrastructure and does not require a formal predesign.

Department of Finance Analysis:

This project makes renovations to mitigate staff problems and resource deterioration due to lack of climate control.

Governor's Recommendation:

The Governor does not recommend capital funds for this project.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	40
Safety/Code Concerns	0/35/70/105	0
Customer Service/Statewide Significance	0/35/70/105	35
Agency Priority	0/25/50/75/100	25
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	20
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	25
Total	700 Maximum	145

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2000 STATE APPROPRIATION REQUEST: \$81

AGENCY PROJECT PRIORITY: 5 of 5

PROJECT LOCATION: 6125 Olson Memorial Highway, Golden Valley, MN

PROJECT DESCRIPTION:

This request is for design and construction services to complete the Gaia building's air conditioning system.

The conversion of the Gaia building from arts high school student instruction (needed 9 months of the year) to adult education (needed year-round) is expected to be completed by January 2000. The renovation involves the reconfiguration of spaces previously used as music practice and academic classrooms to offices and administrative support areas to house teacher professional development and research, assessment, and curriculum programs. All staff will be located on the first floor. A new work room on the second floor will be constructed, but all other second level spaces, former high school classrooms and one moderately sized meeting space, will remain intact to be used for adult conferencing and workshops.

During the design process for the recent remodeling, it became apparent that the mechanical ductwork was in need of upgrading. The conversion from classroom to office space meant changes in rates of air exchange and an improved ventilation system to insure air quality for office occupants. Engineers indicated that it would be most efficient to achieve the necessary air quality standards by incorporating air conditioning into the mechanical system for the first floor spaces.

This request is to complete the air conditioning system for the entire building by extending it to the second floor. This is where much of the professional development programming for groups under 40 participants is likely to occur. Summer months are prime time to work with teachers statewide outside of their regular classroom on issues related to graduation standards, assessment practices, use of the arts in general education, etc. It is expected that large groups of teachers and teaching artists will be hosted in the new air conditioned west wing which offers a 170-seat recital hall, computer lab and large classrooms. However, from an efficiency and organizational perspective, it would be very helpful for staff to be able to work with small groups in areas more proximate to their offices and instructional materials for shorter-term seminars and in-service. That strategy may also result in some energy savings by not having to turn on air conditioning in spaces in the west wing that will not be fully occupied.

The scope of the work involves replacement of the existing air handling unit in the basement to add cooling to the second floor's major meeting space, the "Glass Box." That room is encased by floor to ceiling windows on three sides. In the summer, it is

unbearably hot. A new condensing unit would be provided at grade. The remainder of the second level, classrooms, would be cooled by providing a separate split system located within the spaces with a new condensing unit at grade. The existing heating system would remain intact and be re-used.

An interim solution would be the purchase of freestanding air conditioning units for each of the Gaia classroom and meeting areas. This is not seen as a good long-term plan, however. It is likely that the new west wing will eventually house student and community summer school programs, which could preclude its on-going use for Center adult education programs.

IMPACT ON AGENCY OPERATING BUDGETS (FACILITIES NOTE):

Increased utility costs of \$3 thousand are estimated for the biennium.

OTHER CONSIDERATIONS:

Cost estimates were prepared by LKPB Engineers, Roseville.

PROJECT CONTACT PERSON, TITLE, ADDRESS, PHONE, FAX, AND E-MAIL:

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TOTAL PROJECT COSTS All Years and All Funding Sources	Project Costs All Prior Years	Project Costs FY 2000-01	Project Costs FY 2002-03	Project Costs FY 2004-05	Project Costs All Years	Project Start (Month/Year)	Project Finish (Month/Year)
1. Property Acquisition							
Land, Land and Easements, Options	\$0	\$0	\$0	\$0	\$0		
Buildings and Land	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
2. Predesign							
SUBTOTAL	0	0	0	0	0		
3. Design Fees							
Schematic	0	0	0	0	0	10/2000	11/2000
Design Development	0	3	0	0	3	12/2000	01/2001
Contract Documents	0	3	0	0	3	02/2001	05/2001
Construction Administration	0	1	0	0	1	07/2001	10/2001
SUBTOTAL	0	7	0	0	7		
4. Project Management							
State Staff Project Management	0	0	0	0	0		
Construction Management	0	0	0	0	0		
SUBTOTAL	0	0	0	0	0		
5. Construction Costs						07/2001	10/2001
Site & Building Preparation	0	0	0	0	0		
Demolition/Decommissioning	0	6	0	0	6		
Construction	0	54	0	0	54		
Infrastructure/Roads/Utilities	0	0	0	0	0		
Hazardous Material Abatement	0	0	0	0	0		
Construction Contingency	0	9	0	0	9		
SUBTOTAL	0	69	0	0	69		
6. Art							
SUBTOTAL	0	0	0	0	0		
7. Occupancy							
Furniture, Fixtures and Equipment	0	0	0	0	0		
Telecommunications (voice & data)	0	0	0	0	0		
Security Equipment	0	0	0	0	0		
Commissioning	0	1	0	0	1	07/2001	10/2001
SUBTOTAL	0	1	0	0	1		
8. Inflation							
Midpoint of Construction		09/2000					
Inflation Multiplier		5.60%	0.00%	0.00%			
Inflation Cost		4	0	0	4		
SUBTOTAL							
9. Other							
SUBTOTAL	0	0	0	0	0		
GRAND TOTAL	\$0	\$81	\$0	\$0	\$81		

AGENCY CAPITAL BUDGET REQUEST
Fiscal Years 2000-2005
Dollars in Thousands (\$137,500 = \$138)

CAPITAL FUNDING SOURCES	Prior Years	FY 2000-01	FY 2002-03	FY 2004-05	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	81	0	0	81
State Funds Subtotal	0	81	0	0	81
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	81	0	0	81

IMPACT ON STATE OPERATING COSTS	Current FY 2000-01	Projected Costs (Without Inflation)			
		FY 2000-01	FY 2002-03	FY 2004-05	FY 2006-07
Compensation -- Program and Building Operation	0	0	0	0	0
Other Program Related Expenses	0	0	0	0	0
Building Operating Expenses	0	0	3	3	0
State-Owned Lease Expenses	0	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0	0
Expenditure Subtotal	0	0	3	3	0
Revenue Offsets	0	0	0	0	0
TOTAL	0	0	3	3	0
Change from Current FY 2000-01		0	3	3	0
Change in F.T.E. Personnel		0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	81	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
No	MS 16B.335 (1a): Construction/Major Remodeling Review (Legislature)
Yes	MS 16B.335 (1b): Project Exempt From This Review (Legislature)
No	MS 16B.335 (2): Other Projects (Legislative Notification)
No	MS 16B.335 (3): Predesign Requirement (Administration Dept)
Yes	MS 16B.335 (4): Energy Conservation Requirements (Agency)
No	MS 16B.335 (5): Information Technology Review (Office of Technology)
No	MS 16A.695: Use Agreement Required (Finance Dept)
No	MS 16A.695: Program Funding Review Required (Agency)
No	Matching Funds Required (as per agency request)

Department of Administration Analysis:

12/7/99

This project is primarily for infrastructure and does not require a formal predesign.

Department of Finance Analysis:

This project completes an air conditioning system that the Center began installing during its recent remodeling project.

Governor's Recommendation:

The Governor does not recommend capital funds for this project.

STATEWIDE STRATEGIC SCORE		
Criteria	Values	Points
Critical Life Safety Emergency - Existing Hazards	0/700	0
Critical Legal Liability - Existing Liability	0/700	0
Prior Binding Commitment	0/700	0
Strategic Linkage - Agency Six Year Plan	0/40/80/120	40
Safety/Code Concerns	0/35/70/105	0
Customer Service/Statewide Significance	0/35/70/105	35
Agency Priority	0/25/50/75/100	25
User and Non-State Financing	0-100	0
State Asset Management	0/20/40/60	20
State Operating Savings or Operating Efficiencies	0/20/40/60	0
Contained in State Six-Year Planning Estimates	0/25/50	25
Total	700 Maximum	145

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