

Environment

Minnesota
Strategic
Capital
Budget
Plan

1994-99

**Presented by
Governor Arne H. Carlson
February 1, 1994**

940055

Minnesota Strategic Capital Budget Plan 1994-99

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Environment

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Minnesota Strategic Capital Budget Plan 1994-99
Governor's Recommendations
(in \$000)

Project Description	Agency Priority	Strategic Score	Agency Request			Governor's Recommendation	Governor's Planning Estimates	
			FY 94	FY 96	FY 98	FY 94	FY 96	FY 98
Natural Resources								
Underground storage tank removal & replacement	B03	700	1,097	0	0	1,097	0	0
Well sealing & inventory on DNR lands	NB02	700	500	700	900	500	500	500
Flood Hazard Mitigation grants	NB05	376	2,949	4,000	4,000	2,350	2,000	2,000
Dam repair/reconstruction/removal	NB04	348	4,350	2,000	2,000	3,650	3,500	3,500
Statewide Deferred Renewal	B01	305	2,500	8,500	10,400	1,900	2,500	2,500
Office Facility Consolidation	B02	305	10,410	12,320	5,000	6,360	10,000	10,000
State Park betterment and rehabilitation	NB01	305	2,850	3,000	3,000	1,500	2,000	2,000
Trail rehabilitation and adaption	NB03	305	965	1,000	1,600	965	1,000	1,000
State Park building rehabilitation	B04	285	4,350	5,000	5,000	3,000	3,000	3,000
Forestry recreation facility rehabilitation	NB08	285	606	300	300	606	300	300
Forestry roads and bridges	NB06	255	1,034	1,800	1,800	750	750	750
RIM - Wild, SNA, & Prairie B dev/hab imp	NB10	240	6,685	4,485	4,485	3,200	3,000	3,000
Metropolitan Council Regional Parks CIP	NB11	240	23,570	42,300	77,645	7,500	7,500	7,500
RIM - Wildlife & Natural Area land acquisition	NB15	221	15,800	12,700	12,700	6,300	6,500	6,500
State Park building development	B05	210	7,300	5,000	5,000	2,460	4,000	4,000
RIM - Fish & Wildlife Fisheries improvement	NB09	210	1,228	1,500	1,500	600	500	500
Residential Env. Learning Ctr. Grants	NB21	210	7,500	0	0	7,500	0	0
Local Recreation grants	NB12	200	7,000	7,000	7,000	1,000	0	0
St. Louis River land acquisition	NB14	198	3,400	0	0	4,400	0	0
Farmland Wildlife Research Facility	B06	195	631	0	0	0	0	0
Fish & Wildlife Fish Culture rehabilitation	NB07	190	1,402	619	619	600	500	500

Minnesota Strategic Capital Budget Plan 1994-99
Governor's Recommendations
(in \$000)

Project Description	Agency Priority	Strategic Score	Agency Request			Governor's Recommendation	Governor's Planning Estimates	
			FY 94	FY 96	FY 98	FY 94	FY 96	FY 98
Natural Resources								
Trail acquisition development and betterment	NB13	190	7,778	8,000	8,256	4,783	7,500	7,500
RIM - Fish & Wildlife Fisheries acquisition	NB16	190	350	700	800	250	350	350
Forestry Air Tanker Facilities	B07	181	718	0	0	718	0	0
Lake Superior Safe Harbors	NB20	176	8,532	4,284	3,915	6,400	0	0
Hibbing Drill Core Library/Reclamation Facility	B08	170	650	0	0	650	0	0
Fisheries Field office rehabilitation	B09	170	115	250	300	0	0	0
Water access acquisition and betterment	NB17	170	8,318	6,400	6,282	0	0	0
State Park acquisition	NB18	170	10,000	10,000	10,000	4,000	4,000	4,000
Forestry land acquisition	NB19	170	3,150	3,000	3,000	1,100	1,000	1,000
Laq Qui Parle WMA Office & Hunter Station	B10	135	540	0	0	540	0	0
International Wolf Center	B11	110	966	0	0	966	0	0
Agency Totals			\$147,244	\$144,858	\$175,502	\$75,645	\$60,400	\$60,400

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary
Fiscal Years 1994-99

Form A

1. **AGENCY:** Natural Resources, Department of

2. **AGENCY MISSION STATEMENT:**

The mission of the Department of Natural Resources (DNR) is to serve present and future generations of Minnesotans by professionally managing our rich heritage of fish, wildlife, waters, wetlands, forests, prairies, minerals, public lands, and other natural resources in order to preserve and enhance our environments. To this end, the agency is charged with the management of public waters, lands, parks, forests, and minerals, as well as with the regulations of a broad range of activities that affect natural resources.

DNR is the major land management state agency, administering 94% of all state-owned land administered by state agencies. This includes ownership of 12 million acres in mineral rights and 5.3 million acres of land for parks, wildlife areas, public water accesses, scientific and natural areas, state trails, and state forests. These lands provide wildlife habitat and recreational opportunities play an important role in supporting resource industries.

DNR also administers state-owned navigable waters and submerged land and is charged with maintaining surface water and ground water supplies that meet long-term requirements for basic use, environmental protection, and economic production.

Activities regulated include hunting; trapping; fishing; boating; snowmobiling; wild rice gathering; mineral exploration, mining, and reclamation; dredging, filling, and draining protected waters and wetlands; constructing and maintaining dams; appropriating and using surface and groundwaters; establishing lake levels; developing shorelands, floodplains, and the shores of wild, scenic, and recreational rivers; permitting and licensing private game farms, fish hatcheries, roadside zoo operations, and open burning.

In addition, the agency creates safe opportunities to utilize resources to provide economic return. It also provides forest fire protection to billions of dollars' worth of private and public timber, as well as private property, in forested areas encompassing 45 million acres. It develops and

disseminates information on recreational travel and educational materials on natural resource subjects. It provides assistance to local governments, organizations, and individuals on natural resource matters such as forest management, wildlife habitat improvement, and trail development.

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

Through its strategic planning process the Department identified significant factors and trends that affect the demand for DNR capital programs. These are summarized below.

Population Growth and Urbanization

The majority of Minnesotans now live in urban or suburban areas. The effects of this trend are enormous. For example, Twin Cities Metropolitan Area's second million people required three times the amount of land to live on than did the first million. Urban sprawl results in added pressure to sensitive natural areas. Pollution and development damage our ecological systems and deplete the state's biological diversity. Under particular threat are wetlands, blufflands and river corridors, forests, and endangered species habitats.

The trend has many implications for capital programs. Acquisition, development, and rehabilitation support for Scientific and Natural Areas, prairie bank, and wildlife areas are high priorities for preserving biodiversity. Population growth brings increased demand for opportunities to use the state's recreation areas, which drives the need for acquiring recreation areas and developing facilities to meet this demand. Investment in state and locally administered recreation programs would help to relieve the congestion on already crowded recreation areas and vanishing urban open space, as well as provide improved access to outdoor recreation opportunities for all populations.

Integrated Resource Management

Because natural systems are integrated, their management must be integrated as well. Resource managers recognize that land-use practices

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

Form A

in one area affect the resource quality in another. This means decision makers must consider the effects of their actions on many different resources, even those outside traditional management units. The focus is shifting away from individual state parks, forests, and wildlife management areas to much larger areas, such as entire landscapes and ecosystems. Integrated resource management places greater emphasis on coordination and cooperation in addressing environmental threats.

Integrated Resource Management (IRM) serves as the basis for capital improvement recommendations. Program managers at the field level identify projects needed to fulfill the vision for a landscape or ecosystem. The trend toward integrated resource management also relates to the need to consolidate department offices. IRM demands that staff from various disciplines work closely together on a continuous basis. The success of IRM would be enhanced if DNR personnel are located in common work areas and are less segregated by resource discipline.

Public Participation in Government

Citizens have come to expect improved service and accountability from government in recent years. Likewise, constituent groups wish to be much more actively involved in agency planning and decision making. The DNR has been receptive to both trends and has actively sought to engage private citizens and interest groups in partnerships which promise to further mutual goals. This trend towards more active public participation in government is expected to grow in the years to come. The DNR would be challenged to create more ways for citizen involvement, and to provide the public with the necessary background information so that they can meaningfully participate in complex policy-level decisions.

In order for the DNR to improve its public responsiveness we must invest in improving public access to our employees. Through an aggressive service consolidation program we would provide more effective service to our constituents if they are able to communicate with staff in one location. Office consolidation would also assist IRM efforts with other agencies and local communities by improving accessibility to DNR staff and information.

The Economic Climate

Natural resource industries, such as mining, lumbering, and commercial fishing provide a substantial boost to both state and local economies. Outdoor recreation and tourism are also closely tied to Minnesota's abundant natural heritage. In the face of the current state and national economic downturn and its slow recovery rate it is imperative to continue to invest in the fundamental sources of Minnesotan's wealth: our basic natural resources.

Investments in capital programs that protect and enhance forests and maintain forest diversity would support Minnesota's forestry industry. Capital programs also support the minerals industry through diversifying mineral development in the state. Investments in capital programs that address recreation infrastructure improvements as well as provide for additional outdoor recreation opportunities would support local tourism economies especially in rural communities. Investments in flood mitigation and dam safety programs help to protect local communities from millions of dollars in flood damages, which would have a detrimental effect on the local and state economies. Capital investments are also necessary to maintain and improve fish habitat and production to support the fisheries industry.

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

Buildings:

The current condition, suitability, and functionality of DNR facilities is poor. It is common to find facilities where significant repairs are required and major violations of a variety of standards and codes are present. Day-to-day operations are hindered by inadequate facilities. Replacement, restoration, and adaptation of facilities has been unfunded. In fact, the annual expansion in program responsibility has far exceeded the expansion of the facilities required to manage programs.

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

Form A

Major issues include over-crowded conditions, use at odds with design, inadequate design of basic building services and utilities to support operations. The most pressing needs are summarized below.

Aging facilities need extensive renovation to meet new requirements or to correct the effects of deferred maintenance. Historically significant structures require special handling to be maintained as a part of the human history of the state.

Flexible, adaptable space is necessary to accommodate changes in departmental programs.

Facility acquisition, renovation, replacement or divestiture must accommodate the organizational vision while serving local requirements.

Mandates for work place safety and accessibility must be fulfilled along with addressing issues affecting employee productivity.

Rapid advances in technology have altered the work place. Planning is required to permit flexibility in organizational function and information transmittal.

Energy conservation requires new building design, construction materials, and energy management systems.

The following characteristics illustrate on-the-ground conditions.

Of the 2,141 buildings currently in use covering 2,507,691 SF, 746 covering 973,993 SF are 50 years old. In other words, fully 38% of the physical plant is beyond its design life. Facilities are used by all Programs but in general the facilities are distributed among the programs as follows:

Parks and Recreation	44%
Fish and Wildlife	24%
Forestry	17%
Enforcement	1%
Minerals	2%
Trails and Waterways	1%
Administration	12%
Multi-Discipline Occupancies	1%

1,133 buildings covering 1,544,347 SF are more than 30 years old. Sixty two percent of our facilities are at a point in their design lives when we can expect to have to make large expenditures to maintain them.

641 buildings covering 539,270 SF have been build since 1975. Only 21% of department buildings have been built under design constraints which are roughly equivalent to today's standards.

In an attempt to understand the true costs for the DNR of having facilities on the ground we have gathered information from a variety of sources. Some of the most detailed information is available through "The Building Owners and Managers Experience Exchange" (BOMA). BOMA information indicates that for the type of facilities we manage we should expect that our annual maintenance obligation is \$1.64 per square foot.

The DNR is in the resource management business for the long term. We need to plan for facility needs for the long term as well. This suggests that we need to plan for improvements and for replacement of facilities when they reach the end of their useful lives. Our cost experience with contracting for construction of replacement facilities or for improving facilities so that the building utility is extended averages about \$57.00 per square foot. To plan for the replacement of structures and to improve those structures over their average life of 50 years we need \$1.49 per year per square foot.

This makes our total need for replacement, improvement and for maintenance \$3.13. Industry standards for custodial care of facilities is \$0.74 per square foot. Our best estimates of the overall need to care for, maintain and improve or replace facilities is \$3.87 per SF. We now fund all of these obligations at about \$0.59. About \$0.49 is allocated for maintenance and some improvements while we now spend, optimistically, a dime on custodial care.

When using life cycle cost analysis for facilities the industry standard is that the life of a building is fifty years. A building's life can be extended when we make an investment which substantially improves design characteristics or replaces components which are not normally replaced as the building is maintained.

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

Form A

Non-Buildings:

The condition of the DNR's present non-building capital programs is summarized below, outlining the status of these programs and where investments need to be made to meet overall program goals.

Water Access: Minnesota ranks third in the nation in boat registrations, which are increasing at a rate of 1.5% to 2% per year. To meet the demand for access to lakes and rivers, over the next 10 years, the DNR would acquire and develop approximately 300 access sites. A second area for meeting the demand for water access is through fishing piers and shore fishing sites. To meet the backlog of requests from local governments and angling clubs the DNR needs to construct 200 piers and shoreland fishing sites over the next ten years.

State Trails: Acquisition and development for state trails is composed of the legislatively authorized state trail alignments as authorized in M.S. 85.015 or allowed in M.S. 84.029, Subd.2. Appropriation legislation often stipulates specific segments of the legislative authorized system for acquisition and development. To complete or rehabilitate existing trails over the next 10 years would require acquiring approximately 150 miles, developing approximately 450 miles, and rehabilitating approximately 90 miles of existing trails.

State Parks: The goal of the State Park Acquisition program is to purchase all private lands within the legislatively authorized state park boundaries that are offered for sale by willing sellers over the next 10 years. There are 223,800 acres authorized within the 65 state park statutory boundaries. Of these, 30,083.85 acres are still privately owned. Current needs for developing or rehabilitating state park facilities are represented in 696 identified projects.

Scientific and Natural Areas: Presently, 98 areas have been designated on existing public lands or acquired through purchase, gift, or free leases. These areas protect "elements" of natural diversity such as rare and endangered plant and animal species, undisturbed plant communities, geological features, and other natural resources. To adequately protect Minnesota's critical resource "elements" the SNA long range plan calls for protection of five sites for plant communities and three sites for rare species in each landscape region of the state.

Prairie Bank: The Native Prairie Bank Program authorized the DNR to protect native prairie by entering into conservation easements with landowners. The program goal is to protect and maintain 150,000 acres of native prairie statewide by preventing the further loss of native prairie to other land use. The long range goal is to protect 75,000 acres on private lands. The projected need is to protect 20,000 acres over the next 10 years.

Fish Habitat: To ensure sufficient fish to meet the needs of anglers, over the next 10 years improvement is needed for 21 fish hatcheries statewide and 30 miles per year of stream trout habitat, and acquisition of 100 miles of trout stream easements is needed. Presently 195 miles have been protected through acquisition of easements.

Wildlife Habitat: Acquisition is to protect critical sites for wildlife and native plants with primary emphasis on completing existing management units. Enhancement is used to develop and improve wildlife habitat and recreational facilities on State Wildlife Management Areas, State Forests, and other state lands to provide improved quality recreational experiences to the citizens of Minnesota. To date 717,140 acres have been acquired toward meeting the goal of one million acres by the year 2000. Development on 1,500 sites is necessary to provide improved recreational use, and 250,000 acres are identified for habitat development and improvement.

State Forest : Approximately \$600 per biennium is needed over the next 10 years to rehabilitate worn out and unsafe recreation facilities and to develop new facilities to fulfill the outdoor recreation potential of forestry lands. For the R.J. Dorer Memorial Hardwood Forest, all but 39,000 acres of the 83,150 within the forest have been acquired. Goals for forests other than the Dorer is approximately 1,000 acres per year. Betterment needs for the next 10 years include improving the entire 2,063 miles of forest roads to include: repair or replacement of approximately 20 deficient bridges, gravel resurfacing approximately 1,375 miles of road, reconstructing 670 miles of roads, constructing 70 miles of additional roads to extend existing roads or provide new access to forested lands.

Flood Damage: The Flood Plain Management Act established zoning ordinances to require protection for new homes and businesses from 100

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

Form A

year floods. Over 17,000 homes and businesses were built before the floodplain zoning regulations were in place. Before the mid-1970s most bridges, culverts, and storm water systems were not designed to handle 100 year floods. The Flood Hazard Mitigation Grant Assistance Program was established to provide cost-share grants to local governments to prevent or alleviate future flood damages. \$30 million is needed over the next 15 years to reduce average annual flood damages of \$60 to \$70 million.

Dam Safety: M.S. 103G.511 gives the commissioner of natural resources the responsibility for managing and maintaining publicly owned dams. There are 600 dams owned by the state, cities, counties and watershed districts, the majority of which are more than 50 years old. \$1 million per year is needed for the state matching program to local governments for emergency repairs and to meet ongoing dam maintenance requirements.

Local Recreation Grants: In F.Y. 1994 the DNR assumed direct responsibility for the Local Recreation Grants Program. Over the past 28 years this program has provided matching grants to local governments to acquire and develop public outdoor recreation areas and facilities. Grant requests from local governments averaged more than \$10 million annually since 1985. To help meet this demand, the program's goal is to provide 200 grants by the year 2000, which would require approximately \$7 million biennially in capital investment.

Metropolitan Council - Regional Recreation Open Space System Capital Improvement Program: The DNR serves as the administering agency for funds requested in this program. Appropriations would pass through the DNR to the Metropolitan Council to help meet unfunded regional park acquisition, development, and rehabilitation capital costs, which total \$143.5 million for the next 6 years. Specific projects are identified and approved through the Metropolitan Council Regional Park Capital Improvement Plan.

Residential Environmental Learning Center (ELC) Grants: Provide for the expansion of 4 existing residential ELC's and the conversion of 1 existing day use center to a residential center. The state investment would be matched by an equal investment of \$7.5 million from the Blandin

Foundation. This project, combined with an additional \$2.5 million for programming provided by the Blandin Foundation would double the state's capacity to provide intensive environmental education to K-12 students, post-secondary and adult audiences.

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

The Department of Natural Resources initiated its strategic planning process in 1984. Our strategic plan report, *Directions for Natural Resources*, outlines the major goals and strategies for achieving our mission and provides the framework for guiding budget investment decisions.

The strategic goals for the Department of Natural Resources are:

- We will protect and manage Minnesota's diverse ecosystems.*
- We will provide opportunities to enjoy our outdoor recreation resources.*
- We will use natural resources to create and share wealth for Minnesota.*
- We will continue our commitment to environmental education for all Minnesotans.*
- We will provide responsive public service.*

In 1991 the department enhanced the strategic plan by initiating a complementary long range capital improvement planning process. The purpose of this process is to identify the magnitude of departmental capital improvement needs and how addressing them would contribute toward fulfilling our strategic planning goals. In order to build a broad-based capital improvement plan, the DNR developed an innovative project-by-project capital improvement data base. The key features of this data base are the project source--field managers who are close to the needs of the public and the resource--and the project contribution to *Directions*--each project helps to fulfill our mission as shown by its relationship to strategic plan goals and objectives. The capital improvement planning process is outlined in Section 6.

Within each of the strategic goals are objectives, or more specific tasks to undertake to fulfill our mission. The strategic goals and their associat-

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

Form A

ed objectives are displayed in Attachment 1. The objectives also indicate the benefits the public would receive from our investment in these strategic areas. For example by investing in capital improvement projects that consolidate DNR offices and address deferred renewal the public would benefit from improved access to facilities and from improved employee effectiveness in service delivery. By investing in capital improvement projects that protect and manage ecosystems the public would benefit from reduced water contamination, reduced flood damage, and healthier natural systems that support fish, wildlife, and vegetation. Capital improvement projects that provide recreation opportunities would meet the public demand for safe access the state's lakes, rivers, and natural areas to pursue traditional and emerging recreation activities.

DNR's long range capital improvement data base identifies over \$334 million in needed capital improvement projects. The F.Y. 1994-1995 capital budget request would address 34% of these needs. All of the projects are organized under 31 capital improvement programs. Each project would help to meet more than one strategic goal; likewise each program would contribute toward achieving many goals. For example, Non-Building projects under the Fish Culture Rehabilitation Program would improve public service delivery by providing new angling opportunities through rehabilitating and improving existing facilities. These projects would also contribute to managing ecosystems by helping to protect water quality.

To summarize the complex relationship between the 31 programs with their associated projects and the DNR strategic goals, each program designated the three most important objectives for its projects. Attachment 1 illustrates how the DNR capital improvement request would contribute towards meeting our strategic goals.

While the DNR fulfills primarily an administrative role in the Local Recreation Grants program, projects funded to meet local outdoor recreation demands would also further the department's long-range strategic goals. The Local Recreation Grants Program and its relationship to the DNR strategic plan is included in Attachment 1 under Non-Buildings. Likewise, the DNR fulfills primarily an administrative role for the International Wolf Center and Environmental Learning Centers Programs; however, these projects will further the department's long

range strategic goals for environmental education and are included in attachment 1 under Buildings and Non-buildings. Projects funded for the Metropolitan Council Regional Recreation Open Space System are approved based on their contribution to the Metropolitan Council's strategic and long-range program goals. This relationship is explained in the Capital Budget Request Project Detail, form G-1.

Overall, the investment in Building projects would primarily support goals to improve our responsiveness and quality of public service; however, building projects provide indirect support to all resource management objectives. Investment in Non-Building projects would primarily support the ecosystem management and recreation opportunities goals. The requested capital improvements would provide some support to our environmental education and wealth creation goals; however, the pursuit of these goals is a primary responsibility of non-capital, operating programs.

6. AGENCY PROCESS USED TO ARRIVE AT THESE CAPITAL REQUESTS:

In 1991 the DNR Commissioner's Management Team established a task force to develop the agency's long range capital improvement plan. The task force developed a agency-wide data base to collect detailed information on all capital improvement needs over the next 10 years. Information was collected from employees throughout the state over a two year period. The task force then entered the information into the data base and projected capital improvement needs for the entire department. Information accuracy was screened by program managers and the Bureaus of Engineering and Real Estate Management. The department's Senior Managers Council reviewed the information to establish priorities for funding during the next six years. The long range plan was specifically designed to relate capital improvement needs to achieving outcomes identified in the department's strategic plan.

7. AGENCY CAPITAL BUDGET PROJECTS DURING THE LAST SIX YEARS (1988-1993):

During the past six years funding for capital projects has been appropriated in the following categories:

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

Form A

Forest Roads Improvement
State Forest Acquisition
State Parks Betterment and Acquisition
State Trails Acquisition and Betterment
Fisheries Acquisition and Fish Hatchery Improvement
Scientific and Natural Areas Acquisition and Improvement
Wildlife Acquisition
Water Access Acquisition and Improvement
Dam Repair and Reconstruction
Flood Hazards/Damage
Reinvest in Minnesota
Interpretive and Educational Facilities (Grants)
Department Buildings

The 1992 appropriations were targeted to resource acquisition and improvement, resolving or addressing health and safety issues such as well sealing statewide, and field offices consolidation.

See Attachment 2

8. OTHER (OPTIONAL):

None.

Attachment 1 Department of Natural Resources Strategic Plan Goals

Capital Investment	Protect & Manage Diverse Ecosystems										Provide Recreation Opportunities					Continue Environmental Education	Create & Share Wealth	Provide Responsive Public Service						
	Protect wetlands	Maintain biodiversity	Control harmful exotic plants & animals	Maintain forest diversity	Reduce contaminants	Prevent contamination of groundwater	Protect water quality	Protect fish & wildlife habitat	Reduce significant natural areas	Protect flood damage	Protect and enhance forests	Aid public safety	Provide urban fishing	Develop recreational trails	Improve fish & wildlife habitat	Acquire recreation land	Provide new forms of recreation	Add and improve access to lakes & rivers	Provide informative interpretive programs	Promote tourism	Subsurface resource management	Rehabilitate bldgs, dams, and other facs	Improve service delivery	
BUILDINGS																								
State Wide Deferred Renewal																		○			●	●		
Service Consolidations										○											●	●		
Underground Storage Tank Rem & Repl			●	●																	○			
State Park Bldg Rehab										○					●						●			
State Park Bldg Dev										○					●						●			
Farmland Wildlife Research Facility										○											●	●		
Forestry Air Tanker Fac							●			●													○	
Hibbing Drill Core Library/Reclamation Facility																			●				●	
F&W Rehab / Adaptation																					●	●		
Lac qui Parle WMA Office & Hunter Station																	●				○	●		
International Wolf Center																●							●	

Project Emphasis: ● First
● Second
○ Third

ATTACHMENT 2
Department of Natural Resources
Capital Budget FY 1994-1999
Summary of Agency Capital Projects During The Last Six Years
(FY 1988-1993)

--Budget Section--	----- Land Acquisition & Improvements -----											-- Dams --	-- Flood Grt--	-- RIM --	-- Interp Grts --	-- Facilities --	
Legal Citation	Imp Forest Roads	Acq St Forest	Better St Parks	Acq St Parks	Acq/Better St Trails	Fisheries Acq	Fish Hatch Improve	Acq/Imp SNA's	Acq Wild/ Wat Bank	Acq/Imp Wat Acc	Well Sealing	Dam Repair & Reconst	Flood Haz/ Damage	RIM	Interp/ Educ Facil	Buildings	Total
Laws '87, Chap 400	500,000	500,000	3,800,000	1,200,000	3,700,000	100,000		1,400,000	750,000	750,000		3,000,000		10,000,000	495,000 (1)	575,000 (2)	26,770,000
Laws '89, Chap 300					1,200,000				600,000				1,032,000	3,500,000		525,000 (3)	6,857,000
Laws '90, Chap 610		500,000	3,000,000		3,500,000			1,200,000	700,000			300,000	3,200,000	3,000,000	1,300,000 (4)	1,000,000 (5)	17,700,000
Laws '91, Chap 254		145,000	3,400,000		1,000,000									3,000,000			7,545,000
Laws '92, Chap 558		385,000	2,751,000	600,000	1,000,000		1,250,000	100,000			250,000	1,570,000	500,000	1,250,000		1,731,000 (6)	11,387,000
	500,000	1,530,000	12,951,000	1,800,000	10,400,000	100,000	1,250,000	1,500,000	2,550,000	1,450,000	250,000	4,870,000	4,732,000	20,750,000	1,795,000	3,831,000	70,259,000

(1) \$275,000 - Interpretative Site - Dunlap Island (Grant Payment)
220,000 - Education Facility - Kettle River Interpretative Center (Grant Payment)

(2) \$250,000 - Hibbing Core Library
325,000 - Construct Regional Headquarters In New Ulm

(3) \$525,000 - Construct Hazardous Chemical Storage Buildings

(4) \$1,200,000 - Phase 1 Construction International Wolf Center (Grant Payment)
100,000 - Lac Qui Parle Visitor's Center (Planning & Working Drawings)

(5) \$1,000,000 - Consolidate and Renovate Field Offices Statewide

(6) \$1,000,000 - Field Offices Consolidation

AGENCY CAPITAL BUDGET BRIEF
Projects Summary
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form B

AGENCY: Natural Resources, Department of (Summary of Form E) Page 1 of 1

Project Title	Project Type*	1994-95 Agency Priority Ranking	Agency Project Requests (\$ by Session)				Strategic Score	Governor's Recommendation (\$ by Session)			
			1994	1996	1998	Agency Total \$		1994	1996	1998	Governor's Total \$
State Wide Deferred Renewal	R	1	2,500	8,500	10,400	21,400	305	1,900	2,500	2,500	6,900
Service Consolidations	C	2	10,410	12,320	5,000	27,730	305	6,360	10,000	10,000	26,360
Underground Storage Tank Rem & Repl	AC	3	1,097	0	0	1,097	700	1,097	0	0	1,097
State Park Building Rehabilitation	R	4	4,350	5,000	5,000	14,350	285	3,000	3,000	3,000	9,000
State Park Building Development	AP	5	7,300	5,000	5,000	17,300	210	2,460	4,000	4,000	10,460
Farmland Wildlife Research Facility	C	6	631	0	0	631	195	0	0	0	0
Forestry Air Tanker Facilities	C	7	718	0	0	718	181	718	0	0	718
Hibbing Drill Core Library & Reclamation	C	8	650	0	0	650	170	650	0	0	650
Fisheries Field Off. Rehab/Adaptation	AP	9	115	250	300	665	170	0	0	0	0
Lac qui Parle WMA Office & Hunter Sta	C	10	540	0	0	540	135	540	0	0	540
International Wolf Center	AP	11	966	0	0	966	110	966	0	0	966
Total Project Requests:			\$ 29,277	\$ 31,070	\$ 25,700	\$ 86,047		\$ 17,691	\$ 19,500	\$ 19,500	\$ 56,691

AGENCY CAPITAL BUDGET BRIEF
Projects Summary
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form B

AGENCY: Natural Resources, Department of (Summary of Form G) Page 1 of 2

Project Title	Project Type*	1994-95 Agency Priority Ranking	Agency Project Requests (\$ by Session)				Strategic Score	Governor's Recommendation (\$ by Session)			
			1994	1996	1998	Agency Total \$		1994	1996	1998	Governor's Total \$
State Park Betterment Rehabilitation	NB	1	2,850	3,000	3,000	8,850	305	1,500	2,000	2,000	5,500
Well Sealing & Inventory on DNR Land	NB	2	500	700	900	2,100	700	500	500	500	1,500
Trail Rehabilitation and Adaptation	NB	3	965	1,000	1,600	3,565	305	965	1,000	1,000	2,965
Dam Repair/Reconstruction/Removal	NB	4	4,350	2,000	2,000	8,350	348	3,650	3,500	3,500	10,650
Flood Hazard Mitigation Grants	NB	5	2,949	4,000	4,000	10,949	376	2,350	2,000	2,000	6,350
Forestry Roads and Bridges	NB	6	1,034	1,800	1,800	4,634	255	750	750	750	2,250
Fish & Wildlife Fish Culture Rehab	NB	7	1,402	619	619	2,640	190	600	500	500	1,600
Forestry Recreation Facility Rehab	NB	8	606	300	300	1,206	285	606	300	300	1,206
RIM-Fish & Wildlife Fisheries Imp.	NB	9	1,228	1,500	1,500	4,228	210	600	500	500	1,600
RIM Wild,SNA & Prairie B Dev/Hab Imp	NB	10	6,685	4,485	4,485	15,655	240	3,200	3,000	3,000	9,200
Metro Council Regional Parks CIP	NB	11	23,570	42,300	77,645	143,515	240	7,500	7,500	7,500	22,500
Local Recreation Grants	NB	12	7,000	7,000	7,000	21,000	200	1,000	0	0	1,000

AGENCY CAPITAL BUDGET BRIEF
Projects Summary
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form B

AGENCY: Natural Resources, Department of (Summary of Form G) Page 2 of 2

Project Title	Project Type*	1994-95 Agency Priority Ranking	Agency Project Requests (\$ by Session)				Strategic Score	Governor's Recommendation (\$ by Session)			
			1994	1996	1998	Agency Total \$		1994	1996	1998	Governor's Total \$
Trail Acquisition, Dev., & Betterment	NB	13	7,778	8,000	8,256	24,034	190	4,783	7,500	7,500	19,783
Saint Louis River Land Acquisition	NB	14	3,400	0	0	3,400	198	4,400	0	0	4,400
RIM-Wildlife & Natural Area Land Acq.	NB	15	15,800	12,700	12,700	41,200	221	6,300	6,500	6,500	19,300
RIM-Fish & Wildlife Fisheries Acquis	NB	16	350	700	800	1,850	190	250	350	350	950
Water Access Acquisition & Betterment	NB	17	8,318	6,400	6,282	21,000	170	0	0	0	0
State Park Acquisition	NB	18	10,000	10,000	10,000	30,000	170	4,000	4,000	4,000	12,000
Forestry Land Acquisition	NB	19	3,150	3,000	3,000	9,150	170	1,100	1,000	1,000	3,100
Lake Superior Harbors	NB	20	8,532	4,284	3,915	16,731	176	6,400	0	0	6,400
Residential ELC Grants	NB	21	7,500	0	0	7,500	210	7,500	0	0	7,500
Total Project Requests:			\$ 117,967	\$ 113,788	\$ 149,802	\$381,557		\$ 57,954	\$ 40,900	\$ 40,900	\$ 139,754

Project Type*	1994 Session	1996 Session	1998 Session
Construction of a new facility	\$ 12,949	\$ 12,320	\$ 5,000
Adaption of an existing facility for new, expanded or enhanced programs or uses	\$ 8,381	\$ 5,250	\$ 5,300
Adaption of an existing facility for code-required changes or liability purposes	\$ 1,097	\$ 0	\$ 0
Renewal of existing facilities or assets and CAPRA requests (no program changes)	\$ 6,850	\$ 13,500	\$ 15,400
Non-building projects, grants-in-aids, funds to other government units	\$ 117,967	\$ 113,788	\$ 149,802
Total	\$ 147,244	\$ 144,858	\$ 175,502

* Project Types (choose one for each project or program):

- C = Construction of a new facility for new program/uses or for expanded /enhanced programs/uses or for replacement purposes.
- AP = Adaption of an existing facility for a new program/use or for program expansion/enhancement purposes.
- AC = Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- R = Renewal of existing facilities or assets (no program expansion) and CAPRA requests.
- NB = Non-building projects, grant-in-aid programs, capital project funding to other government jurisdictions.

AGENCY CAPITAL BUDGET BRIEF
Facilities Summary
Fiscal Years 1991-95
Dollars in Thousands (\$137,500 = \$138)

Form C

AGENCY: Natural Resources, Department of

Agency Facility Information	F.Y. 1991 (Actual)	F.Y. 1992 (Actual)	F.Y. 1993 (Actual)	F.Y. 1994-95 (Estimated)	1994 Session (Requested)
Gross Square Footage of State Owned Buildings	2,400	2,410	2,422	2,450	2,517
Leased Square Footage	227	227	227	200	150

Agency Operating Budgets	F.Y. 1991 (Actual)	F.Y. 1992 (Actual)	F.Y. 1993 (Budgeted)	F.Y. 1994 (Budgeted)	F.Y. 1995 (Budgeted)
Operating Repair and Betterment Account(s)	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300
Operating Maintenance Account(s)	\$ 980	\$ 1,000	\$ 1,098	\$ 1,302	\$ 1,302
Lease Payments	\$ 2,031	\$ 2,031	\$ 2,031	\$ 2,007	\$ 1,700

**AGENCY CAPITAL BUDGET REQUEST
CAPRA Summary
Fiscal Years 1991-99
Dollars in Thousands (\$137,500 = \$138)**

Form D

AGENCY: Natural Resources, Department of

Institution	Project Description	CAPRA Project Category *	Priority Criteria **	Agency Project Requests (\$ by Session)			
				1994	1996	1998	Agency Total \$
St. Croix State Park	CCC log restoration	4	A	\$ 68	\$	\$	\$
Fr Hennepin State Park	Picnic shelter restor.	4	A	\$ 91	\$	\$	\$
Lindberg State Park	Water Tower	4	A	\$ 35	\$	\$	\$
Lake Bronson State Park	Water Tower	4	A	\$ 115	\$	\$	\$
Hutchinson Hatchery	Re-roof	4	A	\$ 96	\$	\$	\$
St. Croix State Park	CCC bldg rehab	4	A	\$ 74	\$	\$	\$
Lake Shetek State Park	Beach House	4	A	\$ 29	\$	\$	\$
Minneopa State Park	Seppman Mill	4	A	\$ 80	\$	\$	\$
Fort Snelling State Park	Chapel Roofing	4	A	\$ 144	\$	\$	\$
Scenic State Park	CCC log restoration	4	A	\$ 43	\$	\$	\$
Statewide				\$	\$ 750	\$	\$
Statewide				\$	\$	\$ 750	\$
				\$	\$	\$	\$
				\$	\$	\$	\$
				\$	\$	\$	\$
				\$	\$	\$	\$
Total Project Requests:				\$ 776	\$ 750	\$ 750	\$

*CAPRA project category:

- 1 = Unanticipated emergency
- 2 = Life safety hazard
- 3 = Hazardous substance elimination
- 4 = External building repair including structural repair

**Priority criteria:

- A = Urgent
- B = Economy (needed to minimize future expenditures)

Agency CAPRA Budgets	F.Y. 1991	F.Y. 1992	F.Y. 1993	1994 Session (Requested)	1996 Session (Requested)	1998 Session (Requested)
CAPRA Allocation(s)	\$	\$ 608	\$ 750	\$ 776	\$ 750	\$ 750
Capital Repair and Betterment Accounts (Higher Education)	\$	\$	\$	\$	\$	\$

Agency Data Prepared by: Mark Wallace
Name

Facility Manager
Title

612/282-2505
Telephone

07/22/93
Date

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AGENCY CAPITAL BUDGET REQUEST
Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: State Wide Deferred Renewal
TOTAL PROJECT COST: \$21,400
APPROPRIATION REQUEST FOR 1994 SESSION: \$2,500
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$8,500
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$10,400
LOCATION (CAMPUS, CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

1 of 11 requests

1. PROJECT DESCRIPTION:

The Department of Natural Resources (DNR) has identified \$23.7 million in deferred renewal projects for facilities on a statewide basis.

Deferred renewal funding would be used to accomplish a variety of work. Most of the common maintenance work having to do with roof repair, plumbing and heating, electrical repair, energy efficiency improvements, etc., would be the focus of deferred renewal.

The Statewide Deferred Renewal request does not duplicate the \$2.5 million over the three biennia that is included in the DNR's request from Capital Asset Preservation and Replacement Account (CAPRA). This reduction is made because the definitions for Renewal are in many respects reflected in the qualifying criteria for CAPRA.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The DNR continues to invest in human resources by supporting a trained, equipped, productive and culturally diverse work force. Maintenance and rehabilitation of facilities to allow full access and function for our work force will significantly enhance the delivery of resource management services.

We hope to fund deferred renewal to prevent further deterioration of our investment in facilities. It is consistent with the DNR's goals to rehabilitate

and maintain facilities so that we enhance employee efficiency and to continue to make a wide range of facilities available for public use and to make the operation of the facilities more effective and efficient.

The DNR's long range strategic plan is to establish a level of maintenance that fully protects the state's investment in facilities. Deferred renewal would address our backlog of maintenance work that we have been unable to accomplish due to under funding. It is the DNR's position that facility condition would significantly contribute to or detract from our ability to manage the state's natural resources. It is therefore in the state's best interest to maintain facilities in the best possible condition.

The amount of DNR deferred renewal is calculated based on ten years of actual renewal funding and an estimated annual requirement for renewal based on costs reflected in the "Building Owners and Managers Associations Experience Exchange" (BOMA). BOMA statistics for the type of facilities the DNR uses (office and light industrial, government, in Minnesota) indicate a base renewal funding requirement of \$1.64 per square foot per year in 1990. The annual square foot funding requirement is indexed for inflation over the ten year period from 1982 through 1992. The index for inflation is determined by making a comparative analysis of; consumer price indexes, producer price indexes, two indexes produced by the Engineering News-Record, one for buildings and one for construction, and an index produced by E.H. Boeckh for commercial buildings. A parallel analysis was made using the percentage change in the consumer price index to indicate if there were any radical departures from what the general economic conditions for the period would suggest we would experience. The results of the two analysis were less than one percent apart. There are two other variables added into the calculation, one the change in the funding level over time and second the change in the Square feet of facilities over time.

This calculation includes all of DNR facilities except residences. Where disciplines chose to provide employee housing the renewal expenditures are funded from an assessment equal to a percentage of the Estimated Market Value of the residence. In addition this calculation does not account for any expenditures on work which would be defined as adaption or construction work to accommodate changes in program or changes in codes or standards. In other words this calculation includes only funding for the work we need to do to make up for maintenance or repairs deferred for lack of funding.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

Indicators suggest that the DNR needs \$1.79 per square foot or \$4.475 million per year. At this time the DNR is funded at 49 cents per square foot or \$1.225 million per year. There are additional unfunded obligations that have to do with custodial maintenance and replacement of facilities which are being used beyond their design lives which are not included in this discussion. However, the rate at which we are falling behind in renewal is specifically a loss on our investment in facilities. This loss is far greater than the cost to keep our facilities in reasonably good condition.

Statistical information on renewal costs for specific building types, e.g. sanitation buildings, repair shops, interpretive centers and the like is limited. The information available through BOMA is a reasonable abstraction for the general type of facilities the DNR manages.

In the next year we intend to develop a project based system which would list individual projects and give us a level of urgency for each. This project based system would reflect the total maintenance obligation.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

At this time the DNR's renewal effort is under funded. The DNR must often retreat to its operating budget to fund a variety of urgent renewal projects to the detriment of the over all Agency mission.

4. OTHER CONSIDERATIONS (OPTIONAL):

None.

AGENCY CAPITAL BUDGET REQUEST

Form E-2

Building Project Detail (Cont.'d)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify):

PRIOR COMMITMENT: No Yes

Laws _____, Ch _____, Sec _____ \$ _____

Laws _____, Ch _____, Sec _____ \$ _____

PREVIOUSLY REQUESTED: No Yes When? 1990, 1992

AGENCY BUILDING NAME AND #:

STATE-WIDE BUILDING ID #:

FACILITY SQUARE FOOTAGE:

Existing Building
2,500,000 Gross Sq. Ft. (GSF)

Project Scope

<u> </u>	Gross Sq. Ft. Demolished
<u>2,500,000</u>	Gross Sq. Ft. Renewal or Adaption
<u> </u>	Gross Sq. Ft. New Construction

Final Building Size
2,500,000 Gross Sq. Ft.

Are there design standards or guidelines that apply to your agency and this project?

Yes No.

If so, please cite appropriate sources:

CHANGES IN OPERATING COSTS (Facilities Note):

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Change in Bldg. Oper. Expenses . . .	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Change in Lease Expenses	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Change in Other Expenses	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Total Change in Operating Costs . .	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

Other:

Change in F.T.E. Personnel _____

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-3

PROJECT COSTS:

Acquisition (land and buildings) \$ _____
 Consultant Services (pre-design and design) \$ _____
 Construction \$ 21,400
 Furnishings, Fixtures and Equipment (F.F. & E.) \$ _____
 Data/Telecommunications \$ _____
 Art Work (1% of construction) \$ _____
 Project Management \$ _____
 Project Contingency \$ _____
 Related Projects \$ _____
 Other Costs (please specify): \$ _____
 Inflation Adjustment (xxxx) \$ 0

TOTAL PROJECT COST \$ 21,400

Appropriation Request for 1994 Session \$ 2,500
 Appropriation Estimate for 1996 Session \$ 8,500
 Appropriation Estimate for 1998 Session \$ 10,400

PROJECT TIMETABLE:

	Start Date (Mo./Yr.)	End Date (Mo./Yr.)	Duration (Months)
Planning/Programming	<u>06/93</u>	<u>06/94</u>	<u>12</u>
Site Selection and Purchase	_____	_____	_____
Design	<u>06/94</u>	<u>01/96</u>	<u>18</u>
Construction	<u>06/94</u>	<u>06/96</u>	<u>24</u>
Substantial Completion	_____	<u>06/96</u>	_____
Final Completion	_____	<u>12/96</u>	_____

PROPOSED METHOD(S) OF FINANCING (check one):

____ Cash: Fund _____
 Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

General Fund % of total 100
 _____ User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

\$ 2,500 Appropriation Request (1994 Session)
 \$ 2,500 State funding
 \$ _____ Federal funding
 \$ _____ Local gov't funding
 \$ _____ Private funding

Agency Data Prepared by: Mark Wallace Facilities Manager 612/282-2505 07/22/93
 Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-4

DEPARTMENT OF ADMINISTRATION ANALYSIS:

■ The request's schedule objectives require that all funds requested be simultaneously appropriated.

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$1,900,000 for this project. Also included are preliminary recommendations of \$2,500,000 in 1996 and \$2,500,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	80
Asset Preservation/Deferred Renewal	75
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	305

READINESS QUOTIENT	
Programming	0
Design	0
Cost Planning/Management	0
Facility Audit Supports the Request	0
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	0%

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AGENCY CAPITAL BUDGET REQUEST
Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Service Consolidation
TOTAL PROJECT COST: \$27,730
APPROPRIATION REQUEST FOR 1994 SESSION: \$10,410
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$12,320
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$5,000
LOCATION (CAMPUS, CITY, COUNTY): Statewide

AGENCY PRIORITY (for 1994 Session only):

2 of 11 requests

1. PROJECT DESCRIPTION:

Funding received for this project would be used to collocate services into consolidated offices. In some cases this would entail remodeling or additions to existing offices, and in others new construction would be required. The department continually searches for opportunities to provide better service and improve its stewardship of the resources it manages. Office consolidation is one of the tools used to accomplish those objectives. It is not a new concept for the department, and a long history of consolidation could be described. However, this is the third in a series of state-wide requests which started 1990 and was revised for the 1992 session. This document tracks the results of the earlier requests and projects future requests for the next two biennia.

It is expected that more capital funding would be requested in the future because of the status of DNR facilities state-wide. It has been estimated that the capital requirements for all DNR buildings are about \$73.5 million, so this request covers only a portion of the need.

Also, the department's Organizational Alignment Team is actively pursuing collocation opportunities at a pace that should generate construction requests of about \$12.3 and \$5.0 million for the next two biennia. This request groups projects into four classes. These are:

- Regional headquarters expansions
- Correction of conditions in existing collocated offices
- New consolidations
- Pre-design funds for collocation opportunities

The following narrative briefly describes the project we propose to do in the next biennium.

DETROIT LAKES: Funding was appropriated for construction of collocated service facilities in Detroit Lakes. Enough money was appropriated to construct office space to accommodate 29 employees. However, facilities needed to house operations and resource work areas were not within reach of the funding available from the initial appropriation. We have not been able to divest of facilities at the old Rochert WMA which now shelter materials and equipment used in wildlife management operations. The Rochert WMA is located in a remote area that compels us to maintain a residence for an employee to provide security.

We are proposing to build a combination of indoor and outdoor storage, maintenance space and resource work area at the consolidated site in Detroit Lakes which can house the equipment and material from Rochert WMA and be available for use by the occupants of the collocated facilities.

We would be able to dispose of 9 buildings at Rochert WMA including a residence. This reduction in dated facilities would significantly reduce operating costs and maintenance obligations. In addition having material and equipment onsite would reduce travel and mobilization costs.

We are requesting \$800 to complete this project

AITKIN: Appropriations for consolidations from 1992 have allowed us to begin construction of office facilities in Aitkin. When this construction is complete we would have collocated 21 employees in a single facility. We have reduced operating cost by moving out of leased space and moving into more efficient facilities which are easily accessible to our employees and to the public.

The 1992 appropriation was a limited amount of money with which we attempted to address our most serious facility problems. In this case we would have substantially improved working conditions and reduced operating costs for Aitkin. However, we have not been able to address important resource work area needs as well as storage and maintenance areas for equipment and materials. Construction of this category of space is critical to providing resource management services in the Aitkin area. Therefore we are

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

requesting funding for additional heated and unheated work areas as well as improvements to the site which would enhance our ability to deliver services.

We anticipate at this time that we would not be able to move away from leased storage areas and that we may have to retain on inventory several buildings which are well beyond their service lives. With the additional improvements we propose for the Aitkin site we should be able to realize significant operating and maintenance costs saving simply by quitting our leased property and divesting of old buildings.

We are requesting \$330 to complete facility development in Aitkin.

GRAND MARAIS: Seventeen employees from Fisheries, Wildlife and Forestry are collocated in Grand Marais. These employees share 1,080 SF of office space. The facilities have not been improved or expanded. Presently, almost all of the space used in this building is incompatible with the original design. Overcrowding and the use of areas as office space which were designed and intended for other uses have resulted in some of the poorest working conditions in the Department.

We intend to construct a new office and heated resource work areas which would accommodate this existing consolidation of services at the Grand Marais Area office. We are requesting \$1.180 million for this project.

INTERNATIONAL FALLS: The facilities in International Falls are extremely overcrowded and are approaching the end of their serviceable life. At this time 13 collocated employees are using just over 600 SF of office space. Conditions in these facilities hinder employee productivity and limit our ability to deliver sound public service.

We are proposing the acquisition and construction of new facilities in International Falls to replace our existing facilities. We hope to construct 4,000 SF of office and resource work area, facilities for storage and necessary site development.

We expect to realize significant reductions in operating expenses due to more energy efficient construction and design which promotes employee productivity.

We are requesting \$900 to complete this project.

SERVICE COLLOCATION PRE-DESIGN: We are certain that we need to acquire and construct facilities to accommodate consolidated services in 8 other locations. We are not at this time prepared to go forward with specific plans at these sites but require pre-design funding to more carefully develop specific plans for these facilities. The following list is for the site where DNR has identified a specific need for consolidated services and the recommended funding for pre-design work at each site.

Tower/Ely	\$50
Backus/Pine River	50
Marshall	75
Rochester	200
Winona/Lewiston	100
Moose Lake/Hinckley	125
Hibbing	50
Preston/Caledonia	75
Total Planning Request	\$725

This is the first request seeking pre-design funds for identified collocation opportunities. Several projects which at this point are good collocation opportunities need funding to complete needs assessment and site exploration. The funds requested for those opportunities amount to 8 percent of preliminary estimated cost, an amount sufficient to prepare projects for implementation, site evaluation and/or obtaining options on specific sites. Provision of pre-design funds for future consolidations would insure that future requests, if approved, can meet the defined needs. At the present time detailed planning, and site acquisition is done after funds are appropriated, and as would be discussed below this often leads to a mismatch between what is needed and what can be obtained.

BEMIDJI: DNR staff in Bemidji is scattered over three locations. This project would accommodate the collocation of all DNR staff onto a single site. Existing facilities are a mixture of 15 DNR owned and leased buildings. These collocated facilities would house 92 employees and accommodate the storage and resource work areas necessary for both regional and field operations.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

Operating costs would be significantly reduced by moving away from leased and obsolete facilities. We anticipate being able to reduce our over all building complement in Bemidji by 9, and to provide facilities for staff which are efficient for energy and promote worker productivity. Public service benefits would be realized when DNR staff is collocated to provide one-stop-service.

Planning for this collocation was funded by a 1984 appropriation and has been modified and updated over the last ten years. We are requesting \$160 to complete pre-design planning.

In Bemidji, the Minnesota Department of Transportation (MnDOT) is planning to build new facilities. There would be some significant benefits for DNR and MnDOT at a collocated site. However conditions and costs in our current facilities compel us to proceed with our plan to work with existing facilities. If an opportunity to collocate with MnDOT presents itself we would be very interested in working toward collocated facilities. In this event the amount requested for this project would have to be increased to allow for construction of facilities to replace the existing facilities that we now propose to continue using.

SOUTHWEST METRO AREA OFFICE: This proposed new collocation of resource service delivery into the southwest region of the metropolitan area would significantly enhance our ability to manage the intensively used natural resources in this section of the metropolitan region. This consolidation would relocate area level resource management personnel currently housed in the regional offices.

The principle operating cost savings would be in locating resource management employees in proximity to their work areas and reduce the costs for travel and mobilization.

We anticipate that it would cost \$1.6 million to complete this project. We are requesting \$550 to acquire land and complete pre-design.

WARROAD: This proposal is to acquire and construct a consolidated facility in Warroad to accommodate the previous consolidation of Forestry operations and to allow for the collocation of the Red Lake WMA staff with Forestry in Warroad. A complement of 24 employees would be housed in the new facilities.

Resource management operations in this area are located in two sites. Warroad Forestry is located on a land locked parcel in a residential/recreational area in the city of Warroad. There is no opportunity to expand our facilities at the current site where 12 people are housed in 936 SF of office space. Existing facilities are overcrowded, impair fire response and are mismatched with surrounding land use. Red Lake Wildlife Management Area (WMA) is located 18 miles from the nearest paved highway and 25 miles from Warroad at Norris Camp. Current facilities are marginally serviceable and not accessible to the general public. Existing facilities are so remote that administrative and support functions are cumbersome and inefficient. The WMA operation uses heavy construction and agricultural equipment to manage its resource base. New facilities would need to accommodate maintenance and safe storage of this equipment.

Consolidation onto a single site would immediately accommodate 24 people and present us with the opportunity to consider collocation of an additional 13. In addition we would be in position to consider divesting the department of 28 buildings which are at or near the end of their design lives. We anticipate reductions in operational costs based on more efficient administrative and support efforts due to the proximity of services in Warroad.

Project costs are estimated at \$1.070 million.

WINDOM: Windom operations employ 12 people who have available to them only 760 SF of office space. Extreme overcrowding hinders delivery of resource management services to the area and limits access by the public. We intend to acquire and build facilities in Windom which would office our employees and provide resource work area, storage and maintenance space.

We would experience significant savings by reducing the costs to operate and maintain the existing obsolete facilities and by enhancing worker productivity due to efficient facility design.

We are requesting \$870 to complete this project.

FERGUS FALLS: Fergus Falls is an existing consolidation where 35 employees have collocated in leased facilities. The cost of leasing facilities is the principle contributor to high operational costs in Fergus Falls. We hope to acquire and build facilities to accommodate our employees and their operational needs.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

We currently lease 4500 SF of office and storage space.

Principle operational saving would be in the reduction of lease costs and improvement in the energy use characteristics in a new building.

For this project we are requesting \$965.

ST. CLOUD: We are currently collocated with MnDOT in St. Cloud. Lack of additional space in the MnDOT facilities has hindered our effort to consolidate area services into St. Cloud. MnDOT has substantially completed their plans to build new facilities in St. Cloud. It has been beneficial for DNR to be collocated with MnDOT and it is our intention to continue to locate our facilities with them in the future. Our plan is to contribute to the construction of new facilities at a level which would allow us to accommodate collocation of staff and services.

At St. Cloud we intend to contribute to the construction of office space to accommodate DNR operations for 13 employees within the facilities planned by MnDOT. Office and some resource work area would be incorporated into the planned facility. In addition we intend to construct ancillary facilities for storage, maintenance and resource work area.

MnDOT has substantially completed the facility design. We anticipate the DNR's participation in this project would cost \$1.4 million. At this time we are requesting \$80 to complete DNR's pre-design work.

METRO REGIONAL HEADQUARTERS: We plan to construct new maintenance facilities and to remodel the existing maintenance space into offices. We intend to acquire additional land and construct site improvements to provide safe and secure storage for material and equipment. Current conditions in the Metro Regional Office are overcrowded and the incompatible use of the building for both maintenance and office functions is a hinderance. The current complement assigned to the Metro Regional Office complex is 86. To house these employees we need 25,800 SF of office and resource management facilities. We currently have 13,500 SF. Relocation of the maintenance facilities will free 4600 SF for conversion to office space. Relocation of area staff to the proposed Southwest Metro Area Office would further reduce the need for additional space in the regional complex and make this proposed configuration acceptable.

This project would allow us to divest of a residence converted to office space that has been occupied under a conditional use permit for years. There would be a significant maintenance and operational savings realized by this divestiture and an improvement in working conditions which would promote productivity.

We are requesting \$1.395 million to complete this project.

BRAINERD: The Brainerd Regional Headquarters is the site of collocated regional and area DNR operations as well as collocated state agencies. At this time there are 81 DNR employees assigned to the Regional Headquarters. The Minnesota Pollution Control Agency (MPCA) and the Department of Revenue are located in the headquarters facilities. Space in the regional headquarters needed for conference rooms, meeting space and resource work areas is inadequate. Anticipated increases in complement and inadequate space to accommodate these increased demands on facilities would hinder regional office function. We plan an expansion of the existing facilities to provide conference and meeting rooms as well as office and resource work space in the existing building. In addition we intend to expand material and equipment storage space .

We are requesting \$1.385 million to complete the proposed work.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The idea of bringing DNR employees together to improve customer service and resource management and to reduce operating costs is not a new idea. It is a tool the department has used for many years, and expects to use in the future as requirements change, new technology is implemented and budgets dictate. Prior to 1990 the department consolidated offices in thirty communities and disposed of more than 100 antiquated buildings.

A major report on "Building Consolidation" was written for the 1990 legislative session. That report justified consolidation as a way to:

- Maximize the potential of professional staff,
- Improve communication among disciplines,

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

- Provide comprehensive resource management services and information to customers, and
- Reduce operating costs.

These objectives are still active, and others have been added to the list including:

- Increased attention to safety concerns,
- Providing handicapped access, and
- Providing clerical and/or information support.

Of these the greatest opportunity for increased effectiveness lies in the area of maximizing the potential of staff. Over 85 percent of DNR's non-capital budget is used to cover personnel costs, so management of people is the basis for good resource management.

In 1992 the department formed an Organizational Alignment Team (OAT) to study field alignment issues and recommend changes in alignment to top management. Team members represent all divisions and most bureaus in the department. The teams objectives are to seek collocation opportunities, and ways to reduce the costs of support services. The work is a natural outgrowth of previous efforts in which it was relatively easy to identify collocation targets, because of the status of facilities and the location of several disciplines in the same community. OAT is guiding a state-wide program for level 3 (field) offices in which the assessment work would be done at the region/area level. However, this plan does not have to be done all at once, because of the regionalization of DNR activities and the stability of the resources managed. At an early meeting the team endorsed past collocation requests, and accepted the work that went into the current request, since they fit the state-wide pattern the team believes will be of most benefit. Moving beyond the current request is more difficult as it involves smaller or more disbursed offices, and fewer disciplines. The team is planning to have its state-wide review of additional opportunities completed prior to the 1996 session. This review would provide a solid quantitative basis for location of DNR staff. Capital budget requests would be paced at about a \$5 million per biennium level to accommodate other non-office requests. From that point on that the legislature would be able to see the whole picture of DNR staffing.

The other building requests contained in the departments capital budget request have been coordinated with the collation efforts so they stand as independent entities.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

In the case of regional office expansions budgets for energy and maintenance would increase because office space it being added to overcome crowding and inadequate working conditions for employees. However, employee effectiveness would increase because interoffice travel would be reduced and greater levels of coordination would be possible. One of the department's primary goals is to have employees engage in integrated planning, as the costs of doing otherwise in terms of nonproductive or negated effort have been shown many times over. The goal is better resource management and improved customer service, and the results of that kind of activity can only be shown over a longer time span. The actual realized benefits of lower maintenance and energy costs are the smallest piece of the overall savings.

4. OTHER CONSIDERATIONS (OPTIONAL):

The Bureau of Engineering has four (4) architectural staff for design and development of buildings. These positions must be shared among several funding sources. For example, some LCMR projects require the services of this unit along with some discipline specific building requests like the hunter contact stations. Large construction projects which exceed \$750 or if the design fee would likely exceed \$50, must be done by consultants selected by the Designer Selection Board. Therefore most of the construction projects would be handled by consultants with the Bureau of Engineering providing consultant management services. Typically, corrective work on existing facilities can be handled jointly by the Bureaus of Engineering and Field Services. If one assumes that all of the building consolidation projects described herein would be done by consultants, the Engineering Bureau's workload for construction and programming project management and contract administration would require 5 engineering person years, and 3 engineering and/or Field Services person years for rehabilitation projects. This workload can not be absorbed by existing staff in the Bureaus.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify):

PRIOR COMMITMENT: No Yes

Laws 1990 _____, Ch 610 _____, Sec 20 _____ \$ 1,000 _____
 Laws 1992 _____, Ch 558 _____, Sec 18 _____ \$ 1,731 _____

PREVIOUSLY REQUESTED: No Yes When? 1990, 1991, 1992

AGENCY BUILDING NAME AND #:

STATE-WIDE BUILDING ID #:

FACILITY SQUARE FOOTAGE:

Existing Building
155,985 Gross Sq. Ft. (GSF) *Includes 4,592 sq ft of rental office space

Project Scope
34,592 Gross Sq. Ft. Demolished
10,000 Gross Sq. Ft. Renewal or Adaption
52,920 Gross Sq. Ft. New Construction

Final Building Size
169,721 Gross Sq. Ft.

Are there design standards or guidelines that apply to your agency and this project?
 Yes No.

If so, please cite appropriate sources: ADA, UBC, UMC, NEC, UFC, OSHA

CHANGES IN OPERATING COSTS (Facilities Note): F.Y. 1994-95

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Change in Bldg. Oper. Expenses . . .	\$ <u>(27)</u>	\$ <u>(27)</u>	\$ <u>(27)</u>
Change in Lease Expenses	\$ <u>(55)</u>	\$ <u>(56)</u>	\$ <u>(56)</u>
Change in Other Expenses	\$ <u>(7)</u>	\$ <u>(7)</u>	\$ <u>(9)</u>
Total Change in Operating Costs . .	\$ <u>(89)</u>	\$ <u>(90)</u>	\$ <u>(92)</u>

Other:
 Change in F.T.E. Personnel _____

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-3

PROJECT COSTS:

FY 1994-95

Acquisition (land and buildings)	\$	<u>840</u>
Consultant Services (pre-design)	\$	<u>1,580</u>
Consultant Services (design)	\$	<u>695</u>
Construction	\$	<u>5,715</u>
Furnishings, Fixtures and Equipment (F.F. & E.)	\$	<u>400</u>
Data/Telecommunications	\$	<u>110</u>
Art Work (1% of construction)	\$	<u>25</u>
Project Management	\$	<u>510</u>
Project Contingency	\$	<u>535</u>
Related Projects	\$	<u>0</u>
Other Costs (please specify):	\$	<u>0</u>
Inflation Adjustment (xxx):	\$	<u>0</u>

TOTAL PROJECT COST

	\$	<u>10,410</u>
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Appropriation Request for 1994 Session	\$	<u>10,410</u>
Appropriation Estimate for 1996 Session	\$	<u>12,320</u>
Appropriation Estimate for 1998 Session	\$	<u>5,000</u>

PROJECT TIMETABLE:

	<u>Start Date</u> <u>(Mo./Yr.)</u>	<u>End Date</u> <u>(Mo./Yr.)</u>	<u>Duration</u> <u>(Months)</u>
Planning/Programming	<u>12/93</u>	<u>12/95</u>	<u>24</u>
Site Selection and Purchase	<u>06/94</u>	<u>06/95</u>	<u>12</u>
Design	<u>06/94</u>	<u>06/95</u>	<u>12</u>
Construction	<u>05/95</u>	<u>11/96</u>	<u>18</u>
Substantial Completion	<u> </u>	<u>11/96</u>	<u> </u>
Final Completion	<u> </u>	<u>03/97</u>	<u> </u>

PROPOSED METHOD(S) OF FINANCING (check one):

 Cash: Fund _____
 X Bonds: Tax Exempt X Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

 X General Fund % of total 100
 User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

\$ 10,410 Appropriation Request (1994 Session)
\$ 10,410 State funding
\$ _____ Federal funding
\$ _____ Local gov't funding
\$ _____ Private funding

Agency Data Prepared by: Mark Wallace
Name

Facilities Manager
Title

612/282-2505
Telephone

07/93
Date

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF ADMINISTRATION ANALYSIS:

- This request contains a collection of subprojects. All subprojects are described.
- This project contains multiple stages. Admin recommends that pre-design work be approved by Admin before commencing design work prior to legislative review as required by 16B.335.

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends a total of \$6,360,000 in capital funds for service consolidation building projects. This recommendation includes construction funds of \$800,000 for Detroit Lakes, \$330,000 for Aitkin, \$1,180,000 for Grand Marais, \$900,000 for International Falls, \$1,070,000 for Warroad, and \$870,000 for Windom. The recommendation also includes \$550,000 in acquisition and predesign funds for a new Metro Southwest facility, \$160,000 in predesign funds for Bemidji, and a lump sum of \$500 for predesign on additional facilities statewide. Also included are preliminary recommendations of \$10 million each in 1996 and 1998 for additional service consolidation projects.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	80
Asset Preservation/Deferred Renewal	75
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	305

READINESS QUOTIENT	
Programming	30
Design	30
Cost Planning/Management	30
Facility Audit Supports the Request	0
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	50%

DEPARTMENT OF NATURAL RESOURCES
F.Y. 1994-99 CAPITAL BUDGET REQUEST
BUILDING PROJECT DETAIL
(\$ in 000's)

SERVICE CONSOLIDATION REQUEST - FINAL

F.Y. 1994-95 REQUEST ONLY

PRIORITY	#1	#2	#3	#4	#5	#6	#7	#8	#9
FACILITY/PROJECT NAME	Detroit Lakes	Aitkin	Grand Marais	International Falls	Proj. Pre-Design	Bemidji	Metro So West	Warrad	Windom
SQUARE FOOTAGE									
Existing Building Gross Square Footage	18,900	4,320	5,900	6,156				11,000	5,292
Project Scope:									
Demolished Square Footage	6,140	4,320	2,700	3,060				11,000	5,292
Renewal or Adaption Square Footage	5,000								
New Construction Square Footage	4,000	6,000	6,720	3,900				7,200	7,700
Final Building Size Gross Square Footage	16,760	6,000	9,920	6,996				7,200	7,700
CHANGES IN OPERATING COSTS '94-'95									
Change in Compensation									
Change in Building Operating Expenses	(\$4)	(\$2)	(\$15)	(\$3)				(\$15)	(\$3)
Change in Lease Expenses		(\$3)							
Change in Other Expense	(\$3)	(\$1)	(\$3)					(\$3)	(\$3)
Total Change in Operating Costs	(\$7)	(\$6)	(\$18)	(\$3)				(\$18)	(\$6)
Other: Change in FTE Personnel									
CHANGES IN OPERATING COSTS '96-'97									
Change in Compensation									
Change in Building Operating Expenses	(\$4)	(\$2)	(\$15)	(\$3)				(\$15)	(\$3)
Change in Lease Expenses		(\$3)							
Change in Other Expense	(\$3)	(\$1)	(\$3)					(\$3)	(\$3)
Total Change in Operating Costs	(\$7)	(\$6)	(\$18)	(\$3)				(\$18)	(\$6)
Other: Change in FTE Personnel									
CHANGES IN OPERATING COSTS '98-'99									
Change in Compensation									
Change in Building Operating Expenses	(\$4)	(\$2)	(\$15)	(\$3)				(\$15)	(\$3)
Change in Lease Expenses		(\$3)							
Change in Other Expense	(\$4)	(\$1)	(\$3)					(\$3)	(\$3)
Total Change in Operating Costs	(\$8)	(\$6)	(\$18)	(\$3)				(\$18)	(\$6)
Other: Change in FTE Personnel									
PROJECT COSTS									
Acquisition (land & buildings)							\$400	\$165	\$80
Consultant Services (pre-design)	\$40		\$55	\$45	\$725	\$160	\$150	\$50	\$50
Consultant Services (design)	\$60	\$30	\$95	\$55				\$60	\$70
Construction	\$600	\$290	\$825	\$650				\$530	\$530
Furnishings, Fixtures and Equipment			\$40	\$30				\$70	\$30
Data/Telecommunications			\$20	\$10				\$25	\$10
Art Work (1% of construction)									
Project Management	\$40	\$10	\$60	\$50				\$70	\$50
Project Contingency	\$60		\$85	\$60				\$100	\$50
Related Projects									
Other Costs (please specify)									
TOTAL PROJECT COST	\$800	\$330	\$1,180	\$900	\$725	\$160	\$550	\$1,070	\$870
TOTAL FOR THIS REQUEST ONLY	\$800	\$330	\$1,180	\$900	\$725	\$160	\$550	\$1,070	\$870

DEPARTMENT OF NATURAL RESOURCES
F.Y. 1994-99 CAPITAL BUDGET REQUEST
BUILDING PROJECT DETAIL
(\$ in 000's)

SERVICE CONSOLIDATION REQUEST - FINAL

F.Y. 1994-95 REQUEST ONLY

PRIORITY	#10	#11	#12	#13					Total
FACILITY/PROJECT NAME	Fergus Falls	St. Cloud	Metro - Regional	Brainerd					
SQUARE FOOTAGE									
Existing Building Gross Square Footage	*	*	37,488	62,337					151,393
Project Scope:									
Demolished Square Footage			2,080						34,592
Renewal or Adaption Square Footage			5,000						10,000
New Construction Square Footage	7,400		5,000	5,000					52,920
Final Building Size Gross Square Footage	7,400		40,408	67,337					169,721
CHANGES IN OPERATING COSTS '94-'95									
Change in Compensation									
Change in Building Operating Expenses			\$9	\$6					(\$27)
Change in Lease Expenses	(\$45)		(\$7)						(\$55)
Change in Other Expense	\$4			\$2					(\$7)
Total Change in Operating Costs	(\$41)		\$2	\$8					(\$89)
Other: Change in FTE Personnel									
CHANGES IN OPERATING COSTS '96-'97									
Change in Compensation									
Change in Building Operating Expenses			\$9	\$6					(\$27)
Change in Lease Expenses	(\$45)		(\$8)						(\$56)
Change in Other Expense	\$4			\$2					(\$7)
Total Change in Operating Costs	(\$41)		\$1	\$8					(\$90)
Other: Change in FTE Personnel									
CHANGES IN OPERATING COSTS '98-'99									
Change in Compensation									
Change in Building Operating Expenses			\$9	\$6					(\$27)
Change in Lease Expenses	(\$45)		(\$8)						(\$56)
Change in Other Expense	\$4		(\$1)	\$2					(\$9)
Total Change in Operating Costs	(\$41)			\$8					(\$92)
Other: Change in FTE Personnel									
PROJECT COSTS									
Acquisition (land & buildings)	\$80		\$115						\$840
Consultant Services (pre-design)	\$50	\$80	\$100	\$75					\$1,580
Consultant Services (design)	\$70		\$130	\$125					\$695
Construction	\$610		\$775	\$905					\$5,715
Furnishings, Fixtures and Equipment	\$30		\$100	\$100					\$400
Data/Telecommunications	\$15		\$15	\$15					\$110
Art Work (1% of construction)			\$10	\$15					\$25
Project Management	\$50		\$80	\$100					\$510
Project Contingency	\$60		\$70	\$50					\$535
Related Projects									
Other Costs (please specify)									
TOTAL PROJECT COST	\$965	\$80	\$1,395	\$1,385					\$10,410
TOTAL FOR THIS REQUEST ONLY	\$965	\$80	\$1,395	\$1,385					\$10,410

4,592 SF Leased * 3,150 SF Leased *

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Underground Storage Tank Removal and Replacement
TOTAL PROJECT COST: \$1,097
APPROPRIATION REQUEST FOR 1994 SESSION: \$1,097
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$-0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$-0-
LOCATION (CAMPUS, CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

3 of 11 requests

1. PROJECT DESCRIPTION:

Request for funds to remove 106 regulated underground fuel storage tanks state-wide. In those cases where DNR operations are remote or when other factors suggest a need, replace the fueling capability with above ground fuel storage. Also included are funds to defray the 10% of total cleanup costs which are not reimbursed by the Petrofund.

Our experience indicates that it costs twelve hundred dollars per tank for removal making our removal costs \$127. Of all of the tanks we remove it is expected that 30% would have leaked and require cleanup. 90% of cleanup has been reimbursable through the Petrofund and we expect that would continue to be the case. Our average cost for cleanup has been \$13 per leaking tank. We anticipate that we would have 32 leaking tanks and that total cleanup cost would be \$416. Our cleanup costs not reimbursed would be 10% of the total cleanup costs, or \$42.

The ongoing need for fueling capacity in some areas would be addressed by installation of above ground fueling stations. The department has established replacement criteria which allows for installation of 58 fueling stations (Parks - 49, Forestry - 7, Wildlife - 2). Installation costs for fueling stations is \$16 per station. Replacement costs are \$928 and are limited to existing locations.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

A primary goal of the DNR is to protect and manage Minnesota's diverse ecosystems, respect the natural world, and enhance the beauty of our surroundings by protecting surface water and groundwater resources to address increasing demand, user conflicts, and domestic, agricultural, and industrial pollution.

The regulatory environment is becoming increasingly restrictive regarding fuel storage. It is consistent with the DNR's mission to aggressively seek funding to remove potential point sources of contamination that could threaten the ground water of the state. Over the last three years we have received \$525 from two separate appropriations. With those appropriations we have removed 74 underground storage tanks.

There is an operational need for fuel storage. Current storage tank technology for fuel storage adequately provides for operational need, reduces environmental contaminants and protects ground water. The criteria used to decide when fueling stations are allowed limit installations to state parks and to remote forestry and wildlife locations. State parks need to provide fueling support for mowing, and for vehicle and equipment operation. In general it is cumbersome and inefficient to transport equipment over the road for fueling and it makes economic sense to provide facilities on site. Forestry and wildlife sites which use agricultural equipment need on site fueling facilities to allow efficient resource management operations. In those cases where an operation is a state park, sufficiently remote from local fueling facilities or has equipment which can not be effectively driven or transported over the road for fueling we intend to install fuel storage capacity.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

Regulatory requirements and environmental concern compel us to plan for the removal of these 106 tanks. Failure to fund this effort would put the DNR in a position where the removal, replacement and costs not reimbursed would come from operational budgets.

Managing tank removal, site cleanup and petrofund reimbursement is a complex and staff intensive job. We would like to complete this work without adding staff. We anticipate that it would take between two and three years to complete the removal of all regulated tanks. This is just enough time to finish the work before we fail to comply with the regulatory time lines. There is the potential for operational budgets to be affected by penalties and failure to qualify for reimbursement.

4. OTHER CONSIDERATIONS (OPTIONAL):

None.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify):

PRIOR COMMITMENT: No Yes

Laws 1992, Ch 558, Sec 18 \$ 295
 Laws 1990, Ch 610, Sec 20 \$ 250

PREVIOUSLY REQUESTED: No Yes When 1989, 1990, 1991, 1992

AGENCY BUILDING NAME AND #:

STATE-WIDE BUILDING ID #:

FACILITY SQUARE FOOTAGE:

Existing Building
N/A Gross Sq. Ft. (GSF)

Project Scope
106 Tanks Disposed
 Gross Sq. Ft. Renewal or Adaption
58 New Tanks Installed

Final Building Size
N/A Gross Sq. Ft.

Are there design standards or guidelines that apply to your agency and this project?
 Yes No.

If so, please cite appropriate sources: Fire Code; MPCA/EPA standards for UST's.

CHANGES IN OPERATING COSTS (Facilities Note):

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ 0	\$ 0	\$ 0
Change in Bldg. Oper. Expenses . . .	\$ 0	\$ 0	\$ 0
Change in Lease Expenses	\$ 0	\$ 0	\$ 0
Change in Other Expenses	\$ 0	\$ 0	\$ 0
Total Change in Operating Costs . .	\$ 0	\$ 0	\$ 0

Other:

Change in F.T.E. Personnel

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form E-3

PROJECT COSTS:

Acquisition (land and buildings) \$ _____
 Consultant Services (pre-design and design) \$ _____
 Construction \$ 169
 Furnishings, Fixtures and Equipment (F.F. & E.) \$ 928
 Data/Telecommunications \$ _____
 Art Work (1% of construction) \$ _____
 Project Management \$ _____
 Project Contingency \$ _____
 Related Projects \$ _____
 Other Costs (please specify): \$ _____
 Inflation Adjustment (xxxx) \$ 0

TOTAL PROJECT COST \$ 1,097

Appropriation Request for 1994 Session \$ 1,097
 Appropriation Estimate for 1996 Session \$ 0
 Appropriation Estimate for 1998 Session \$ 0

PROJECT TIMETABLE:

	Start Date (Mo./Yr.)	End Date (Mo./Yr.)	Duration (Months)
Planning/Programming	_____	<u>08/93</u>	_____
Site Selection and Purchase	_____	_____	_____
Design	_____	_____	_____
Construction	<u>06/94</u>	<u>06/97</u>	<u>36</u>
Substantial Completion	_____	<u>06/97</u>	_____
Final Completion	_____	<u>01/98</u>	_____

PROPOSED METHOD(S) OF FINANCING (check one):

___ Cash: Fund _____
 Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

General Fund % of total 100
 ___ User Financing % of total _____
 Source of funds _____

FUNDING SOURCE:

\$ 1,097 Appropriation Request (1994 Session)
 \$ 1,097 State funding
 \$ _____ Federal funding
 \$ _____ Local gov't funding
 \$ _____ Private funding

Agency Data Prepared by: Mark Wallace Facilities Manager 612/282-2505 07/22/93
 Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF ADMINISTRATION ANALYSIS:

■ This request contains a collection of subprojects. All subprojects are described.

DEPARTMENT OF FINANCE ANALYSIS:

The state has a legal liability to remove these tanks and remediate any contamination. Once removed, a certain number of these tanks must be replaced with above ground fuel storage in order to meet operational requirements.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$1,097,000 for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	700
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	0
Agency Priority	0
Asset Preservation/Deferred Renewal	0
Customer Services Improved	0
Operating Savings/Efficiencies	0
Total Strategic Score	700

READINESS QUOTIENT	
Programming	0
Design	0
Cost Planning/Management	0
Facility Audit Supports the Request	0
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	n/a

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: State Park Building Rehabilitation
TOTAL PROJECT COST: \$14,350
APPROPRIATION REQUEST FOR 1994 SESSION: \$4,350
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$5,000
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$5,000
LOCATION (CAMPUS, CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

4 of 11 requests

1. PROJECT DESCRIPTION:

The State Park Building Rehabilitation Program exists to implement major rehabilitation of existing state park buildings. This rehabilitation extends the life of historically significant structures.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The state park system hosts approximately 8 million visitors each year. These visitations amount to more than 1,750,000 vehicles utilizing roads and parking lots, over 825,000 overnight guests and approximately 7 million day visitors. These visitors use toilet/shower buildings, shelters, interpretive centers, contact stations, trail centers and group camp buildings that are old and in need of major rehabilitation.

The state park system contains more than 1,200 buildings of which over 500 are historic structures and many are listed on the National Historic Register. These structures represent a nationally significant cultural resource and include some of the finest examples of Civilian Conservation Corp (CCC) and Work Progress Administration (WPA) construction in the nation.

The long-range goal is to rehabilitate all the CCC, WPA structures in the state park system. Since these structures represent the major physical plant in most of the state park system they are desperately needed to fulfill the state park mission.

If these structures are allowed to deteriorate, Minnesota would lose an outstanding cultural resource as well as a unique style of architecture. These stone and log structures are a part of our heritage and cannot be replaced. Work on these historic structures includes log replacement, stone tuck pointing, improved accessibility, upgrading obsolete electric and sewer systems, roof replacement and improved weatherization.

The Division of Parks and Recreation currently budgets approximately \$300 annually in operation dollars for minor building and non-building structure rehabilitation. This funding does not begin to address the system's needs. If \$2 million were available annually for building rehabilitation, long-term needs could be met. Projects included in this request are:

- \$324 for emergency utility system rehabilitation which includes bringing sewage disposal systems up to PCA standards, rebuilding obsolete lift stations, replacing 70 year old water distribution systems and bringing electrical systems up to code.
- \$2.4 million to rehabilitate CCC/WPA era historic buildings. Rehabilitation to include log replacement, stone work, improved accessibility, replace inadequate sewage, water and electric systems, new roofs and weatherization where needed.
- \$1 million to rehabilitate other state park structures built during the 1960s. Rehabilitation to include new toilet fixtures, wall and floor finishes, exterior siding, windows and roofs, handicapped accessibility, and upgrade electric, sewage and water systems.
- \$626 for additions to existing structures to meet public demand and accommodate handicapped accessibility. Work also includes replacing vault toilets to meet PCA and health codes.

We feel this amount is the maximum that could be processed due to our limited engineering capabilities, staff available and short construction season due to heavy park use.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

This project would have no impact on Agency operating budgets.

AGENCY CAPITAL BUDGET REQUEST

Form E-1

Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

4. OTHER CONSIDERATIONS (OPTIONAL):

We must continue to upgrade our existing facilities to meet growing user demands. Failure to upgrade these facilities would mean higher costs in the future.

Source: The goals are outlined in each State Park Management Plan, the Division of Parks Capital Improvement Plan and the DNR's Directions 1993 Strategic Plan.

The projects scheduled for completion with this funding are prioritized through a rating system involving field and regional management and represents the most urgent needs currently identified by the park system.

AGENCY CAPITAL BUDGET REQUEST

Form E-2

Building Project Detail (Cont.'d)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify):

PRIOR COMMITMENT: No Yes

Laws 1993, Ch 172, Sec 14 \$ 3,000

Laws, Ch, Sec \$

PREVIOUSLY REQUESTED: No Yes When? 1992

AGENCY BUILDING NAME AND #:

STATE-WIDE BUILDING ID #:

FACILITY SQUARE FOOTAGE:

Existing Building
1,048,036 Gross Sq. Ft. (GSF)

Project Scope
 _____ Gross Sq. Ft. Demolished
100,000 Gross Sq. Ft. Renewal or Adaption 93 buildings
 _____ Gross Sq. Ft. New Construction

Final Building Size
1,048,036 Gross Sq. Ft.

Are there design standards or guidelines that apply to your agency and this project?
 Yes No.

If so, please cite appropriate sources: State Building Code; American Disabilities Act (ADA)

CHANGES IN OPERATING COSTS (Facilities Note):

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ _____	\$ _____	\$ _____
Change in Bldg. Oper. Expenses . . .	\$ _____	\$ _____	\$ _____
Change in Lease Expenses	\$ _____	\$ _____	\$ _____
Change in Other Expenses	\$ _____	\$ _____	\$ _____
Total Change in Operating Costs . .	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

Other:
 Change in F.T.E. Personnel _____

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-3

PROJECT COSTS:

Acquisition (land and buildings) \$ _____
 Consultant Services (pre-design and design) \$ 2,000
 Construction \$ 11,350
 Furnishings, Fixtures and Equipment (F.F. & E.) \$ _____
 Data/Telecommunications \$ _____
 Art Work (1% of construction) \$ _____
 Project Management \$ _____
 Project Contingency \$ 1,000
 Related Projects \$ _____
 Other Costs (please specify): \$ _____
 Inflation Adjustment (xxxx) \$ 0

TOTAL PROJECT COST \$ 14,350

Appropriation Request for 1994 Session \$ 4,350
 Appropriation Estimate for 1996 Session \$ 5,000
 Appropriation Estimate for 1998 Session \$ 5,000

PROJECT TIMETABLE:

	Start Date (Mo./Yr.)	End Date (Mo./Yr.)	Duration (Months)
Planning/Programming	<u>complete</u>	_____	_____
Site Selection and Purchase	<u>complete</u>	_____	_____
Design	<u>07/94</u>	<u>03/95</u>	<u>8</u>
Construction	<u>03/94</u>	<u>06/96</u>	<u>16</u>
Substantial Completion	_____	<u>04/96</u>	_____
Final Completion	_____	<u>06/96</u>	_____

PROPOSED METHOD(S) OF FINANCING (check one):

_____ Cash: Fund _____
 Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

General Fund % of total 100
 _____ User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

\$ 4,350 Appropriation Request (1994 Session)
 \$ 4,350 State funding
 \$ _____ Federal funding
 \$ _____ Local gov't funding
 \$ _____ Private funding

Agency Data Prepared by: John Strohkirch State Parks Development & Acq. Mgr. 612/296-8289 07/19/93
 Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST

Form E-4

Building Project Detail (Cont.'d)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF ADMINISTRATION ANALYSIS:

- This request contains a collection of subprojects. All subprojects are described.
- The request's schedule objectives require that all funds requested be simultaneously appropriated.
- This project has been previously funded. The request does not clearly explain how prior funding was applied and used.

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$3,000,000 for this project. Also included are preliminary recommendations of \$3,000,000 in 1996 and \$3,000,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	60
Asset Preservation/Deferred Renewal	75
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	285

READINESS QUOTIENT	
Programming	30
Design	30
Cost Planning/Management	30
Facility Audit Supports the Request	0
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	50%

Buildings: Rehab / Adaption

Form E

P & R

<u>id</u>	<u>title</u>	<u>div rank</u>	<u>cost</u>	<u>cumulative</u>
3003	Statewide Emergency Utility System	1	324,000	324,000
1446	Lake Carlos: wpa building restoration	7	93,750	417,750
1263	St. Croix: ccc bldg rehab	12	58,695	476,445
1346	St. Croix: re-wire mechanics shop	13	22,500	498,945
1283	St. Croix: shower building rehab	14	115,000	613,945
1267	State Wide: ccc/wpa building rehabilita	15	653,400	1,267,345
1225	State Wide: vault toilet replacement	16	172,500	1,439,845
1224	Itasca: ccc bldg rehab (phase 2)	17	837,000	2,276,845
1400	Beaver Creek Valley: general park build	21	34,500	2,311,345
1358	Buffalo River: wpa building restoration	23	67,500	2,378,845
1297	William O'Brien: rehab upper	24	273,240	2,652,085
1270	William O'Brien: rehab service area & b	25	218,500	2,870,585
1375	State Wide: ccc/wpa building rehabilita	32	201,250	3,071,835
1378	Soudan Undgd Mine: refinish all buildin	35	15,000	3,086,835
1332	Savanna Portage: remodel station for in	38	172,500	3,259,335
1356	Old Mill: wpa building rehab	42	125,000	3,384,335
1312	Nerstrand-big Woods: picnic shelter reh	43	64,800	3,449,135
1250	Minneopa: move contact station from ft.	48	15,000	3,464,135
1313	Lake Shetek: wpa bldg rehab	55	54,000	3,518,135
1282	Lake Louise: rehab campground	56	67,500	3,585,635
1307	Lake Bronson: wpa beach bldg remodel	58	112,500	3,698,135
1414	Lake Bemidji: remodel picnic area sanit	60	40,500	3,738,635
1276	Itasca: remodel cabins	68	132,250	3,870,885
1257	Hill Annex: elevator for accessibility	71	26,087	3,896,972
1365	Frontenac: picnic area building rehab	78	30,000	3,926,972
1364	Fort Ridgely: wpa building rehab	80	125,000	4,051,972
1442	Father Hennepin: sanitation bldg rehab	86	30,000	4,081,972
1437	Blue Mounds: picnic area toilet rehab	93	40,500	4,122,472
1239	Bear Head Lake: office contact station	97	227,000	4,349,472

29 Projects

PAGE B-44

Buildings: New Construction

Form E

P & R

<u>id</u>	<u>title</u>	<u>div rank</u>	<u>cost</u>	<u>cumulative</u>
1262	Flandrau: group camp shower/toilet buil	2	161,000	161,000
1223	Gooseberry Falls: prtl funding of new o	10	324,000	485,000
1244	Fort Snelling: visitor/trail/informatio	11	2,000,000	2,485,000
1362	Sakatah Lake: beach shower	41	17,250	2,502,250
1317	Mille Lacs Kathio: cultural resource ex	50	40,500	2,542,750
1238	Interstate: storage bldg	69	60,750	2,603,500
1295	Fort Snelling: cold storage building	79	86,250	2,689,750
1322	Flandrau: campground shower bldg and	84	230,000	2,919,750
1340	Buffalo River: new office/contact stati	91	165,313	3,085,063
1459	Bear Head Lake: picnic shelter	96	54,000	3,139,063
1401	Banning: combination picnic/trail shelt	98	68,750	3,207,813
1545	Tettegouche: cold storage building	122	54,000	3,261,813
1483	St. Croix: trail center addition	123	100,000	3,361,813
1558	Split Rock Creek: enclosed picnic shelt	124	30,000	3,391,813
1336	Beaver Creek Valley: replace	132	161,000	3,552,813
1412	Forestville: visitor center	146	550,000	4,102,813
1389	Grand Portage: construct park	154	319,680	4,422,493
1265	Interstate: brinks building removal & r	157	112,500	4,534,993
1347	Interstate: wood storage bldg	159	30,000	4,564,993
1342	Jay Cooke: storage bldg	163	47,250	4,612,243
1452	Maplewood: new picnic shelter	173	93,750	4,705,993
1254	McCarthy Beach: campground shower	174	138,000	4,843,993
1417	Moose Lake: visitor center	178	378,000	5,221,993
1311	Nerstrand-big Woods: group camp	180	46,575	5,268,568
1338	Rice Lake: shop/cold storage building	183	75,000	5,343,568
1319	Sakatah Lake: shop/storage building	184	75,000	5,418,568
1441	Schoolcraft: new campground shower	187	172,500	5,591,068
1245	Soudan Undgd Mine: new visitor center	190	432,000	6,023,068
1305	Split Rock Creek: office/contact statio	191	125,000	6,148,068
1410	St. Croix: guesthouse 2 completion`	194	67,500	6,215,568
1316	Temperance River: contact/orientation s	197	166,750	6,382,318
1246	Temperance River: lower campground	198	161,000	6,543,318
1406	Tettegouche: picnic shelter/trail cente	200	230,000	6,773,318
1428	Tettegouche: theater/auditorium additio	201	230,000	7,003,318
1526	Afton: bch area toilet/strm shltr/chang	207	297,000	7,300,318

35 Projects

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AGENCY CAPITAL BUDGET REQUEST

Form E-1

Building Project Detail

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

AGENCY: Natural Resources, Department of
PROJECT TITLE: State Park Building Development
TOTAL PROJECT COST: \$17,300
APPROPRIATION REQUEST FOR 1994 SESSION: \$7,300
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$5,000
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$5,000
LOCATION (CAMPUS, CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

5 of 11 requests

1. PROJECT DESCRIPTION:

The State Park Building Development Program includes the construction of new facilities in the State park system. With over 8 million visitors annually, the construction of new facilities is required in order for the Department to continue providing quality recreation experiences for park users. The scope of this project includes the replacement of some structures that are beyond repair and are in violation of health and safety codes.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The State Park System hosts approximately 8 million visitors each year. These visitations amount to more than 1,750,000 vehicles utilizing roads and parking lots, over 825,000 overnight guests, and approximately 7 million day visitors. Many parks currently have inadequate facilities, no showers available at campgrounds, no facilities to interpret the unique park resources and no service or office facilities.

The long-range goal of the State Park Development Program is to construct all the new facilities identified in the State Park management plans by the year 2000.

Developing these new facilities would enable the park system to better meet its goals of protecting resources and providing quality recreation.

This request would complete the development of the highest priority facilities. The following project summary outlines what type of facilities are proposed to be built from the 1994 appropriation request and the impact this would have on the park system.

- \$1 million for new shower and toilet facilities in 6 state parks. These facilities are desperately needed to provide minimal service to campers.
- \$550 for new picnic/trail shelters in 5 state parks. These parks currently have no facilities available.
- \$1.4 million for visitor contact stations at 8 state parks. These facilities would provide visitor orientation.
- \$650 for shop/storage buildings at 9 state parks. Valuable state equipment and supplies are currently stored outside.
- \$400 for beach area shower/toilet facilities at 2 state parks. Health codes require that these facilities be developed.
- \$2 million for the development of a visitor center at Fort Snelling state park. Center to include visitor orientation and interpretive displays, winter trail center and restrooms.
- \$550 for the development of a visitor center at Forestville state park. Center to include visitor orientation and interpretive displays, winter trail center and restrooms.
- \$318 for the development of a visitor center at Moose Lake state park. Center to include agate display and interpretive area, park office, water trail area and restrooms.
- \$432 for the development of a visitor center at Soudan Underground Mine state park. Center to include mine interpretive displays, tour staging area and restrooms.

We feel the current request is the maximum that could be processed due to our engineering capabilities, staff available and short construction season due to heavy park use.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

Developing these new facilities would require spending custodial and maintenance funding of \$262 dollars in each biennium in which the buildings are operational.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

4. OTHER CONSIDERATIONS (OPTIONAL):

Building facilities in the state park system must continually be improved in order to meet growing user demand. Delay in construction would mean higher future costs.

Source: The goals are outlined in each state park management plan, the Division of Parks Capital Improvement plan and the DNR's Directions 1993 Strategic plan.

The projects scheduled for completion with this funding are prioritized through a rating system involving field and regional management and represents the most urgent needs currently identified by the park system.

AGENCY CAPITAL BUDGET REQUEST

Form E-2

Building Project Detail (Cont.'d)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify):

PRIOR COMMITMENT: ___ No Yes

Laws 1993 _____, Ch 172 _____, Sec 14 _____ \$ 3,000
 Laws 1992 _____, Ch 558 _____, Sec 18 _____ \$ 2,751

PREVIOUSLY REQUESTED: ___ No Yes When? 1992

AGENCY BUILDING NAME AND #:

STATE-WIDE BUILDING ID #:

FACILITY SQUARE FOOTAGE:

Existing Building
1,048,036 Gross Sq. Ft. (GSF)

Project Scope
2,400 Gross Sq. Ft. Demolished - 8 Buildings
 _____ Gross Sq. Ft. Renewal or Adaption
48,300 Gross Sq. Ft. New Construction - 35 Buildings

Final Building Size
1,093,936 Gross Sq. Ft. - 35 Buildings

Are there design standards or guidelines that apply to your agency and this project?
 Yes No.

If so, please cite appropriate sources: State Unified Building Code; American Disabilities Act (ADA)

CHANGES IN OPERATING COSTS (Facilities Note):

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ 0	\$ 200	\$ 212
Change in Bldg. Oper. Expenses . . .	\$ 0	\$ 62	\$ 66
Change in Lease Expenses	\$ 0	\$ 0	\$ 0
Change in Other Expenses	\$ 0	\$ 0	\$ 0
Total Change in Operating Costs . .	\$ 0	\$ 262	\$ 278

Other:

Change in F.T.E. Personnel _____ 5.0 _____ 5.0

AGENCY CAPITAL BUDGET REQUEST

Building Project Detail (Cont.'d)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

PROJECT COSTS:

Acquisition (land and buildings)	\$	_____
Consultant Services (pre-design and design)	\$	<u>2,300</u>
Construction	\$	<u>13,000</u>
Furnishings, Fixtures and Equipment (F.F. & E.)	\$	<u>500</u>
Data/Telecommunications	\$	_____
Art Work (1% of construction)	\$	_____
Project Management	\$	_____
Project Contingency	\$	<u>1,500</u>
Related Projects	\$	_____
Other Costs (please specify):	\$	_____
Inflation Adjustment (xxxx)	\$	<u>0</u>
TOTAL PROJECT COST	\$	<u>17,300</u>

Appropriation Request for 1994 Session	\$	<u>7,300</u>
Appropriation Estimate for 1996 Session	\$	<u>5,000</u>
Appropriation Estimate for 1998 Session	\$	<u>5,000</u>

PROJECT TIMETABLE:

	Start Date (Mo./Yr.)	End Date (Mo./Yr.)	Duration (Months)
Planning/Programming	<u>complete</u>	_____	_____
Site Selection and Purchase	<u>complete</u>	_____	_____
Design	<u>07/94</u>	<u>03/95</u>	<u>8</u>
Construction	<u>03/95</u>	<u>06/96</u>	<u>16</u>
Substantial Completion	_____	<u>04/96</u>	_____
Final Completion	_____	<u>06/96</u>	_____

PROPOSED METHOD(S) OF FINANCING (check one):

___ Cash: Fund _____
 Bonds: Tax Exempt Taxable ___

DEBT SERVICE PAYMENTS (Check all that apply):

General Fund % of total 100
 ___ User Financing % of total ___

Source of funds _____

FUNDING SOURCE:

\$ 7,300 Appropriation Request (1994 Session)
 \$ 7,300 State funding
 \$ _____ Federal funding
 \$ _____ Local gov't funding
 \$ _____ Private funding

Agency Data Prepared by: John Strohkirch State Parks Development & Acq. Mgr. 612/296-8289 07/19/93
 Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF ADMINISTRATION ANALYSIS:

- This request contains a collection of subprojects. All subprojects are described.
- The request's schedule objectives require that all funds requested be simultaneously appropriated.
- This project contains multiple stages. Admin recommends that pre-design work be approved by Admin before commencing design work prior to legislative review as required by 16B.335.

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$2,460,000 for this project. Also included are preliminary recommendations of \$4,000,000 in 1996 and \$4,000,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	60
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	210

READINESS QUOTIENT	
Programming	30
Design	30
Cost Planning/Management	30
Facility Audit Supports the Request	0
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	50%

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AGENCY CAPITAL BUDGET REQUEST

Building Project Detail

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Farmland Wildlife Populations and Research Facility
TOTAL PROJECT COST: \$631
APPROPRIATION REQUEST FOR 1994 SESSION: \$631
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$-0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$-0-
LOCATION (CAMPUS, CITY, COUNTY): Between Madelia and St. James, Watonwan County

AGENCY PRIORITY (for 1994 Session only):

6 of 11 requests

1. PROJECT DESCRIPTION:

Renovate and upgrade main office/laboratory building, rehabilitate one out-building, demolish 4 out-buildings and 3 animal pens, construct new pen facility with connecting heated building, upgrade Center's sewage system and water lines, bring all electrical wiring up to code and provide for handicapped access and for chemical storage.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

This facility houses the staff of the Farmland Wildlife Populations and Research Group (FWP&R) which is one of only 3 DNR wildlife research stations. The FWP&R staff is responsible for providing information needed to manage Minnesota's major farmland wildlife species. This responsibility entails: 1) coordinating and interpreting population surveys on the seven principal farmland wildlife species; 2) conducting research which provides wildlife management information; 3) developing techniques needed to monitor and manipulate wildlife populations, manage critical wildlife habitats, and reduce or prevent wildlife damage; 4) evaluating management practices and programs; and, 5) providing technical assistance and information to other DNR staff and the public. The need for this information is critical to accomplishing the Division of Fish and Wildlife's Mission and in meeting the objectives established by the Section of Wildlife's Strategic Planning process.

The buildings on the DNR's Farmland Wildlife Populations and Research Center are old, not designed for offices and research operations, and badly in need of

repair and modernization. The 10 structures built between 1925 and 1950 provide poor working conditions for 9 permanent research staff and up to 20 seasonal workers, students and volunteers. Poor working conditions limit research accomplishments needed to deal with management of the numerous wildlife species in Minnesota's Farmland Zone, which encompasses 60 percent of Minnesota.

In 1979, an attempt was made to obtain funds to renovate the existing facility. After this fruitless attempt, an analysis was conducted to determine if another location was better suited to meet the needs of this unique type of facility. Three sites in addition to the Madelia facility were evaluated. The analysis indicated that the Willmar area offered some advantages to the current site. Also, an opportunity existed to co-locate with existing staff from 3 other Divisions (Forestry, Trails and Waterways, and Waters) plus both fisheries and wildlife management staffs (Fisheries, Trails and Waters are a Spicer and Forestry and Wildlife are in Willmar).

Abandoning the facilities and moving to Willmar was dropped as the preferred option in FY 92 as a result of changing program emphasis and substantial investment in new heating/cooling system in 1992. Facility maintenance was kept to a minimum and many of the facility's out buildings have experienced deterioration. The main office building needs to be brought up to Americans with Disabilities Act (ADA) and electrical code standards. The unique needs of a wildlife research facility dictate that the only options available are to build a new facility or rehabilitate the present facility. To construct the same amount of square footage presently available in the main building would cost twice as much as rehabilitating the existing facility.

Remodelling 5 existing buildings, adding 1 and eliminating 5 would create safer working conditions, reduce maintenance costs, and improve staff and center efficiency and effectiveness. The main office building (A) should be renovated to accommodate the 9 permanent staff and up to 20 seasonal workers, students and volunteers. A portion of the existing garage (B) should be insulated and heated to allow better utilization of the existing space. A animal handling and indoor pen facility (K) should be constructed between 2 of the 3 existing wildlife pen structures (D & E), which should be refurbished to be flexible and meet research study needs. The fifth structure (C) should be refurbished to better provide for mouse proof, cold storage needs.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

In addition to saving over \$300 if the office facility had to be replaced, razing deteriorated buildings would eliminate the cost of bringing affected buildings up to a safe and effective operating status. This latter option could save over \$40 in rehabilitation cost and reduce building maintenance costs by at least one-third (\$1 annually). Operation costs savings (electrical and heating) have been estimated at five hundred to one thousand dollars annually.

4. OTHER CONSIDERATIONS (OPTIONAL):

None.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form E-2

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify):

PRIOR COMMITMENT: No Yes

Laws _____, Ch _____, Sec _____ \$ _____
 Laws _____, Ch _____, Sec _____ \$ _____

PREVIOUSLY REQUESTED: No Yes When? 1979 through 1991

AGENCY BUILDING NAME AND #: 04-0639-11-01

STATE-WIDE BUILDING ID #: 2900040241

FACILITY SQUARE FOOTAGE:

Existing Building
5,888 Gross Sq. Ft. (GSF) - Main Building + Out Building = 50,268

Project Scope
49,000 Gross Sq. Ft. Demolished
37,168 Gross Sq. Ft. Renewal or Adaption
1,200 Gross Sq. Ft. New Construction

Final Building Size
38,368 Gross Sq. Ft.

Are there design standards or guidelines that apply to your agency and this project?
 Yes No.

If so, please cite appropriate sources:

CHANGES IN OPERATING COSTS (Facilities Note):

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ _____	\$ _____	\$ _____
Change in Bldg. Oper. Expenses . . .	\$ _____ (2)	\$ _____ (2)	\$ _____ (2)
Change in Lease Expenses	\$ _____	\$ _____	\$ _____
Change in Other Expenses	\$ _____ 1	\$ _____ 1	\$ _____ 1
Total Change in Operating Costs . .	\$ _____ (1)	\$ _____ (1)	\$ _____ (1)

Other:
 Change in F.T.E. Personnel 0 0 0

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-3

PROJECT COSTS:

Acquisition (land and buildings) \$ 0
 Consultant Services (pre-design and design) \$ 60
 Construction \$ 500
 Furnishings, Fixtures and Equipment (F.F. & E.) \$ 17
 Data/Telecommunications \$ _____
 Art Work (1% of construction) \$ _____
 Project Management \$ 14
 Project Contingency \$ 40
 Related Projects \$ _____
 Other Costs (please specify): \$ _____
 Inflation Adjustment (xxxx) \$ 0

TOTAL PROJECT COST \$ 631

Appropriation Request for 1994 Session \$ 631
 Appropriation Estimate for 1996 Session \$ _____
 Appropriation Estimate for 1998 Session \$ _____

PROJECT TIMETABLE:

	Start Date (Mo./Yr.)	End Date (Mo./Yr.)	Duration (Months)
Planning/Programming	<u>07/94</u>	<u>09/94</u>	<u>3</u>
Site Selection and Purchase	_____	_____	_____
Design	<u>09/94</u>	<u>01/95</u>	<u>4</u>
Construction	<u>01/95</u>	<u>07/95</u>	<u>7</u>
Substantial Completion	_____	_____	_____
Final Completion	_____	<u>09/95</u>	_____

PROPOSED METHOD(S) OF FINANCING (check one):

___ Cash: Fund _____
 Bonds: Tax Exempt Taxable ___

DEBT SERVICE PAYMENTS (Check all that apply):

General Fund % of total 100
 ___ User Financing % of total ___
 Source of funds _____

FUNDING SOURCE:

\$ 631 Appropriation Request (1994 Session)
 \$ 631 State funding
 \$ _____ Federal funding
 \$ _____ Local gov't funding
 \$ _____ Private funding

Agency Data Prepared by: Richard Carlson Wildlife Projects Coordinator 612/296-0705 07/21/93
 Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-4

DEPARTMENT OF ADMINISTRATION ANALYSIS:

- This request contains a collection of subprojects. All subprojects are described.
- The request's schedule objectives require that all funds requested be simultaneously appropriated.
- This project contains multiple stages. Admin recommends that pre-design work be approved by Admin before commencing design work prior to legislative review as required by 16B.335.

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification. The Governor and the Legislature may wish to consider using the Game and Fish Fund as a source for debt service payments on this project.

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend capital funds for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	60
Agency Priority	40
Asset Preservation/Deferred Renewal	75
Customer Services Improved	20
Operating Savings/Efficiencies	0
Total Strategic Score	195

READINESS QUOTIENT	
Programming	30
Design	30
Cost Planning/Management	30
Facility Audit Supports the Request	20
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	61%

LEGEND

- A. Headquarters
- B. Steel Garage
- C. Storage Building
- D.]
- E.] Pheasant Pens
- F.]
- G. Storage Building
- H. Barn
- I. 3-Stall Garage
- J. 3-Stall Garage
- K. Proposed Animal Handling Building



Scale: 1" = 180 feet

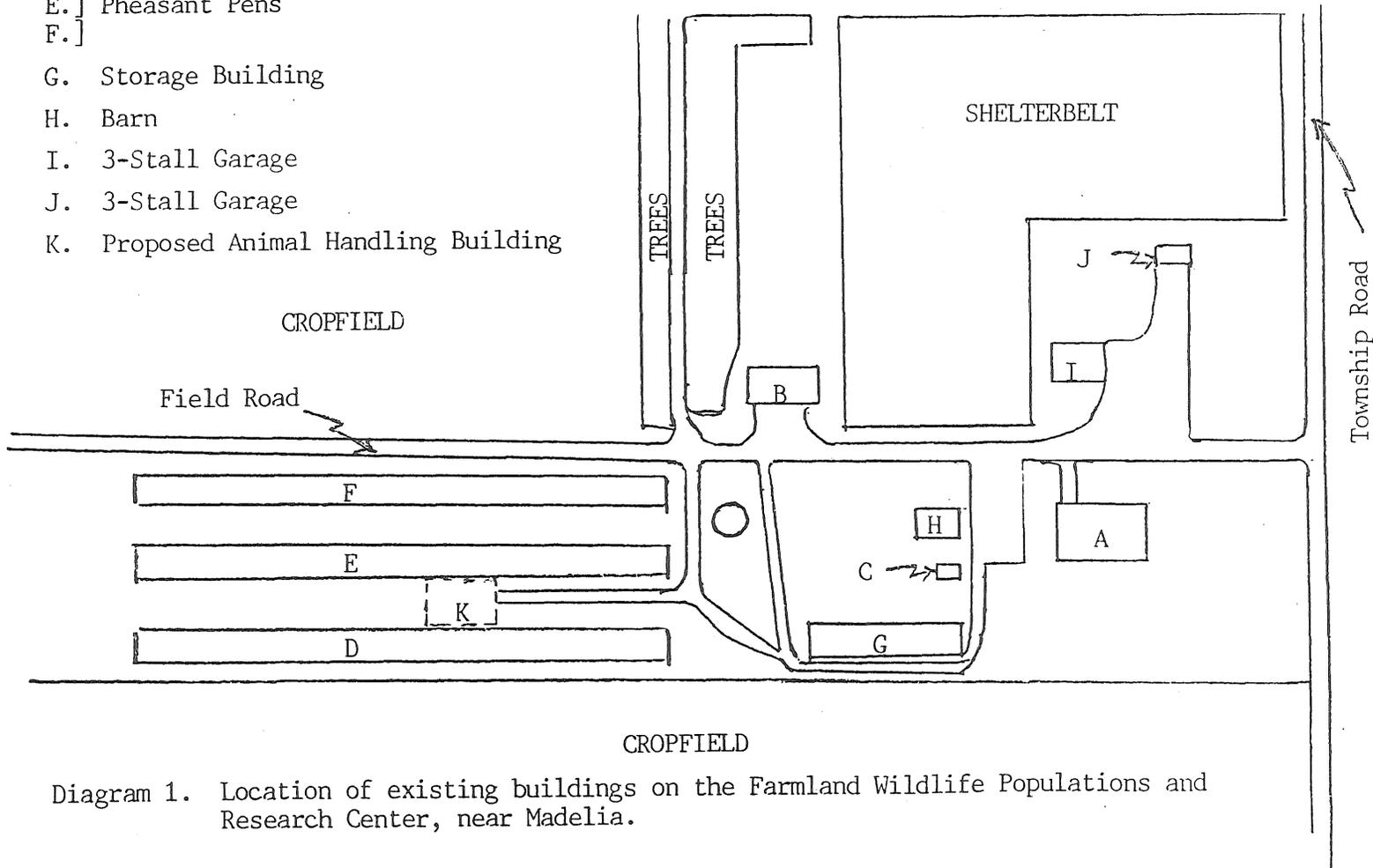


Diagram 1. Location of existing buildings on the Farmland Wildlife Populations and Research Center, near Madelia.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Forestry Air Tanker Facilities
TOTAL PROJECT COST: \$718
APPROPRIATION REQUEST FOR 1994 SESSION: \$718
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$ -0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$ -0-
LOCATION (CAMPUS, CITY, COUNTY): Bemidji, Brainerd, Hibbing

AGENCY PRIORITY (for 1994 Session only):

7 of 11 requests

1. PROJECT DESCRIPTION:

The funding requested would be used to replace temporary buildings, upgrade equipment and construct fuel and fire retardant spill containment systems at 3 air tanker bases which are maintained for wildfire protection.

The Division of Forestry maintains specialized bases at three airports (Bemidji, Hibbing, and Brainerd) for the operation of fire retardant air tankers in wildfire suppression. Each air tanker can drop up to 2,000-3,000 gallons of special fire retardant directly on a fire and are a critical element in fire protection forces during times of high fire danger. These aircraft enable control of fires and protection of life and property, which otherwise would not be possible in extreme situations.

Each tanker's base consists of an office/dispatch facility, a heavy duty bituminous ramp and a system of tanks, wells, and pumps which mixes and stores up to 20,000 gallons of retardant and can load an aircraft in less than ten minutes. Currently, the office/dispatch facilities consist of portable (mobile-home-type) buildings which are not adequately designed or equipped for this use. The specifics for each site are:

Bemidji - \$183 State and \$200 BIA.

This site is operated cooperatively with the Bureau of Indian Affairs (BIA). The BIA has committed \$200 to this facility because it provides critical suppression capabilities for the Red Lake Indian Reservation. The State would contribute \$183. The proposal includes the relocation of pumps, wells, and

tanks and the construction of a new office/dispatch building, loading ramp, and water and sewer lines. In addition to an inadequate building, this site is in a very congested area immediately adjacent to the commercial airline terminal. The air tankers are often parked very close to commercial airliners, and the possibility of aircraft collisions and injury to employees and the public is too great. The site is also directly in the path of the air crash/rescue equipment.

Hibbing - \$218

The proposal includes an office/dispatch building to replace inadequate temporary buildings, a large storage area for pumps and support equipment, electrical pumping system and water and sewer system. Also needed is a completion of the existing spillage containment system.

Brainerd - \$317

Includes an office/dispatch/storage building, higher capacity well and a sewer system. The building costs would be higher on this site compared to the other sites because the airport commission requires a design that is compatible with the brick construction of other airport buildings. Also needed is a completion of the existing spillage containment system.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

DNR Directions: We will invest in our human resources by supporting a trained, equipped, productive and culturally diverse work force; and rehabilitating facilities and ensuring handicapped accessibility to all work sites.

Minnesota Forest Resources Program: Provide wildfire protection to the level necessary to avoid loss of life and, considering values at risk, minimize the potential for loss of property and natural resources on public land.

The Department of Natural Resources is responsible for providing wildfire protection in each county that has more than 1,000 contiguous acres of vegetation. This includes all of Minnesota's counties. In the southern and western parts of the state, fire departments provide most initial attack and the DNR provides support when necessary. In the rest of the state the DNR, federal agencies, and fire departments provide initial attack. The DNR is critically involved in wildfire. The DNR regulates open burning in Minnesota.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

A wildfire protection partnership has been created in Minnesota which coordinates fire protection efforts and shares personnel, equipment and facilities. This partnership includes: the Bureau of Indian Affairs, U.S. Forest Service, U.S. Fish and Wildlife, National Park Service, Fire Departments, Emergency Management Division, and the DNR. This partnership is considered a national example of cooperation in wildfire protection.

employees and isolation of fire operations from other airport activities. Tanker-bases are needed in the three proposed locations to provide adequate wildfire response times across the northern two-thirds of the state.

Tanker base priorities:

1. Bemidji

Because of the location of commercial aircraft (Northwest and others), a safety problem exists. The Airport Commission has written a letter regarding the need to relocate the tanker base. A spillage containment system would be installed. The Bureau of Indian Affairs would invest \$200 in tanker base relocation.

2. Hibbing

The existing facilities are trailer houses. The trailer houses were acquired through the Federal Excess Property Program. The trailer houses are more than twenty years old and are rapidly deteriorating. The aircraft loading system is powered by a gasoline engine which is not as dependable as an electric system. A spillage containment system needs to be installed.

3. Brainerd

The existing facilities are trailer houses. The trailer houses were acquired through the Federal Excess Property Program. The trailer houses are more than twenty years old and are rapidly deteriorating. The trailers are not quite as bad as the Hibbing facilities. A spillage containment system needs to be installed. A sewer system also needs to be installed.

Air tankers would be a long-term component of wildfire suppression strategies in Minnesota. The air tankers provide the ability to control fires that otherwise could not be stopped. With continuing residential development in fire-prone rural and suburban areas, this ability to protect lives and property as well as natural resources becomes increasingly important. The new facilities are needed to address OSHA health and safety issues, building code requirements and to reduce the response time by air tankers to life and property threatening fires. The facilities would enable faster, more effective dispatching of aircraft, faster loading of retardant into the aircraft, safer working conditions for

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form E-1

AIR TANKER BASE FACILITIES

	HIBBING	BRAINERD	BEMIDJI
Personnel			
Seasonal, permanent personnel	2	5	4
Temporary personnel	7	7	10
Contract personnel	5	4	6
TOTAL	14	16	20
Aircraft¹			
Lead plane	1 (contract)	1 (DNR)	1 (DNR)
Helicopter	1 (contract)	1 (contract)	2 (contract)
Air tanker	1 (contract)	1 (contract)	1 (contract)
TOTAL	3	3	4
Average take offs/yr.	30	30	30
Average landings/yr.	30	30	30
Average gallons retardant used	25,000	30,000	25,000

¹ Normal fire danger. Additional aircraft of all types are added when fire danger increases.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

The operating costs of the facilities would remain at about the same level. Future workers compensation costs are likely to be less in the new facilities because the potential for employee injuries would be reduced.

4. OTHER CONSIDERATIONS (OPTIONAL):

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form E-2

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify):

PRIOR COMMITMENT: No Yes

Laws _____, Ch _____, Sec _____ \$ _____
 Laws _____, Ch _____, Sec _____ \$ _____

PREVIOUSLY REQUESTED: No Yes When? 1988, 1990, 1992

AGENCY BUILDING NAME AND #: Tanker Bases Bemidji: 1-90-3-2, Hibbing; 2-480-3-3, Brainerd: 3-140-3-2

STATE-WIDE BUILDING ID #: Bemidji: 29000-10450; Hibbing: 29000-20442 & 29000-20443; Brainerd: 29000-30366, 29000-30367, 29000-30515

FACILITY SQUARE FOOTAGE:

Existing Building
3,442 Gross Sq. Ft. (GSF)

Project Scope
3,442 Gross Sq. Ft. Demolished
0 Gross Sq. Ft. Renewal or Adaption
9,500 Gross Sq. Ft. New Construction Bemidji: 3000 sq ft, Hibbing: 3500 sq ft, Brainerd: 3000 sq ft

Final Building Size
9,500 Gross Sq. Ft.

Are there design standards or guidelines that apply to your agency and this project?
 Yes No.

If so, please cite appropriate sources: Uniform Building Code, Americans with Disabilities Act, Federal Aviation Administration Site Standards, Airport Commission Architectural Requirements

CHANGES IN OPERATING COSTS (Facilities Note):

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Change in Bldg. Oper. Expenses . . .	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Change in Lease Expenses	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Change in Other Expenses	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0*</u>
Total Change in Operating Costs . .	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

* Reduced chance of injuries and workers comp costs. No workers comp cases currently.

Other:
 Change in F.T.E. Personnel 0 0 0

AGENCY CAPITAL BUDGET REQUEST

Form E-3

Building Project Detail (Cont.'d)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

PROJECT COSTS:

Acquisition (land and buildings)	\$ _____
Consultant Services (pre-design and design)	\$ <u>65</u>
Construction	\$ <u>592</u>
Furnishings, Fixtures and Equipment (F.F. & E.)	\$ <u>9</u>
Data/Telecommunications	\$ <u>9</u>
Art Work (1% of construction)	\$ <u>60</u>
Project Management	\$ <u>41</u>
Project Contingency	\$ <u>142</u>
Related Projects	\$ _____
Other Costs (please specify):	\$ _____
Inflation Adjustment (xxxx)	\$ <u>0</u>
TOTAL PROJECT COST	\$ <u>918</u>

Appropriation Request for 1994 Session	\$ <u>718</u>
Appropriation Estimate for 1996 Session	\$ _____
Appropriation Estimate for 1998 Session	\$ _____

PROJECT TIMETABLE:

	Start Date (Mo./Yr.)	End Date (Mo./Yr.)	Duration (Months)
Planning/Programming	<u>07/94</u>	<u>08/94</u>	<u>2</u>
Site Selection and Purchase	<u>complete</u>		
Design	<u>10/94</u>	<u>06/95</u>	<u>8</u>
Construction	<u>06/95</u>	<u>12/95</u>	<u>7</u>
Substantial Completion		<u>10/95</u>	
Final Completion		<u>12/95</u>	

PROPOSED METHOD(S) OF FINANCING (check one):

_____ Cash: Fund _____
 Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

General Fund % of total 100
 _____ User Financing % of total _____
 Source of funds _____

FUNDING SOURCE:

\$ 718 Appropriation Request (1994 Session)
 \$ 718 State funding
 \$ 200 Federal funding
 \$ _____ Local gov't funding
 \$ _____ Private funding

Agency Data Prepared by: <u>Dennis Ingvaldson</u>	<u>Assistant Director, Forestry</u>	<u>612/296-4495</u>	<u>07/22/93</u>
Name	Title	Telephone	Date

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form E-4

DEPARTMENT OF ADMINISTRATION ANALYSIS:

■ The request's schedule objectives require that all funds requested be simultaneously appropriated.

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$718,000 for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	31
Strategic Linkage	90
Agency Priority	40
Asset Preservation/Deferred Renewal	0
Customer Services Improved	20
Operating Savings/Efficiencies	0
Total Strategic Score	181

READINESS QUOTIENT	
Programming	30
Design	30
Cost Planning/Management	30
Facility Audit Supports the Request	0
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	50%

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AGENCY CAPITAL BUDGET REQUEST

Building Project Detail

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: Natural Resources
PROJECT TITLE: Minerals, New Construction, Drill Core Library and Reclamation Demonstration Facility
TOTAL PROJECT COST: \$650
APPROPRIATION REQUEST FOR 1994 SESSION: \$650
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$-0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$-0-
LOCATION (CAMPUS, CITY, COUNTY): Hibbing, St. Louis County

AGENCY PRIORITY (for 1994 Session only):

8 of 11 requests

1. PROJECT DESCRIPTION:

The Department of Natural Resources is requesting \$650 to expand the Division of Minerals' Drill Core Library in Hibbing and to relocate its Reclamation Demonstration Facility from Babbitt to Hibbing. The Drill Core Library is currently operating at its capacity, and without this expansion, the Department's ability to protect the physical integrity of the samples and carry out mineral management activities is at risk. The Reclamation Demonstration Facility needs to be moved to allow final reclamation of an old exploration area; furthermore, moving the facility to Hibbing would allow the Department to consolidate its facilities and more efficiently manage its programs.

Drill Core Library

The Drill Core Library addition would expand the existing building from 8,000 sq ft to 16,000 sq ft. The expansion would be a 80' x 100' unheated, metal clad steel frame addition that would accommodate about 650,000 feet of drill core. Past construction has taken care of most of the backlog of drilling samples, and at the future projected levels of exploratory drilling, the expansion would provide the needed storage capacity for many years into the future.

Reclamation Demonstration Facility

The Reclamation Demonstration Facility would contain a series of small test stockpiles (500-1,000 tons) of mine waste. These stockpiles would be built on impermeable pads and the operation of the test work would require substantial plumbing (pipes, pumps, sumps) and electrical (switches, transformers, wiring) support.

Various reclamation alternative and passive treatment systems would be applied to test methods to prevent the generation of acid mine drainage and the release of metals from the stockpiles.

A lined settling basin would be built to collect all the drainage from the test piles. This drainage would be treated by a constructed wetland treatment system prior to final discharge.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The Hibbing Minerals Drill Core Library and Reclamation Demonstration Facility have been extremely successful as a source of geologic, mineral potential, and reclamation information for Minnesota. The Drill Core Library is part of the Division's Hibbing office complex, which is centrally located on the Mesabi Iron Range and proximate to nonferrous exploration in northern Minnesota. The Reclamation Demonstration Facility is currently located in Babbitt. This request is to consolidate the activity in Hibbing.

Drill Core Library Expansion

The Drill Core Library was constructed in 1972 and, subsequently, has been expanded twice. It is heavily used by industry, academia, and other government agencies. The repository is recognized as the primary source for bedrock information for Minnesota especially for portions of the state covered by glacial material where minimal exploration has occurred. The Drill Core Library provides the only direct data on the bedrock and mineral potential for most of Minnesota. These drill core samples have been collected over time since the turn of the century. Currently, the facility contain core from 5,700 drill holes totaling over 1.7 million feet of drilling. Based on today's drilling costs of about \$30.00 per foot, this drill core preserves an investment for the state that would require more than \$57 million to replace.

Future additions to the archived drill core are mandated by State Mineral Leases and the Exploratory Boring Law (MN Stat 103I), which requires private companies conducting mineral exploration to deliver at least 1/4 of all exploratory drill core to the Drill Core Library. The availability of this geologic record is critical to increase exploration in Minnesota by private industry.

Consolidating the Drill Core Library activities at one facility has tremendous benefits to the Department's customers, who spend several hundred person days per year examining and sampling the drill core and evaluating the associated data files.

AGENCY CAPITAL BUDGET REQUEST

Form E-1

Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

The expansion meets the need of improving the knowledge of Minnesota's geology and mineral potential. In the broader context, the expansion is necessary for achieving the strategic goals of creating wealth and employment throughout Minnesota through the diversification of its mineral industry.

Reclamation Demonstration Facility

Reclamation studies and demonstrations have been conducted by the Department at the AMAX exploration site near Babbitt since the 1970s. These activities have been necessitated by the Minelands Reclamation Act, which requires the Department to grant or deny permits for all metallic mineral and peat mining. In order for the Department to determine the best means on how to dispose of and reclaim mine wastes, it is necessary to understand how wastes behave in reaching equilibrium with the environment. The determination of the behavior of mine wastes and the success of reclamation techniques require long-term studies that are best done on small stockpiles, such as those described for the Hibbing facility.

Currently, several forces, including a risk of incurring long-term environmental liability and the budgetary pressures to consolidate, indicate relocating the facility to Hibbing is in the Department's best interest. Under the direction of the state, the former lessee is now in the process of completing site reclamation to address residual water quality issues. The lessee's reclamation would require the Department to remove its demonstration stockpiles from the site or assume long-term liability for maintenance and reclamation of a portion of the site. By moving the facility to Hibbing, the state would not be encumbered with the risks of unknown future costs of long-term monitoring and clean-up activities that are appropriately the responsibility of the former lessee.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

Drill Core Library Expansion

Construction of this facility would reduce the Department's operating costs by eliminating the need to lease off-site storage space and eliminating the need to move drill core samples twice. Currently, space is being leased at a state-owned facility 20 miles from Hibbing in Eveleth. The cost to move samples once versus twice is estimated to be \$1.00 - 2.00 per 10-foot box of drill core. The only increased operating cost associated with the expansion would be a minimal increase in utility costs.

Reclamation Demonstration Facility

Long-term monitoring costs would be greatly reduced if the site is moved to Hibbing as opposed to other sites. The mine waste field leaching studies and laboratory support studies are currently conducted at a facility that is rented in Babbitt, Minnesota. Moving the research site to the Division's Hibbing office would eliminate the need to lease office and laboratory facilities in Babbitt as there is space available in the Division's Hibbing office for these activities. Savings would also occur from the return of two fleet vehicles that are required at Babbitt, as well as travel costs associated with sending construction and maintenance crews from Hibbing to Babbitt. Additional savings would result from operational expenses incurred from maintaining and operating FAX machines, long distance costs for computers and routine telephone conversations, as the Babbitt facility is not served by the statewide watts system. Total operating cost savings are approximately \$15 per year. Finally, the consolidation of 3 staff members into the Hibbing office would enable them to become more integrated and participate in more ongoing Divisional programs without driving the long distances currently required.

These long-term studies meet the Department's statutory requirement of developing knowledge for the regulatory decision-making required in administration of its Minelands Reclamation Program. In addition, knowledge gained on environmentally benign and cost effective disposal of mine waste in Minnesota is an incentive to mining companies interested in developing Minnesota's ferrous and non-ferrous metallic minerals. Such development and its associated economic impact in northeastern Minnesota cannot go forward without this information.

4. OTHER CONSIDERATIONS (OPTIONAL):

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form E-2

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify): Environmental Protection/Statutory Compliance

PRIOR COMMITMENT: ___ No Yes
 Laws 1988, Ch 400, Sec _____ \$ _____

Laws _____, Ch _____, Sec _____ \$ _____

PREVIOUSLY REQUESTED: ___ No Yes When? 1991

AGENCY BUILDING NAME AND #: Drill Core Library and Reclamation Demonstration Facility

STATE-WIDE BUILDING ID #: 29000 20658

FACILITY SQUARE FOOTAGE:

Existing Building
8,000 Gross Sq. Ft. (GSF)

Project Scope
 _____ Gross Sq. Ft. Demolished
 _____ Gross Sq. Ft. Renewal or Adaption
8,000 Gross Sq. Ft. New Construction

Final Building Size
16,000 Gross Sq. Ft.

Are there design standards or guidelines that apply to your agency and this project?
 Yes ___ No.

If so, please cite appropriate sources:
 MN DNR Bureau of Engineering (St. Paul)

CHANGES IN OPERATING COSTS (Facilities Note):

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ _____	\$ _____	\$ _____
Change in Bldg. Oper. Expenses . . .	\$ <u>2</u>	\$ <u>2</u>	\$ <u>2</u>
Change in Lease Expenses	\$ _____	\$ <u>(5)</u>	\$ <u>(5)</u>
Change in Other Expenses	\$ <u>(10)</u>	\$ <u>(19)</u>	\$ <u>(19)</u>
Total Change in Operating Costs ..	\$ <u>(8)</u>	\$ <u>(22)</u>	\$ <u>(22)</u>

Other:
 Change in F.T.E. Personnel 0 0 0

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-3

PROJECT COSTS:

Acquisition (land and buildings)	\$	<u>65</u>
Consultant Services (pre-design and design)	\$	<u>45</u>
Construction	\$	<u>400</u>
Furnishings, Fixtures and Equipment (F.F. & E.)	\$	<u> </u>
Data/Telecommunications	\$	<u> </u>
Art Work (1% of construction)	\$	<u>2</u>
Project Management	\$	<u> </u>
Project Contingency	\$	<u>20</u>
Related Projects	\$	<u> </u>
Other Costs (please specify):	\$	<u>68</u>
Inflation Adjustment (8.3%)	\$	<u>50</u>
TOTAL PROJECT COST	\$	<u>650</u>
Appropriation Request for 1994 Session	\$	<u>650</u>
Appropriation Estimate for 1996 Session	\$	<u> </u>
Appropriation Estimate for 1998 Session	\$	<u> </u>

PROJECT TIMETABLE:

	Start Date (Mo./Yr.)	End Date (Mo./Yr.)	Duration (Months)
Planning/Programming	<u>completed</u>	<u> </u>	<u> </u>
Site Selection and Purchase	<u> </u>	<u>7/94</u>	<u>1</u>
Design	<u>7/94</u>	<u>11/94</u>	<u>4</u>
Construction	<u>6/95</u>	<u>8/95</u>	<u>2</u>
Substantial Completion	<u>8/95</u>	<u>12/95</u>	<u>4</u>
Final Completion	<u> </u>	<u>12/95</u>	<u> </u>

PROPOSED METHOD(S) OF FINANCING (check one):

 Cash: Fund
 X Bonds: Tax Exempt X Taxable

DEBT SERVICE PAYMENTS (Check all that apply):

 X General Fund % of total 100
 User Financing % of total
Source of funds

FUNDING SOURCE:

\$ 650 Appropriation Request (1994 Session)
\$ 650 State funding
\$ Federal funding
\$ Local gov't funding
\$ Private funding

Agency Data Prepared by: Marty K. Vadis Assistant Director of Minerals 218/262-6767 07/16/93
Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-4

DEPARTMENT OF ADMINISTRATION ANALYSIS:

- The request's schedule objectives require that all funds requested be simultaneously appropriated.
- This project has been previously funded. The request does not clearly explain how prior funding was applied and used.
- This request is for design work and pre-design work is not complete. Admin recommends that pre-design work be approved by Admin before commencing design work.

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$650,000 for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	40
Asset Preservation/Deferred Renewal	0
Customer Services Improved	40
Operating Savings/Efficiencies	0
Total Strategic Score	170

READINESS QUOTIENT	
Programming	30
Design	45
Cost Planning/Management	30
Facility Audit Supports the Request	20
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	69%

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AGENCY CAPITAL BUDGET REQUEST
Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Fisheries Field Rehabilitation/Adaptation
TOTAL PROJECT COST: \$665
APPROPRIATION REQUEST FOR 1994 SESSION: \$115
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$250
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$300
LOCATION (CAMPUS, CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

9 of 11 requests

1. PROJECT DESCRIPTION:

In accordance with the strategic plan "Directions", \$115 in funds are requested for F.Y. 1994-95 for rehabilitation and improvement of Fisheries field facilities in Hutchinson, Ortonville, Walker, and Ely. The costs for each facility are: \$47 for the Hutchinson office; \$56 for the Ortonville office; and \$12 for the Walker office.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

DNR Directions: We will invest in our human resources by supporting a trained, equipped, productive and culturally diverse work force; and rehabilitating facilities and ensuring handicapped accessibility to all work sites. The long range needs for Fisheries building rehabilitation and adaptation are \$250 for F.Y. 1996-97 and \$300 for F.Y. 1998-99.

The requested projects would improve equipment storage capabilities and provide needed improvements to Fisheries field offices. The following information describes projects requested for F.Y. 1994-95.

The Hutchinson office is responsible for all fisheries management activities in McCleod, Sibley, Redwood, Renville, and Meeker counties. Activities include lake and stream survey, warmwater fish stocking, environmental review, and lake and stream management planning. Office activities include data analysis, development of survey reports and management plans, and public relations.

The Hutchinson office also constructs most of the survey nets used by fisheries statewide. Activities conducted in the laboratory would include processing and identification of preserved fish specimens and other aquatic life (invertebrates, aquatic plants, etc.) and preparation and analysis of fish scales and spines for aging. These activities provide data necessary for completion of biological lake and stream survey reports.

The Hutchinson field office needs a wet lab to improve working conditions. Personnel are required to work with chemicals and operate a bone cutting saw which generates dust. At present, there is no counter space, sink space, or venting to accommodate such work. This work is currently done in the office, lunch room, shop, or bathroom resulting in safety concerns and loss of efficiency. The wet lab would be 12 by 21 feet and would be constructed within the existing building in a garage bay. Since there is more than ample garage space available, the use of this space for a wet lab will not be a problem.

The Ortonville office is responsible for all fisheries management activities in Traverse and Bigstone counties and parts of Lac qui Parle and Yellow Medicine counties. Activities include lake and stream survey, warmwater fish stocking, environmental review, and lake and stream management planning. Office activities include data analysis, development of survey reports and management plans, and public relations.

The Ortonville office needs to be expanded to adequately house current personnel and provide additional storage space. Currently, there are 416 square feet of office space in four rooms with six people. Subtracting the space taken up by walkways, sink, counter, copying machine, etc., the amount of usable space is 227 square feet or less than 38 square feet per person. Of the four offices, two are occupied by one person each and two are occupied by two people each. Most of the office records are currently stored in the shop and bathroom areas. The proposed addition would increase total office space by 476 square feet. Subtracting non-usable space would leave a total of 666 square feet, or 111 square feet per person. With the proposed improvement, two existing offices would be combined into one and two new offices would be added resulting in a total of five rooms. Two of the rooms would be occupied by two people each and two would be occupied by one person each. The fifth room would be used as for meetings, record storage, and breaks.

AGENCY CAPITAL BUDGET REQUEST

Form E-1

Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Currently the Ortonville office has about 3,700 square feet of indoor storage space. About 2,500 square feet is taken up by three garage stalls and a shop area, which leaves only 1,200 square feet for field equipment (such as nets, motors, gas tanks), supplies, and records. In the winter, storage space is rented for three boats and some years storage space is rented continuously for one boat. The proposed storage building would increase storage space by about 2,500 square feet. With the additional space, it would no longer be necessary to rent winter storage space and all boats and vehicles could be kept indoors most of the time. All field equipment would be stored in the new building, leaving the existing building for supplies and records. Some deterioration of nets could be avoided because they could be dried indoors instead of outdoors.

The Walker office is responsible for all fisheries management activities in parts of Cass and Crow Wing counties. Activities include lake and stream survey, warmwater fish production and stocking, environmental review, and lake and stream management planning. Office activities include data analysis, development of survey reports and management plans, and public relations.

The Walker area needs a heated area to store equipment and supplies that cannot be frozen and to provide a heated workshop area. The project would consist of partitioning an existing 78 by 30 foot cold storage building to provide one 24 by 30 foot heated area. The building being partitioned is new and was constructed to accommodate modification to heated storage (thermal break in concrete floor, insulation under floor, and insulated doors). Equipment, chemicals, and supplies that cannot be stored under frozen conditions are currently stored in the basement which is also used as a heated workshop area. Working in the basement contributes noise and dust to the office environment.

Area fisheries headquarters are strategically located around the state to provide centralized access to lakes and streams within each office's jurisdiction. In general, relocation of these offices to further statewide office consolidation would result in a net loss of operating efficiency, unless the new location provided as good or better access to the lakes and streams being managed. In the case of the Hutchinson, Ortonville, Ely, and Walker fisheries offices, there do not appear to be any existing state offices that would provide logistically practical opportunities for co-location. However, there may be opportunities for other state offices to co-locate with these fisheries offices

if sufficient accommodations were developed. The improvements being requested would be compatible with any future co-location to these offices.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

The improvements being requested would not have a major impact on fisheries operating budget. There would be a net increase of about \$2 thousand annually from increased heating costs at the Ortonville and Walker facilities. The net savings from not having storage rental costs for the Ortonville office are less than \$1 thousand annually.

4. OTHER CONSIDERATIONS (OPTIONAL):

AGENCY CAPITAL BUDGET REQUEST

Building Project Detail (Cont.'d)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Form E-2

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify): _____

PRIOR COMMITMENT: No Yes

Laws _____, Ch _____, Sec _____ \$ _____
 Laws _____, Ch _____, Sec _____ \$ _____

PREVIOUSLY REQUESTED: No Yes When? _____

AGENCY BUILDING NAME AND #: Hutchinson/Ortonville/Walker

STATE-WIDE BUILDING ID #: _____

FACILITY SQUARE FOOTAGE:

Existing Building
252/416/2,340 Gross Sq. Ft. (GSF)

Project Scope
 _____ Gross Sq. Ft. Demolished
252/416/720 Gross Sq. Ft. Renewal or Adaption
0 /476/ 0 Gross Sq. Ft. New Construction

Final Building Size
252/892/2,340 Gross Sq. Ft.

Are there design standards or guidelines that apply to your agency and this project?

Yes No.

If so, please cite appropriate sources:

CHANGES IN OPERATING COSTS (Facilities Note):

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ _____	\$ _____	\$ _____
Change in Bldg. Oper. Expenses . . .	\$ <u>2</u>	\$ <u>2</u>	\$ <u>2</u>
Change in Lease Expenses	\$ _____	\$ _____	\$ _____
Change in Other Expenses	\$ _____	\$ _____	\$ _____
Total Change in Operating Costs . .	\$ <u>2</u>	\$ <u>2</u>	\$ <u>2</u>

Other:

Change in F.T.E. Personnel _____

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form E-3

PROJECT COSTS:

Acquisition (land and buildings) \$ _____
 Consultant Services (pre-design and design) \$ _____
 Construction \$ 665
 Furnishings, Fixtures and Equipment (F.F. & E.) \$ _____
 Data/Telecommunications \$ _____
 Art Work (1% of construction) \$ _____
 Project Management \$ _____
 Project Contingency \$ _____
 Related Projects \$ _____
 Other Costs (please specify): \$ _____
 Inflation Adjustment (xxxx) \$ 0

TOTAL PROJECT COST \$ 665

Appropriation Request for 1994 Session \$ 115
 Appropriation Estimate for 1996 Session \$ 250
 Appropriation Estimate for 1998 Session \$ 300

PROJECT TIMETABLE:

	Start Date (Mo./Yr.)	End Date (Mo./Yr.)	Duration (Months)
Planning/Programming	_____	_____	_____
Site Selection and Purchase	_____	_____	_____
Design	_____	_____	_____
Construction	<u>7/94</u>	<u>6/95</u>	<u>14</u>
Substantial Completion	_____	_____	_____
Final Completion	_____	_____	_____

PROPOSED METHOD(S) OF FINANCING (check one):

___ Cash: Fund _____
 Bonds: Tax Exempt Taxable ___

DEBT SERVICE PAYMENTS (Check all that apply):

General Fund % of total 100
 ___ User Financing % of total ___

Source of funds _____

FUNDING SOURCE:

\$ 115 Appropriation Request (1994 Session)
 \$ 115 State funding
 \$ _____ Federal funding
 \$ _____ Local gov't funding
 \$ _____ Private funding

Agency Data Prepared by: Steve Hirsch Fisheries Program Manager 612/296-0791 07/21/93
 Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form E-4

DEPARTMENT OF ADMINISTRATION ANALYSIS:

- This request is for construction work and the design work is not complete.
- This request contains a collection of subprojects. All subprojects are described.
- Further cost planning is required to justify this request.

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend capital funds for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	60
Agency Priority	20
Asset Preservation/Deferred Renewal	50
Customer Services Improved	40
Operating Savings/Efficiencies	0
Total Strategic Score	170

READINESS QUOTIENT	
Programming	30
Design	30
Cost Planning/Management	30
Facility Audit Supports the Request	0
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	50%

**"A" Ranked
Fisheries Projects
Sorted by Program**

Title		Total	R a n k	
Bldg - Rehab				
18	Warm Stall Garage Walker Fish Mgm't	12,000	A	
33	Ortonville Storage Building	18,000	A	
32	Ortonville Fisheries Office Expansion	37,500	A	1
28	Hutchinson Wet Laboratory	47,250	A	10
Total		4		114,750

AGENCY CAPITAL BUDGET REQUEST

Building Project Detail

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Lac qui Parle WMA Offices and Hunter Contact Station
TOTAL PROJECT COST: \$540
APPROPRIATION REQUEST FOR 1994 SESSION: \$540
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$-0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$-0-
LOCATION (CAMPUS, CITY, COUNTY): Watson, Chippewa County

AGENCY PRIORITY (for 1994 Session only):

10 of 11 requests

1. PROJECT DESCRIPTION:

Construction of hunter contact and education center and offices within Lac qui Parle Wildlife Management Area (WMA) to: 1) replace a grainery used since 1974 as a temporary contact station, and 2) co-location of wildlife personnel presently leasing facilities in Appleton (384 sq. ft.), personnel from Lac qui Parle WMA (office Space 1,080 sq. ft.) and personnel from Lac qui Parle State Park (820 sq. ft.).

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

Lac qui Parle is the premier WMA in Southwestern Minnesota. This status is a result of its location in relation to population centers, abundant populations of wildlife, and capacity to provide high quality wildlife related recreation, particularly goose hunting. A key part of its mission is to serve as a point of introduction for thousands of Minnesotans to goose hunting and to educate them about the biology and management of geese and hunting ethics. This mission has been greatly diminished due to the inadequacy of the contact station. About 5,000 hunters use Lac qui Parle WMA's controlled goose hunt building each year, and over 15,000 persons hunt geese in the West Central Goose Zone.

Lac qui Parle headquarters is responsible for many wildlife activities for the northern prairie portions of DNR Region 4. Inadequate office, storage, and maintenance facilities substantially limits this function.

An existing converted grainery for temporary use as a hunter contact station has been used since 1974. A random drawing for Lac qui Parle goose hunting blinds is held each morning of the 40-50 day controlled hunt to assure equal access to goose hunting opportunities. Currently, more than 200 individuals occupy a building area of less than 1,200 square feet. The grainery in its present condition can serve no other purpose other than to register hunters. Meeting educational needs is virtually impossible. A new facility would improve customer service, and provide presently needed handicapped access. Offices in the proposed building would allow possible co-location of Parks and Wildlife personnel in accordance with the state's long-range plan to consolidate or co-locate agencies for improved efficiency and customer service. Office space comprises about 55 percent of the scope and cost for this project.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

Without a new Lac qui Parle headquarters and goose hunter contact station, the existing facilities would require upgrading to be handicapped accessible. Modification of the existing grainery to meet handicapped accessibility requirements may not be possible. Development of this facility as proposed could eliminate leasing expense at Appleton (\$1,728.⁰⁰/year), eliminate upgrading and maintaining presently inadequate facilities in Lac qui Parle State Park and WMA (est at \$2,000.⁰⁰/yr).

4. OTHER CONSIDERATIONS (OPTIONAL):

Adequate parking facilities exist to service this building as proposed. Current facilities are inadequate to fully meet public service needs particularly during the controlled goose hunt. The space required to adequately serve the public during the hunting season could also serve further public use during the remainder of the year. Sportsmen's clubs and other outdoor groups could be encouraged to use the facility for meetings.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify):

PRIOR COMMITMENT: ___ No Yes

Laws 1990, Ch 610, Sec 20 \$ 100*
 Laws _____, Ch _____, Sec _____ \$ _____

PREVIOUSLY REQUESTED: ___ No Yes When? 1989, 1990
 *Planning and working drawings

AGENCY BUILDING NAME AND #: DNR 40212 LQP WMA; DNR 40201 LQP WMA; DNR 40099 Parks

STATE-WIDE BUILDING ID #:

FACILITY SQUARE FOOTAGE:

Existing Building
2,852 Gross Sq. Ft. (GSF)

Project Scope
2,452 Gross Sq. Ft. Demolished
0 Gross Sq. Ft. Renewal or Adaption
4,000 Gross Sq. Ft. New Construction

Final Building Size
4,400 Gross Sq. Ft.

Are there design standards or guidelines that apply to your agency and this project?

___ Yes No.

If so, please cite appropriate sources:

CHANGES IN OPERATING COSTS (Facilities Note):

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ _____	\$ _____	\$ _____
Change in Bldg. Oper. Expenses . . .	\$ (2)	\$ (2)	\$ (2)
Change in Lease Expenses	\$ (2)	\$ (2)	\$ (2)
Change in Other Expenses	\$ _____	\$ _____	\$ _____
Total Change in Operating Costs . .	\$ (4)	\$ (4)	\$ (4)

Other:

Change in F.T.E. Personnel 0 0 0

AGENCY CAPITAL BUDGET REQUEST

Building Project Detail (Cont.'d)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF ADMINISTRATION ANALYSIS:

- This project has been previously funded. The request does not clearly explain how prior funding was applied and used.
- Project pre-design work has been performed. This request does not confirm that design work completed achieves the pre-design objectives.
- The request's schedule objectives require that all funds requested be simultaneously appropriated.
- This project contains multiple stages. Admin recommends that pre-design work be approved by Admin before commencing design work prior to legislative review as required by 16B.335.

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

The Governor and the Legislature may wish to consider using the Game and Fish Fund as a source for debt service payments on this project.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$540,000 for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	30
Agency Priority	20
Asset Preservation/Deferred Renewal	25
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	135

READINESS QUOTIENT	
Programming	30
Design	15
Cost Planning/Management	30
Facility Audit Supports the Request	0
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	42%

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: International Wolf Center Improvements
TOTAL PROJECT COST: \$966
APPROPRIATION REQUEST FOR 1994 SESSION: \$966
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$-0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$-0-
LOCATION (CAMPUS, CITY, COUNTY): St. Louis County

AGENCY PRIORITY (for 1994 Session only):

11 of 11 requests

1. PROJECT DESCRIPTION:

This would: expand the International Wolf Center's (IWC) capacity for live viewing; air condition the wolf-viewing part of the existing building; increase and improve the highway and building signing; construct a garage/workshop/storage facility and staging area for public field trips; build a trail between the IWC and the BWCAW Dorothy M. Molter cabin; and enhance parking safety and capacity through expansion, repaving, lighting and landscaping.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

With the IWC up and running, it is apparent that several improvements to the building would greatly enhance the ability of the IWC to draw, hold, and interest visitors and make their visit more enjoyable. Some of these improvements were proposed in the original plan, but funds were inadequate to include them in the first phase of the project. Others did not become apparent until use of the building began.

Of greatest importance is the major expansion of the area for the public to view the live wolves. The wolves are not only the greatest attraction of the IWC, but they would also be the best reason for people to return year after year. Currently visitors crowd together, around an 8 by 6 foot picture window to peer into the 1.5 acre enclosure. No more than 75 can comfortably fit there, but upwards of 120 have tried to cram in, and others must turn away, disappointed because they cannot see the wolves. It can be a hot and

unpleasant experience. Original plans called for a protrusion of the building into the wolf enclosure, with all three sides of the protrusion having picture windows. In addition, a second-story gazebo with a small open amphitheater with a roof would have greatly increased the amount of viewing area.

Since then, an architectural consultant has suggested that an aerial boardwalk or walkway leading to a viewing platform be extended from this second story into the wolf enclosure. Visitors could then exercise the option to view wolves from the building, the second story, the walkway, or the platform. Wherever the wolves were in the enclosure, they would be visible. The fact that the enclosure includes a slope to a second higher level would allow a level walkway to extend from the building's second story gazebo.

It is also necessary to add air conditioning to the wolf viewing part of the building; visitors spend considerable time there and it must be comfortable if we expect them to return. Currently only the separately enclosed "Wolves and Humans" exhibit is air conditioned.

Another improvement important to increasing the visitation of the center is signage. Highway signs promoting the IWC and permanent signs, both outside and inside the building, are important to help guide the public to the building and to help maintain the quality of its image.

An outbuilding including a garage, workshop, storage area and staging area for public field trips would be necessary for increased outdoor programs as well as for general maintenance of the basic facility.

The famed BWCAW Dorothy M. Molter cabin rests only a short distance from the new center. A well-established trail between the two sites would bring a more interesting and complete north-country-living flavor to the tourist.

Completing the supplemental funding package would be the improvement of the parking lot, which may have become unsafe due to the popularity of the Center. This should include expansion of the present parking lot (capacity = 52 vehicles) and repaving of it. On many days, the parking lot is full and the drive up to it from the highway is also narrowed and unsafely filled to capacity. A small amount of lighting and landscaping of the parking lot and surrounding areas would complete the IWC facility.

AGENCY CAPITAL BUDGET REQUEST

Form E-1

Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

Minimal - the center is operated and maintained on a lease arrangement with the IWC.

4. OTHER CONSIDERATIONS (OPTIONAL):

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form E-2

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify): _____

PRIOR COMMITMENT: No Yes

Laws _____, Ch _____, Sec _____ \$ _____
 Laws _____, Ch _____, Sec _____ \$ _____

PREVIOUSLY REQUESTED: No Yes When? _____

AGENCY BUILDING NAME AND #: International Wolf Center (2-705)

STATE-WIDE BUILDING ID #:

FACILITY SQUARE FOOTAGE: 17,000

Existing Building
 _____ 17,000 Gross Sq. Ft. (GSF)

Project Scope
 _____ 0 Gross Sq. Ft. Demolished
 _____ 0 Gross Sq. Ft. Renewal or Adaption
 _____ 3,166 Gross Sq. Ft. New Construction

Final Building Size
 _____ 1,150 Gross Sq. Ft. Observation Area
 _____ 2,016 Gross Sq. Ft. Outbuilding

Are there design standards or guidelines that apply to your agency and this project?
 _____ Yes No.

If so, please cite appropriate sources:

CHANGES IN OPERATING COSTS (Facilities Note):

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ _____ 0	\$ _____ 0	\$ _____ 0
Change in Bldg. Oper. Expenses . . .	\$ _____ 0	\$ _____ 0	\$ _____ 0
Change in Lease Expenses	\$ _____ 0	\$ _____ 0	\$ _____ 0
Change in Other Expenses	\$ _____ 0	\$ _____ 0	\$ _____ 0
Total Change in Operating Costs . .	\$ _____ 0	\$ _____ 0	\$ _____ 0

Other:
 Change in F.T.E. Personnel _____ 0 _____ 0 _____ 0

AGENCY CAPITAL BUDGET REQUEST

Form E-3

Building Project Detail (Cont.'d)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

PROJECT COSTS:

Acquisition (land and buildings)	\$ _____
Consultant Services (pre-design and design)	\$ <u>180</u>
Construction	\$ <u>650</u>
Furnishings, Fixtures and Equipment (F.F. & E.)	\$ _____
Data/Telecommunications	\$ _____
Art Work (1% of construction)	\$ _____
Project Management	\$ _____
Project Contingency	\$ <u>65</u>
Related Projects	\$ _____
Other Costs (please specify):	\$ _____
Inflation Adjustment (7.9%)	\$ <u>71</u>
TOTAL PROJECT COST	\$ <u>966</u>

Appropriation Request for 1994 Session	\$ <u>966</u>
Appropriation Estimate for 1996 Session	\$ <u>0</u>
Appropriation Estimate for 1998 Session	\$ <u>0</u>

PROJECT TIMETABLE:

	Start Date (Mo./Yr.)	End Date (Mo./Yr.)	Duration (Months)
Planning/Programming	<u>07/94</u>	<u>12/94</u>	<u>6</u>
Site Selection and Purchase	_____	_____	_____
Design	<u>01/95</u>	<u>04/95</u>	<u>4</u>
Construction	<u>05/95</u>	<u>11/95</u>	<u>6</u>
Substantial Completion	<u>12/94</u>	<u>04/95</u>	<u>5</u>
Final Completion	<u>05/95</u>	<u>06/95</u>	<u>2</u>

PROPOSED METHOD(S) OF FINANCING (check one):

____ Cash: Fund _____
 Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

General Fund % of total 100
 ____ User Financing % of total _____
 Source of funds _____

FUNDING SOURCE:

\$ 966 Appropriation Request (1994 Session)
 \$ 966 State funding
 \$ _____ Federal funding
 \$ _____ Local gov't funding
 \$ _____ Private funding

Agency Data Prepared by: Bill Becker Planning Director/Special Projects 296-3093 11-1-93
 Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-4

DEPARTMENT OF ADMINISTRATION ANALYSIS:

- This request contains a collection of subprojects. All subprojects are described.
- The request's schedule objectives require that all funds requested be simultaneously appropriated.
- This project contains multiple stages. Admin recommends that pre-design work be approved by Admin before commencing design work prior to legislative review as required by 16B.335.

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all the Department of Finance requirements for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$966,000 for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	30
Agency Priority	20
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	110

READINESS QUOTIENT	
Programming	0
Design	0
Cost Planning/Management	0
Facility Audit Supports the Request	0
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	0%

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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: State Park Betterment Rehabilitation
PROJECT COSTS: \$8,850
APPROPRIATION REQUEST FOR 1994 SESSION: \$2,850
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$3,000
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$3,000
LOCATION (CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

1 of 21 requests

1. PROJECT DESCRIPTION:

The State Park Betterment Rehabilitation Program exists to initiate major rehabilitation of non-building facilities such as: campsite improvements, trail surfacing, road repair and surfacing, parking area upgrading, and modification and upgrading of utility systems. Also include in this program are resource management improvements such as erosion control, lakeshore stabilization and prairie restoration.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The state park water, timber and soil resources along with the recreational infrastructure such as: campgrounds, picnic areas, trail systems, roads, dams and bridges must be preserved and in some cases rehabilitated to assure the future of the park system.

The long-range goal is to initiate and complete the identified resource and rehabilitation projects over the next 10 years. The very nature of these projects requires the work be accomplished primarily in the spring and fall during low public use periods.

Projects included in the F.Y. 1994-95 request are as follows:

- \$750 for resource management projects in 25 state parks. These projects include old field restoration, tree planting, erosion control and prairie restoration.
- \$300 for trail rehabilitation projects involving 60 miles of hiking, ski and horse trails. These projects would reduce safety hazards.
- \$1 million for campground rehabilitation and development in 20 state parks. These projects would reduce resource degradation and eliminate safety problems.
- \$800 for road rehabilitation and bridge work throughout the entire park system. These projects would eliminate road hazards.

We feel that this amount of funding is the maximum that could be processed in a 2 year period given our engineering capabilities and the seasonal nature of the work.

3. OTHER CONSIDERATIONS (OPTIONAL):

We must continue to upgrade existing facilities. Delays in rehabilitation of these facilities means much higher future costs.

Source: The goals are outlined in each State Park Management Plan, the Division of Parks Capital Improvement Plan and the DNR's Directions 1993 Strategic Plan.

The projects scheduled for completion with this funding are prioritized through a rating system involving field and regional management and represents the most urgent needs currently identified by the park system.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 2,850 Appropriation Request (1994 Session)
- \$ 2,850 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: John Strohkirch
Name

State Parks Development & Acq. Mgr. 612/296-8289
Title Telephone

07/19/93
Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$1,500,000 for this project. Also included are preliminary recommendations of \$2,000,000 in 1996 and \$2,000,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	80
Asset Preservation/Deferred Renewal	75
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	305

Non - Buildings: Rehab / Adaption

Form G

P & R

<u>id</u>	<u>title</u>	<u>div rank</u>	<u>cost</u>	<u>cumulative</u>
1344	Fort Snelling: water line replacement (3	70,313	70,313
1324	Itasca: replace water lines	5	132,250	202,563
1300	Lake Carlos: sewer system rehab	6	67,500	270,063
1447	William O'Brien: replace existing water	18	86,250	356,313
1348	Zippel Bay: harbor rehab	19	38,813	395,126
1229	Afton: campground well rehab	20	22,500	417,626
1448	Wild River: trail rehab/erosion control	26	36,000	453,626
1222	Whitewater: trail rehab (phase 2)	28	65,218	518,844
1460	Temperance River: trail rehab (phase 1)	30	37,500	556,344
1302	St. Croix: bridge rehab (phase 2)	33	270,000	826,344
1273	Sibley: trail rehab (phase 1)	36	54,000	880,344
1284	Sibley: maj. rehab of lakeview campgrnd	37	100,000	980,344
1436	Mille Lacs Kathio: trail rehab	49	37,500	1,017,844
1315	Maplewood: road rehab	54	71,875	1,089,719
1318	Lake Carlos: beach rehab	57	37,500	1,127,219
1411	Lake Bemidji: campground rehab	61	34,155	1,161,374
1341	Kilen Woods: trail rehab & erosion cont	62	17,250	1,178,624
1370	Soudan Undgd Mine: equipment rehab	66	15,000	1,193,624
1366	Itasca: road rehab	67	198,375	1,391,999
1434	Interstate: north end parking rehab	70	54,000	1,445,999
1247	Grand Portage: parking lot	72	37,500	1,483,499
1306	Sibley: utility system rehab	76	37,500	1,520,999
1386	Glacial Lakes: campground rehab	77	37,500	1,558,499
1279	Fort Ridgely: pave campground road	81	71,250	1,629,749
1285	Forestville: trail rehab (phase 2)	82	143,750	1,773,499
1359	Crow Wing: campground rehab	87	67,500	1,840,999
1385	Cascade River: pave entrance road	90	51,300	1,892,299
1443	Buffalo River: campground rehabilitatio	92	15,000	1,907,299
1418	Big Stone Lake: general rehab of park s	94	30,000	1,937,299
1240	Beaver Creek Valley: low water crossing	95	17,250	1,954,549
1469	Cascade River: trail rehab	101	30,000	1,984,549
1495	Father Hennepin: improved access	102	22,500	2,007,049
1477	Jay Cooke: picnic area rehab	104	15,000	2,022,049
1518	Scenic: campground rehab	107	87,500	2,109,549
1482	Statewide Resource Mgmt	108	745,200	2,854,749

PAGE B-92

35 Projects

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Well Sealing and Inventory on DNR Land
PROJECT COSTS: \$2,100
APPROPRIATION REQUEST FOR 1994 SESSION: \$500
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$700
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$900
LOCATION (CITY, COUNTY): State Wide on DNR Land

AGENCY PRIORITY (for 1994 Session only):

2 of 21 requests

1. PROJECT DESCRIPTION:

M.S. 1031.311 requires the commissioner of natural resources to inventory wells on state property (of which the DNR owns about 95%) and to prepare a plan and appropriation request to seal the inactive wells. This program proposal addresses land and wells acquired prior to the 1989 legislation mandating the sealing of inactive wells on state owned land; for any new land acquisitions wells are sealed as part of the development process.

An inventory was completed on DNR land during the 1992-93 biennium. There are 250 inactive (known) wells that still need to be sealed. The inventory also documented 941 former dwelling sites which must be searched for wells which were not properly sealed when the buildings were razed. It is estimated that search of these acquired lands and further work on all sites statewide (1,500 estimated sites altogether) would result in identification of another 1,000 wells that would also need to be sealed. Therefore, the probable total number of known and unknown wells that would need to be sealed is 1,250. It is estimated that over a 3 biennia period with 3 staff and at a cost of \$2.1 million dollars all known inactive wells can be sealed and presently unknown wells can be located and properly sealed. Three staff positions would be needed for additional site searches (1,500 estimated sites), contract administration, and well sealing inspections. During the first biennium 400 sites could be searched for unknown wells and 200 known, inactive wells could be sealed for a total

cost of \$500. In the second biennium it is estimated that 600 sites can be searched and 450 wells sealed for a total cost of \$700. In the third biennium the remainder of the sites (500) can be searched and the rest of the inactive wells (600) can be sealed for a total cost of \$900. The biennial breakdowns are as follows:

F.Y. 94-95

- 200 wells sealed (@ approx. \$1/well) = \$224
 - 3 staff (two Hydro. 1's and one Grad. Eng. 1, each @ \$36/yr. w/fringe) = \$216
 - expenses and other support (vehicles, travel, equip., etc.) = \$60
- Total = \$500

F.Y. 96-97

- 450 wells sealed = \$424
 - 3 staff = \$216
 - expenses and other support = \$60
- Total = \$700

F.Y. 98-99

- 600 wells sealed = \$624
 - 3 staff = \$216
 - expenses and other support = \$60
- Total = \$900
- Total Program Cost = \$2,100

Previous appropriation of \$250 to Fish & Wildlife is being used to seal 154 high priority wells on DNR land.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

DNR Directions: *We will protect and manage Minnesota's diverse ecosystems, respect the natural world, and enhance the beauty of our surroundings by protecting surface water and groundwater resources to address increasing demand, user conflicts, and domestic, agricultural, and industrial pollution.*

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

The well sealing program contributes to several goals identified in *Directions for Natural Resources, Challenges for the Decade*, January 1993, the DNR's updated strategic plan document. These are: *Protecting surface and ground water resources; Ensuring that natural resources products and services are available to meet the needs of society; Using cost-effective methods to acquire land and develop facilities*; and others. This program is mandated by 1989 ground water legislation and will directly address public health and safety. Legislative policy in M.S. 103H emphasizes prevention of ground water contamination. Specifically, M.S. 103I requires owners of unused wells to seal them to prevent ground water contamination. Within DNR it is desirable to organize a department-wide effort to locate and seal unused wells in order to give appropriate emphasis to this activity. Until those wells are sealed, DNR is not in compliance with state law. The systematic search statewide allows for highest priority wells to be sealed first (those with greatest potential to introduce contamination into the subsurface). By collaborating to get the wells located and sealed, the DNR can share expertise between units and do a better job with fewer staff.

The Board of Water and Soil Resources (BWSR) is requesting \$500 for grants to local government to seal wells on lands they own.

3. OTHER CONSIDERATIONS (OPTIONAL):

If no action taken, DNR may be liable for costs of ground water cleanup; we are currently not in compliance with state law or rules. We could be exposed to much greater costs by not taking the initiative to locate and seal these wells.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify): Requirement of State Law; we are not in compliance.

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 500 Total Appropriation Request (1994 Session)
- \$ 500 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Sarah Tufford Groundwater/WIS/Clim. Admin. 612/297-2431 07/93
Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

The state has a legal liability to seal known abandoned wells on state property. Note: This request contains direct personnel costs that the state would not normally finance through debt issuance.

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$224,000 in capital funds for well sealing, plus \$276,000 from the General Fund in salary and supply/expense funds for 3 positions. Also included are preliminary recommendations of \$500,000 in 1996 and \$500,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	700
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	0
Agency Priority	0
Asset Preservation/Deferred Renewal	0
Customer Services Improved	0
Operating Savings/Efficiencies	0
Total Strategic Score	700

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Trail Rehabilitation and Adaptation
PROJECT COSTS: \$3,565
APPROPRIATION REQUEST FOR 1994 SESSION: \$ 965
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$1,000
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$1,600
LOCATION (CITY, COUNTY): State Wide

Benefits from these projects related to the Department of Natural Resources' *Directions* strategic plan include:

- Aid public safety
- Rehabilitate facilities
- Improve service delivery
- Promote tourism.

AGENCY PRIORITY (for 1994 Session only):

3 of 21 requests

1. PROJECT DESCRIPTION:

Project includes rehabilitation of aging portions of four state trails:

Willard Munger State Trail	\$100
- rehabilitate and repair slumping railroad grade in high fill areas	
Luce Line State Trail	\$350
- rehabilitate bicycle and horse trails and repair bridges	
Sakatah Singing Hills Trail	\$365
- rehabilitate limestone surface to blacktop, Lime Valley to Faribault (32 miles)	
North Shore State Trail	\$150
- rehabilitate 15 to 20 bridges along entire length of trail	

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

DNR Directions: *We will provide opportunities to enjoy our outdoor recreation resources by developing and maintaining safe, accessible outdoor recreation facilities and providing quality recreation services.*

All trails included in this proposal are supporting significant recreational use and contribute to the mix of recreational opportunities statewide.

The Willard Munger State Trail draws visitors from an average distance of over 60 miles. This average distance is quite high compared to many trails. 1989 summer use figures estimated 41,000 people from May 21 to September 9. During the winter, this trail services as an important linkage of trails to and from northeast Minnesota. No use figures have been measured, but demand is high due to its strategic location.

The Luce Line State Trail, located in the western metropolitan area, supports continuous, year-round use. The use pattern is week-long rather than concentrated on weekends (only 32 percent). 1990 use from May 20 to September 8 was estimated at up to 66,300. No winter use figures exist, but the trail supports both snowmobiling and cross-country skiing.

Use of the Sakatah Singing Hills State Trail has declined in recent years. It is believed this decline is due to the deteriorated condition this proposal would correct. 1990 use figures for May 20 to September 8 were only 15,800, down from 30,000 to 40,000 during the mid-1980s.

The North Shore State Trail is used by 15,000 to 20,000 snowmobilers per year. It is a destination trail in that users would travel from southern Minnesota, Iowa, and Wisconsin. Bridges are needed for safety and user enjoyment. Initial bridge development in the late 1970s and early 1980s is now in need of repair and improvement to handle today's larger grooming machines and faster snowmobiles.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

In each case, a safety related problem would be corrected thus protecting the State from tort liability. An added benefit would be a more enjoyable experience for the public which would result in repeat visitors and improved tourism economies and a more dynamic recreation industry throughout the state. If these facilities are allowed to deteriorate, future use would decrease.

No increase in base operating budget would be needed as a result of this proposal.

3. OTHER CONSIDERATIONS (OPTIONAL):

The State has already developed the trails included in this proposal. They are open for use but have developed problems that our normal maintenance and operations cannot absorb. Therefore, special appropriations for large scale rehabilitations are needed or they would not take place.

The attached plan titled *Minnesota State Trails: Improvements for the Future* provides a complete listing of rehabilitation and adaption needs.

**AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)**

Form G-2

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 965 Total Appropriation Request (1994 Session)
- \$ 965 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Gordon Kimball Trail Program Coordinator 612/296-6693 07/22/93
Name Title Telephone Date

**AGENCY CAPITAL BUDGET REQUEST
 Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)**

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

The Governor and the Legislature may wish to consider the snowmobile account in the Natural Resources Fund as a source for debt service payments on the North Shore State Trail portion of this request.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$965,000 for this project. The Governor further recommends that the snowmobile account in the Natural Resources Fund pay the debt service on the \$150,000 North Shore State Trail portion of the request. Also included are preliminary recommendations of \$1,000,000 in 1996 and \$1,000,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	80
Asset Preservation/Deferred Renewal	75
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	305

**Minnesota State Trails:
Improvements for the Future**

**State Trail Acquisition, Development, and Rehabilitation
Priorities and Opportunities**

THE BENEFITS OF TRAILS

Trails are today at the forefront of the recreation agenda. Federal, state and local units of government are mobilizing their resources in response to growing grassroots support for additional trail opportunities. Why? Trail oriented recreation is increasingly being embraced by diverse constituencies including: trail user groups, tourism and economic development interests, environmentalists, the transportation community and the public at-large.

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Trails...

- Provide opportunities for people to improve their physical and mental health.
- Help to create jobs and spur local economic activity.
- Secure abandoned railroad corridors for continued public use.
- Provide alternative transportation and off-road travel options.
- Provide habitat for plants and animals; greenspace for people.
- Tie communities together, both physically and "in spirit".
- Provide educational opportunities.
- Foster a sense of civic pride and community well-being.
- Link existing recreation lands and facilities.

FORCES AFFECTING THE WAY TRAILS AND WATERWAYS WILL DO BUSINESS

There are a number of powerful forces at work in society today that together suggest the need for timely action.

Variety of short term funding sources.

Currently, state trail acquisition and development efforts are supported by LCMR appropriations, capital bonding and dedicated user funded accounts, in addition to State General Fund dollars. Federal funding through various provisions of the Intermodal Surface Transportation Efficiency Act (ISTEA) has opened the door to still more possibilities and opportunities.

This diversity of funding sources creates new administrative complexities and timing constraints as they challenge DNR/Trails and Waterways to match trail opportunities with the most appropriate instrument for funding. These diverse sources will undoubtedly push the Unit to change and expand its mission as it attempts to satisfy the purposes for each of the funding sources.

Increased sophistication of trail user and trail advocate groups.

Organizations and individuals are increasingly participating in public processes to promote their activities and secure facilities. The formation of the Minnesota Recreation Trail Users Association (MRTUA) is one example. MRTUA was formed with representatives from eight user groups to collaborate on common problems, and share information on their needs and plans. They are the official state trail advisory group and serve as an official advisory to the distribution of the National Recreation Trail Fund, another ISTEA provision.

Another example is the Harmony - Preston Area Trail Commission. This commission is a joint powers board formed to identify and secure a 17.5 mile trail that will connect to the Root River State Trail. They have successfully identified and secured an alignment for this trail.

This sophistication will increasingly affect the way that DNR/Trails and Waterways does business. Simultaneously, more attention will have to be given to these articulate "voices" while still attempting to provide a balanced product line for all of the people of Minnesota.

Changing land use patterns.

- **Railroad abandonments**

The pace of railroad abandonments will decline in the future. Emerging public policy directs they be preserved today for future options. Trails are a convenient way to preserve them in the short and long run. DNR/Trails and Waterways will need to cooperate with an ever-widening array of public and private interests as it attempts to preserve these "conservation corridors."

- **Consolidation of farms, decline of mining, growth of the state's tourism economy.**

Communities recognize that trails can provide a positive economic stimulus and can enhance the local economic mix as more traditional businesses decline or diversify. DNR/Trails and Waterways will need to become increasingly sophisticated in economic development planning and impact analysis. As Minnesota's trail "expert", Trails and Waterways bears responsibility for generating and publishing timely, accurate information regarding the costs and benefits of trail development.

Trails for recreation and transportation.

Trails increasingly serve as an important part of the transportation infrastructure. Bicyclists and pedestrians are using trails as an alternative to automobile travel. If trails are to realize their potential as an integral part of the multimodal transportation system, DNR/Trails and Waterways will need to anticipate this potential in planning, development and seeking funding for new trails. Trails and Waterways must anticipate the diversification of the role of trails.

Creation of innovative partnerships: between the public/private sector and among federal, state and local governments.

Such partnerships are emerging as interest in trails grows and as public budgets shrink. Trails and Waterways has begun to forge new relationships and "do business" in innovative and non-traditional ways.

THE CONTEXT: SOCIAL TRENDS AFFECTING OUR PRODUCT MIX

Changing Demographics

Aging Population

Minnesotans are getting older. In fact, by the year 2000, fully 30% of state residents will be between the ages of 35 and 54, a 50% increase over the number of persons in that age group in 1986. In contrast, some 27% of Minnesotans will fall between the ages of 15 and 34, a 14% decrease from 1986.

Ethnic Diversity

Minnesota is becoming more racially and ethnically diverse. Minnesota's minority population grew 72% between 1980 and 1990. (This was the 4th highest rate of increase of any state in the nation.) However, in spite of this rapid growth, the minority percent of the state's total population is relatively small at 6.3%. Only six other states have a smaller minority population.

Household Trends

Minnesota households are continuing to become more diverse. In 1950, 77% of households were comprised of married couples. This percentage declined to 57% in 1990. Single parent households and other non-traditional living arrangements have become much more prevalent.

Migration

A few areas of the state are experiencing an increase in population: the Twin Cities, St. Cloud, Rochester and a corridor of counties in central Minnesota. Most counties have experienced a decrease in population.

Changes in Recreation and Leisure Patterns

Demand for Trails

Participation in trail recreation will continue to increase. Demand for trail activities will grow into the future. Walking/hiking, and biking are among those activities projected to have the greatest increase in hours of participation into the year 2000.

Leisure Time

Minnesotans feel increasingly pressed for time, as growth in leisure time has stagnated, even reversed, in recent years. And, as ways to spend leisure time have multiplied.

The pattern of how available outdoor recreation time will be used has changed. Shorter trips, closer to home are replacing the longer 2 week family vacations. Minnesotans stay within 30 minutes from home for almost 75% of their total outdoor recreation time. They are willing to travel an hour or more for 22% of their recreation activities.

Emerging and changing recreational equipment and technology.

Today, in-line skates, all terrain vehicles, mountain bikes and roller skis are relatively new to the recreation market. What will tomorrow bring? New recreational products and technologies are being continually developed and refined. The Trails and Waterways Unit must respond to these new trail uses by accommodating use on our existing facilities or by providing new facilities. If uncontrolled, new uses can impact trail facilities and lead to conflicts with more established uses and user groups.

Responding to the needs of motorized trail users is an urgent need. Motorized trail uses have become increasingly well organized and articulate. Trails and Waterways must accommodate motorized trail users by developing appropriate programs and facilities.

IMPLICATIONS

Trail recreation is well suited to meet the needs of Minnesota's changing population. As the population shifts towards larger numbers of older citizens, trails can offer the opportunity for safe, accessible activities such as walking or bicycling essential for maintaining health and a high quality of life. The increasingly urbanized society is looking for close to home opportunities, as well as longer distance vacation activities.

Based on all of these changes in demographics and leisure patterns, more people may be seeking facilities and programs that provide group dynamics other than those based on the traditional family. More people may be participating in activities they can do alone. Trail recreation can provide opportunities for both groups and individuals.

The following criteria for acquisition, development, and rehabilitation were developed, based on the previously discussed forces at work in society and societal trends.

1. **Completeness** - Priority was given to those projects that extend, link, or upgrade existing trails to make these trails more meaningful and complete.
2. **Destination** - Priority was given to those projects that provide connections between major population or service centers.
3. **Opportunity** - Priority was given to those projects that take full advantage of local political support, that leverage available funds, that harness trail user support, that build upon other desirable projects or partnerships, and those projects that are developed in response to pending rail abandonments.
4. **Tourism** - Priority was given to those projects that encourage increased local tourism and spur desirable economic development.
5. **Integrity of Facilities** - Priority was given to those projects that protect existing investments.
6. **Improvements** - Priority was given to development and rehabilitation projects that improve existing trail conditions and correct deficiencies.

Following are Trails and Waterways priorities for state trail acquisition/development and rehabilitation. This list is preliminary and subject to revision.

An inventory of other acquisition opportunities is listed as well.

STATE TRAIL DEVELOPMENT PRIORITIES

TRAIL	SEGMENT	COUNTIES	DNR REGION	MILES	ESTIMATED COST	COMMENTS
Paul Bunyan State Trail	Baxter to Lake Bemidji State Park	Crow Wing, Cass, Hubbard, Beltrami	I & III	100	\$6,000,000	
Root River State Trail	Rushford to Houston	Fillmore, Houston	V	12.5	\$1,488,000	Acquisition in progress.
Glacial Lakes State Trail	Willmar to Richmond	Kandiyohi, Stearns	IV	36	\$2,000,000	
Blufflands System	Isinours/Preston/Harmony	Fillmore	V	17.5	\$1,893,000	
Willard Munger State Trail	Barnum to Carlton	Carlton	III	17	\$1,080,000	
Willard Munger State Trail	Gateway extension into downtown St. Paul	Ramsey	VI	3-4	\$3,000,000	Includes 1.2 million for Phase 1: Arlington to Cayuga
North Shore State Trail	Grand Marais - Grand Portage	Cook	II	40	\$450,000	Matching USFS \$, strong local support. \$250,000 for bridges.
Blufflands System	Houston to Caledonia	Houston	V		\$2,128,000	
Minnesota Valley Trail	Fort Snelling State Park to LeSeur	Carver, Hennepin, Sibley, Scott	IV, VI		\$1,500,000	
Heartland State Trail	Walker to south of Cass Lake	Cass	I	16	\$1,200,000	Surface with asphalt.
Arrowhead State Trail	Ericksburg to International Falls	Koochiching	II	10	\$70,000	Strong local support, includes bridge over Rat, Root Rivers.
Gandy Dancer	Danbury to Foxboro	Pine, Carlton	III	31	\$100,000	
Casey Jones State Trail		Pipestone	IV	12		
Luce Line State Trail	Winsted to Hutchinson	McLeod	VI	15	\$500,000	
*	Cloquet to Saginaw	Carlton, St. Louis	II	10	\$50,000	Local interest by township/SLRB
*	Carlton to Wrenshall	Carlton	II	4	\$45,000	Blading, erosion control.

* Unnamed Segments

STATE TRAIL REHABILITATION PRIORITIES

TRAIL	SEGMENT	COUNTIES	DNR REGION	MILES	ESTIMATED COST	COMMENTS
Luce Line State Trail	Plymouth to Winsted	Hennepin, Carver	VI, IV	32	\$608,000	Rehabilitate (\$483,000) bike and horse trails and bridge repairs (\$125,000).
Willard Munger State Trail	Carlton to Duluth	Carlton	III	31	\$172,500	Rehabilitate Duluth slumps.
North Shore State Trail	Duluth to Grand Marais	St. Louis, Lake, Cook	II	152	\$201,250	Rehabilitate North Shore Trail bridges.
Sakatah Singing Hills State Trail	Mankato, Faribault	Blue Earth, LeSueur, Rice	IV, V	37	\$849,200	Replace limestone surface with asphalt.
Heartland State Trail	Park Rapids to Walker	Hubbard, Cass	I	28	\$1,300,000	Rehabilitate deteriorated asphalt surface. Resurface and widen.
Taconite State Trail	Grand Rapids - Coleraine	Itasca	II	5	\$33,700	Reroute, improvement for multiple use.
North Shore State Trail	Ross Creek reroute	St. Louis	II	4	\$37,500	Reroute to avoid wetlands.
Willard Munger State Trail	East Segment	Pine, Carlton	III	35	\$33,700	Reroute and repair.
*	Pengilly - Alborn	St. Louis, Itasca	II	39	\$49,200	Grading & bridge decking.

STATE TRAIL ACQUISITION PRIORITIES

TRAIL	SEGMENT	COUNTIES	DNR REGION	MILES	ESTIMATED COST	COMMENTS
Root River State Trail	Money Creek Woods to Houston	Houston	V	6.5	\$12,000	
Blufflands System	Isinours/Preston/Harmony	Fillmore	V	17.5	\$107,000	
Willard Munger State Trail	Gateway extension into downtown St. Paul	Ramsey	VI	3-4		
Blufflands System	Houston to Caledonia	Houston	V	14	\$36,000	
Minnesota Valley Trail			IV			Acquisition of segments pending or in progress.
Paul Bunyan State Trail	Beltrami County Line to Lake Bemidji State Park	Beltrami	I	9		
Taconite State Trail	Grand Rapids to Coleraine	Grand Rapids	II	7	\$40,000	On many parcels, trail is on mining or paper company lands, with permit only.
Taconite State Trail	Coleraine to Ely	Grand Rapids	II	160	\$200,000	

OTHER ACQUISITION OPPORTUNITIES

TRAIL	SEGMENT	COUNTIES	DNR REGION	MILES	ESTIMATED COST	COMMENTS
Willard Munger State Trail	Gateway to William O'Brien State Park	Washington	VI	11		
Blufflands System	LaCrescent-Hokah	Houston	V	5.5		
Blufflands System	Houston-Hokah	Houston	V	12.5		
Blufflands System	Caledonia - Spring Grove	Houston	VI	10		
Blufflands System	Spring Grove - Harmony	Houston, Fillmore	VI	20		
Superior Vista	Duluth - Two Harbors	St. Louis, Lake	II	29		
*	Bemidji to Oklee	Beltrami	I	50		
Glacial Lakes State Trail	New London - three St. Parks	Douglas, Pope, Kandiyohi	I, IV	140		
*	Villard to Starbuck	Pope	I	15		
Willard Munger State Trail	through Duluth	St. Louis	II	8		
*	Grand Rapids to Schley	Itasca, Cass	II, III	34		
*	Brainerd to McGregor	Aitkin, Crow Wing	II, III	50		
*	Grand Portage to International Falls	Cook, Lake, St. Louis, Koochiching	II	220		
Willard Munger State Trail	Hinckley via the St. Croix	Washington, Chisago, Pine	III, VI	85		Feasibility has been studied.
*	Collegeville to St. Cloud	Stearns	III	12		
*	Little Falls to St. Cloud	Benton, Morrison	III	30		

OTHER ACQUISITION OPPORTUNITIES						
TRAIL	SEGMENT	COUNTIES	DNR REGION	MILES	ESTIMATED COST	COMMENTS
*	Brainerd to Camp Ripley	Crow Wing	III	20		Extension of Paul Bunyan State Trail to Crow Wing State Park.
*	Avon to Fergus Falls	Stearns, Todd, Douglas, Ottertail	III	100		
*	Pine Island to Red Wing	Olmsted, Goodhue	V	32		
*	St. Paul - LaCrescent	Dakota, Goodhue, Wabasha, Winona, Houston	V, VI	140		
*	Northfield to Faribault	Rice	V	13		Extends Sakatah Trail
*	Faribault to Blooming Prairie	Rice, Steele	V	34		
*	Rochester to Stewartville	Olmsted	V	13		
*	Preston - Forestville	Fillmore	V	9		
*	Fountain to Spring Valley	Fillmore	V	14		
*	Blooming Prairie to Austin	Mower	V	15		
*	Lanesboro-Brightsdale Unit	Fillmore	V	3		
*	Spring Valley to Stewartville	Fillmore, Mower, Olmsted	V	12		
*	Luce Line to Theodore Wirth Park, Mpls.	Hennepin	VI	6		Important connection between recreation units.
*	Maplewood through White Bear Lake-Hugo	Ramsey, Washington	VI	8		Possible route for Willard Munger State Trail, St. Paul to Duluth.
*	Forest Lake to Hugo	Washington	VI	7		

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

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AGENCY: Natural Resources, Department of
PROJECT TITLE: Dam Repair/Reconstruction/Removal
PROJECT COSTS: \$8,350
APPROPRIATION REQUEST FOR 1994 SESSION: \$4,350
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$2,000
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$2,000
LOCATION (CITY, COUNTY): State Wide

Suburban Hennepin Regional Park Reserve District owns the dam and would provide \$2,500 matching funds. The impoundment is heavily used for recreation and has over 300 residences along the shoreline.

AGENCY PRIORITY (for 1994 Session only):

4 of 21 requests

1. PROJECT DESCRIPTION:

Minnesota Statutes 103G.511 makes the Commissioner responsible for managing and maintaining publicly owned dams, and provides for a state matching grant program to local governments. There are over 600 dams owned by the state, cities, counties and watershed districts. Most of these dams are over 50 years old and require ongoing maintenance and repair. Emergency repairs must be done when partial or complete dam failures occur in order to protect public safety and prevent additional damages. This request includes 5 specific projects for the F.Y. 94-95 biennium and outlines long-term funding needs for dam management.

1. **Emergencies and Small Dam Maintenance and Repairs (\$400)**
This would provide funds for responding to emergency repair needs and for repairing about 10 dams. Small dam repair projects typically cost less than \$100 each. These dams maintain lake levels or control reservoirs on streams. Projects in FY 94-95 could include Medicine Lake, Peltier Lake, Pike River, and Games Lake. Local governments own the Medicine Lake and Peltier Lake dams and would provide local match.
2. **Coon Rapids Dam Repair (\$2,500 grant)**
Major repairs to an important dam located on the Mississippi River. The

3. **Mud-Goose Lake Dam Reconstruction (\$500)**
Reconstruct deteriorated spillway of state owned dam that impounds a 2,300 acre wildlife and wild rice area. Located on the Leech Lake River near Deer River, the dam is unsafe to operate and frequently becomes clogged with bog due to inadequate discharge gates.
4. **Kettle River Dam Removal (\$250)**
The existing state owned dam located in Banning State Park would be removed because the usefulness of the dam does not justify the \$300+ repair cost. Removal would restore the natural rapids, is compatible with the Wild and Scenic River designation of the Kettle River, and would eliminate state liability for future repair costs.
5. **Zumbro Lake Dam Repair (\$700 grant)**
Matching funds for major repairs to a large high hazard dam owned by the Rochester Public Utility, which would provide \$700 matching funds. The dam generates 2,300 kilowatts of electricity and impounds an important multi-purpose reservoir.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

This request contributes to several goals identified in Directions for Natural Resources, Challenges for the Decade, January 1993, the DNR's updated strategic plan document. These are: *Maintaining programs that contribute to community safety; Supporting opportunities for sustainable resource development and recreation that benefits state and local economics; and Developing partnerships with citizens, other government agencies, and businesses.*

This request is part of a long-term program to maintain Minnesota's public dams, which are a vital part of the state's aging infrastructure. These dams control water levels on many significant lakes and rivers providing benefits

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

to tourism, recreation, fishing, wildlife, water supply and the state's economy. For example, Mille Lacs, Minnetonka, and Ottetail Lake all depend on dams to maintain their water levels and consequently their surrounding property values. Proper maintenance would prevent dam failures and reduce long-term repair costs. Funding is also needed to provide for removal of dams in cases where they no longer provide significant public benefits. Existing general operating budgets do not include funding to maintain our infrastructure of public dams.

3. OTHER CONSIDERATIONS (OPTIONAL):

A consistent, long-term funding approach is needed to keep public dams from deteriorating. The magnitude of long-term funding needed for dam maintenance is about \$1 million annually for the foreseeable future. Long-term needs are outlined below.

**50-YEAR FUNDING NEEDS FOR MAINTENANCE
OF PUBLICLY OWNED DAMS (\$000's)**

State Owned Dams

35 projects at \$400 =	\$ 14,000
320 projects at \$50 =	16,000
20 removals at \$200 =	4,000
15 emergencies at \$200 =	<u>3,000</u>
Subtotal =	\$ 37,000

Locally Owned Dams (matching funds)

20 projects at \$250 =	5,000
150 projects at \$40 =	6,000
*5 removals at \$200 =	1,000
10 emergencies at \$100 =	1,000
Subtotal =	\$ <u>13,000</u>

Total = \$ 50,000

*100% state funding assumed

**AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)**

Form G-2

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 4,350 Appropriation Request (1994 Session)
- \$ 4,350 State funding
- \$ _____ Federal funding
- \$ 3,300 Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Mel Sinn Administrator/Surface Water & Hydrology 612/296-4806 07/21/93
Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$3,650,000 in capital funds to cover the first 4 priority projects of this request. Also included are preliminary recommendations of \$3,500,000 in 1996 and \$3,500,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	63
Strategic Linkage	90
Agency Priority	80
Asset Preservation/Deferred Renewal	75
Customer Services Improved	40
Operating Savings/Efficiencies	0
Total Strategic Score	348

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
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Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Flood Hazard Mitigation Grants
PROJECT COSTS: \$10,949
APPROPRIATION REQUEST FOR 1994 SESSION: \$2,949
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$4,000
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$4,000
LOCATION (CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

5 of 21 requests

1. PROJECT DESCRIPTION:

The Flood Hazard Mitigation Grant Assistance Program was created to provide cost-sharing grant assistance to local government units to prevent or alleviate future flood damages. This request includes funding for seven projects located in the City of Stillwater, the City of Chaska, the Red Lake Watershed District, the City of Houston, the City of Winona, the City of Rochester and the City of Browns Valley for the 1994-95 biennium. Not all of these areas were affected by the floods of 1993 but Stillwater, Chaska and possibly Winona would have benefitted from having completed flood control projects in place. Also included in this request is funding to help cost share funds that would become available from the federal flood hazard mitigation program following the 1993 flood. These projects would contribute to our long term goal of eliminating flood damages in urban areas and reducing damages in rural areas.

The flooding across southern Minnesota in 1993 reminds everyone that flooding is still a severe problem. It is estimated that average annual flood damages in Minnesota are \$60-70 million. The 1993 flood alone is estimated to have caused almost \$500 million in damages in Minnesota. It would never be possible to eliminate all flood damages in the state but there are many areas where flood damages can be reduced or eliminated. The Corps of Engineers (COE) developed some figures on the damages prevented by completed COE flood control projects during the 1993 flood-\$2.8 million in Henderson (the state assisted Henderson with the non-

federal share of project costs), \$63 million in Mankato, \$330 thousand in South St. Paul and \$4.6 million in St. Paul. This is over \$70 million in damages prevented in just four communities.

The floods of 1993 proved that flood control projects can be effective where they are properly implemented and maintained. The 1993 floods also demonstrated that non-structural measures such as acquisition/relocation and floodplain zoning can be effective. Significant interest in the flood hazard mitigation grant program has been generated by the 1993 flood because many projects implemented in the past did help to prevent flood damages. Homes that were constructed according to the floodplain zoning requirements typically sustained little if any damage.

There are a large number of homes and businesses (approximately 17,000) that were built before floodplain zoning regulations were in place. Many bridges, culverts and stormwater systems built before the mid-1970's were designed to handle 10, 20 or 50 year floods - not the big floods that cause so much damage. Cropland damage would always be high from summer floods. There is less federal assistance for flood control projects. Federal budgets have been reduced, priorities have changed, project planning and implementation takes a long time and local interests are expected to pay a much larger share of the cost. (Cost-share is now 75% federal/25% non-federal. It used to be 90% federal/10% non-federal).

The State has established two programs to prevent flood damages. In 1969 the Floodplain Management Act was passed (M.S. 103F). This law requires the DNR to help local governments administer and enforce local floodplain zoning ordinances. These ordinances require that new homes and businesses be protected from the 100 year flood. This is usually accomplished by elevating the structure on fill so that flood water from these large floods can not come into contact with the structure. This program has been very effective where it is properly administered and local governments are to be commended for properly administering these ordinances.

In 1987 the Flood Hazard Mitigation Grant Assistance Program was established in M.S. 103F.161. This program allows the DNR to make 50% state/50% local cost-sharing grants to study and implement measures that would reduce or eliminate flood damages in the future. The program is divided into 2 parts - small grants and large grants. Small grants are under

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Non-Building Project Detail (Cont'd.)
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\$75 and are generally used for studies that lead to projects or for implementing very small projects. The DNR currently has an appropriation of \$160 per year for small grants. Large grants are for amounts over \$75 and are used to implement flood damage reduction projects. Proposals for large grants are submitted by DNR to the Governor and the Legislature for approval. Since 1987 over 80 grants totalling almost \$8 million have been made to local governments to conduct flood control studies, to acquire flood-prone homes, to construct dams and impoundments, to build levees, to improve stormwater management systems, to help pay for the non-federal share of federal flood control projects and to help cost-share federal hazard mitigation activities following Presidentially declared disasters.

The projects included in this proposal would help to continue this program of state assistance for the implementation of flood damage reduction projects that can help reduce the economic, social and environmental impacts of severe flooding. Details about each of these projects are contained on the next page of this document.

It should be noted that a number of priority impoundment projects in the Red River Valley are not proposed for funding at this time pending completion of joint federal-state studies to determine the cumulative environmental impacts of the impoundment construction program in the Red River Valley. These studies should be completed within two years.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

DNR Directions: *We will create safe, friendly, and caring communities by maintaining programs that contribute to community safety.*

The flood hazard mitigation grant program contributes to several goals identified in Directions for Natural Resources, Challenges for the Decade, January 1993, the DNR's updated strategic planning document. These are: *Maintaining programs that contribute to community safety; Developing partnerships with citizens, other government agencies, and businesses; and Developing plans that guide budgets and programs and enable the department to respond to public and ecosystems needs.* The completion of these projects would alleviate and in some cases eliminate the flooding in the areas where they are implemented. Flooding problems in Chaska,

Winona and Browns Valley should essentially be eliminated by the implementation of these projects. The Stillwater, Red Lake Watershed District and Rochester (not the Corps of Engineers project) should reduce flood damages over existing conditions. All of the projects have been subjected to an alternatives analysis and the current project proposals are either the most feasible or only feasible projects under the current situation. The financing options for these projects are limited. The option is that local units pay all of the cost or all of the non-federal (Chaska, Winona and Stillwater) cost to implement the flood control projects. The proposal assumes that the state should provide cost-share assistance to alleviate the cost burden on the local communities.

3. OTHER CONSIDERATIONS (OPTIONAL):

The major consequence of taking no action is, at least, that completion of projects may be delayed several years or may not be completed at all. This would mean that the current level of flood damages in these areas would be maintained for at least some period of time. The state has previously committed funds to most of these projects, but additional amounts of funding are needed to complete the projects. The only project that is not scheduled for completion with funding this biennium is Rochester where the funding is for Phase 1 of 4 separate phases. For most projects state cost-sharing of 50% has been requested. The City of Chaska has requested about 20% state assistance for the non-federal cost of their project. Grant criteria are essentially identified in M.S. 103F.161. Some of the major criteria include: what other flood damage reduction activities have been implemented by the local government unit, can the project be implemented, would it reduce flood damages, would the project affect areas that flood often, is the project cost effective, do people support it; would there be a lot of adverse environmental impacts, is the local unit effectively administering their floodplain zoning ordinance, is the project part of a city or county local water plan, does the community have the capability to implement the project without any state assistance, and what is the total cost of the project. These factors in addition to the availability of federal funds have been used to prioritize projects.

It is estimated that \$30 million in flood hazard mitigation grants over the next 15 years would be needed to significantly reduce the average annual flood damages from the current level of \$60-70 million. Funding at this

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
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Dollars in Thousands (\$137,500 = \$138)

Form G-1

level is needed to meet our overall goal of eliminating flood damages to homes and businesses. Funding at a lower level extends the time that is needed to meet the goal. The most critical need, however, is to have a consistent level of funding so that the Department and local governments can plan for and schedule the implementation of flood damage reduction projects. This would not eliminate flood damages because there would always be a certain amount of agricultural, road, culvert, bridge, erosion and business disruption damages that would continue to occur. It should, however, eliminate or at least significantly reduce the flood damage to homes and businesses. There would always be some people who would continue to live and work near rivers where floods would continue to occur but proper floodplain zoning and flood insurance should reduce the economic impacts of these activities.

Project Name and Description	Total Project Cost	Federal Cost	Local Cost	State Cost Total	State \$ Appropriated to Date	Additional State \$ Requested
CITY OF CHASKA The Corps of Engineers has designed and is constructing a large earthen levee and interior drainage project to protect 497 structures in the city from a 100 year flood. Flood insurance would no longer be required for structures protected by the levee. Completion 1996.	41,200	30,900 75%	8,294 20%	2,006 5%	706	1,300
RED LAKE WATERSHED DISTRICT - GOOD LAKE IMPOUNDMENT This is a joint project between the District and the Red Lake Board of Chippewa Indians to collect and impound floodwaters to protect 8000 acres of cropland from frequent flooding and to contribute to overall flood damage reduction in the Red River Basin. Completion 1994.	1,800	0	900 50%	900 50%	550	350
CITY OF WINONA - GILMORE CREEK The Corps of Engineers has designed and would construct a levee along Gilmore Creek and impound flood water in Bollers Lake to further reduce the potential for flooding in the City. The City is already protected from flooding from the Mississippi River but flood flows on Gilmore Creek can overflow and flood parts of downtown from behind the levee. The Gilmore Creek Project would protect 331 structures in the city from a 100 year flood event. Flood insurance would no longer be required for structures protected by the project. Estimated Completion 1996.	4,100	3,082 75%	509 12.5%	509 12.5%	209	300
CITY OF HOUSTON LEVEE PROJECT The Corps of Engineers has designed and is ready to implement an earthen levee and interior drainage project to protect the City from 100 year floods on the Root River. This project would protect 312 homes plus businesses and would remove the flood insurance requirements for these structures. Estimated completion 1996.	5,872	4,404 75%	734 12.5%	734 12.5%	300	434

Project Name and Description	Total Project Cost	Federal Cost	Local Cost	State Cost Total	State \$ Appropriated to Date	Additional State \$ Requested
<p>CITY OF STILLWATER - FLOOD WALL IMPROVEMENTS Stillwater has a floodwall along the St. Croix River that protects it from very minor floods and prevents major erosion problems. The flood wall built in the 1930's is now in need of major repair. The City has asked Congress to appropriate funds for the Corps to reconstruct and repair the wall without going through the COE long planning process. The wall would also be extended and the earthen berm behind it would be raised to provide 50 year flood protection to the City. This would help to reduce damages to 81 structures in the 100 year floodplain. Estimated Completion 1995.</p>	3,200	2,400 75%	400 12.5%	400 12.5%	200	200
<p>CITY OF ROCHESTER - MAYO RUN PHASE I The Mayo Run Watershed is a developing area in the southeast quadrant of Rochester that has a history of significant flooding problems. A consultant analyzed the problem and came up with a 4 phase program of stormwater retention ponds to eliminate the problem. All 4 phases would cost about \$2,000 to implement and would protect 1,568 acres of existing and planned new development. Funds in this request are only for Phase I. Phase I Completion 1995.</p>	520	0	260 50%	260 50%	0	260
<p>CITY OF BROWN VALLEY RETENTION AND DIVERSION PROJECT The City is flooded by the Little Minnesota River and from water from an unnamed coulee. An impoundment is proposed for the unnamed coulee and a high flow diversion channel is proposed to route floodwater from the Little Minnesota River around the City. The Project, when completed, would provide 100 year flood protection to 113 structures located in the flood plain and eliminate the requirements for flood insurance for these structures. Estimated Completion 1995.</p>	1,060	0	530 50%	530 50%	425	105

Project Name and Description	Total Project Cost	Federal Cost	Local Cost	State Cost Total	State \$ Appropriated to Date	Additional State \$ Requested
<p>FEDERAL HAZARD MITIGATION GRANT PROGRAM FOR THE 1993 FLOOD DISASTER Following a Presidential Disaster Declaration, the Federal Emergency Management Agency allocates funds equivalent to 10% of the public damages for hazard mitigation activities. This program was authorized by the 1989 Stafford Act and funds under this program were first used following the disaster declaration in the Red River in 1989. Grants are 50% federal/50% non-federal. In 1989, the legislature authorized funds for the Department to cost-share on one-half of the non-federal share of project costs. Specific projects have not been identified yet.</p>	?	? 50%	? 25%	? 25%	0	?

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____
- Source of funds _____

FUNDING SOURCE:

\$ 2,949 Total Appropriation Request (1994 Session)

\$ 2,949 State funding

\$ 20,398 Federal funding

\$ 5,827 Local gov't funding

\$ _____ Private funding

Agency Data Prepared by: Joe Gibson Supervisor Floodplain/Fed. Coord. 612/296-2773 07/93
Name Title Telephone Date

**AGENCY CAPITAL BUDGET REQUEST
 Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)**

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$1,950,000 in capital funds to cover the first 3 priority projects of this request, plus an additional \$400,000 for projects associated with the 1993 summer floods. Also included are preliminary recommendations of \$2,000,000 in 1996 and \$2,000,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	126
Strategic Linkage	60
Agency Priority	80
Asset Preservation/Deferred Renewal	50
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	376

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Forestry Roads and Bridges
PROJECT COSTS: \$4,634
APPROPRIATION REQUEST FOR 1994 SESSION: \$1,034
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$1,800
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$1,800
LOCATION (CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

6 of 21 requests

1. PROJECT DESCRIPTION:

M.S. 89.002 Subd. 3 requires the Commissioner of the DNR to provide a system of forest roads and trails which provides access to state forest land and other forest land under the commissioner's authority which is adequate to permit the commissioner to manage, protect, and develop those lands and their forest resources consistent with the forest resource policy, and to meet demands for forest resources.

The Division of Forestry maintains 2,064 miles of roads which serve the 4.6 million acres of state forest lands. These roads also serve several million acres of county, federal and private forest lands. The system of gravel roads provides access to the state's forest resources and supports two of the state's largest industries: forest products and tourism. In a recent study of the traffic on state forest roads in Minnesota, recreational and other local use of these roads was shown to be approximately 97% of the total traffic.

This project proposal would replace 4 of the approximately 60 bridges in the state forest road system, and reconstruct several miles of existing forest roads to safely meet current and projected use and load levels. The project would also construct several miles of new forest road to provide critical access to state forest lands for resource management and recreation.

- \$663 to reconstruct 58 miles of state forest road (primarily Class 3 and 4, see attached standards);

- \$140 to resurface 21 miles of state forest road (primarily Class 3 and 4);
- \$152 to replace 4 bridges on state forest roads;
- \$79 to construct 3.5 miles of new state forest road (Class 5 and 6).

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

DNR Directions: We will provide opportunities to enjoy our outdoor recreation resources by developing and maintaining safe, accessible outdoor recreation facilities and providing quality recreation services.

DNR Directions: We will use natural resources to create and share wealth for Minnesota by ensuring that natural resource products and services are available to meet the needs of society, consistent with our commitment to sound environmental management.

Minnesota Forest Resources Plan: Identify, develop, and maintain a safe, efficient forest transportation system that provides access to protect, manage, and use Minnesota's forest resources.

The existing state forest road system is a capital asset worth more than \$10 million. Regular maintenance and resurfacing reduces the need for costly reconstruction in the future. Funding is needed to supplement dedicated gas tax dollars and other annual appropriations for critical rehabilitation of portions of the state forest road system, and major bridge repair to bring facilities up to required use and safety standards.

The Division of Forestry currently receives \$250 to \$275 each year in dedicated state gas tax dollars, all of which is needed for state forest road maintenance. In addition, the division received an additional \$300 per year (for FY 1994 and FY 1995) for the state forest road program from the Focus on Forests budget initiative included in the 1993 Environment and Natural Resources Appropriations Bill (Chapter 172): \$250 of this would be used for state forest road maintenance. Currently, there are no general funds available for state forest road construction, reconstruction, major resurfacing, or bridge replacement. Federal BWCA (expired) and state bonding dollars have, in recent history, provided most of the funding for these activities.

AGENCY CAPITAL BUDGET REQUEST

Non-Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Form G-1

The capital budget request for the FY 1994-95 biennium is needed to address some immediate, critical needs. In addition, because of the lack of funding for construction, reconstruction, and bridge replacement, there is a backlog of \$1.075 million in forest road project needs. The long-term annual needs for state forest roads are as follows:

- \$275 per year for resurfacing 138 miles (15 year schedule);
- \$1,125 per year to reconstruct 75 miles (30 year schedule);
- \$150 per year to replace 3 bridges (20 year schedule);
- \$250 per year to construct 5 miles of new road.

Total \$1.8 million.

Reinvest in Minnesota (RIM) program funding has been used to a very limited degree in past years for some forest road construction. However, use of RIM funding is limited to projects that clearly demonstrate a primary benefit for wildlife habitat management. RIM funded road construction projects are also usually minimal design and maintenance roads, and therefore unsuitable for recreational and general public use.

Funding has also been sought from such sources as the MVET funds and the motor vehicle license revenues with no success. Most recently, during the 1993 legislative session, the department attempted to acquire a portion of motor vehicle license revenues in the Highway User Tax Distribution Fund to supplement dedicated gas tax dollars for increased state (and county) forest road maintenance and major bridge repair/replacement. However, the department was not successful in its attempt.

Alternatives to this project include:

- Increased road closures or restrictions of use to reduce the damages which occur on state forest roads. Closing of roads during fall and spring seasons may be necessary in some locations to protect investments.
- Limiting of load weights during some periods to reduce maintenance costs and extend the reconstruction schedule.

However, public demand for utilization of the roads for pleasure driving, berry picking, hunting and other non-consumptive uses continues to increase, although restrictions may need to be placed on use in lieu of this project.

Summer access for forest resource management would also be greatly affected. In lieu of this project, the volume and value of wood the DNR is able to sell may be reduced. Wildlife habitat manipulation may be severely restricted in some areas as well. At the same time, forest industry growth has accentuated the need for a functional forest road system capable of handling increased use for timber harvesting and transport.

3. OTHER CONSIDERATIONS (OPTIONAL):

Resurfacing is scheduled on a 15 year rotation due to the nature of the subgrade materials on most of the road system. Postponement of this activity by two years would lead to a 30 percent increase in costs and a delay of 5 years would double the cost due to increased deterioration of the roads.

Reconstruction is projected on a 30 year basis. Postponement of 2 years would not substantially effect this cost but 5 years would increase the cost 20 to 30 percent. An 8 to 10 year delay would increase the costs by an estimated 60 percent.

Deferral of bridge replacement (and road reconstruction) would compromise the safety of forest users.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify): Maintain/protect previous capital investments

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____
- Source of funds _____

FUNDING SOURCE:

- \$ 1,034 Total Appropriation Request (1994 Session)
- \$ 1,034 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Dennis Ingvaldson
Name

Assistant Director, Forestry
Title

612/296-4495
Telephone

07/93
Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$750,000 for this project. Also included are preliminary recommendations of \$750,000 in 1996 and \$750,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	60
Agency Priority	60
Asset Preservation/Deferred Renewal	75
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	255

CAPITAL BUDGET REQUEST Forest Roads and Bridges

NO.	PROJECT NAME	LOCATION/COUNTY	DESCRIPTION	COST
1	River Road	Beltrami Island State Forest/Belt/L.O.W./Roseau	Resurface 6 miles of Class 3 road. Gravel crushing, install 6 culverts.	\$45,000
2	Beaver River/Heffelfinger	Finland State Forest/Lake/Cook	Repair ditches and replace culverts on 20 miles of Class 3 road.	\$60,000
3	Remote Lake Forest Road	Savanna State Forest/Aitkin/St. Louis	Reconstruct 2.6 miles of Class 4 road.	\$50,000
4	Moose River/Dick's Parkway	Beltrami Island State Forest/Belt/L.O.W./Roseau	Construct 16 turnouts on 25 miles of road at narrow sections.	\$25,000
5	Ditch Bank Road	Fond Du Lac State Forest/Carlton/St. Louis	Regravel 7.5 miles of Class 3 road.	\$100,000
6	Giese/Herubin Forest Road	Solana State Forest/Aitkin	Replace 14 culverts, repair ditches, gravel short section on 9.4 miles of Class 4 road.	\$15,000
7	Chelsy Brook Forest Road	Snake River State Forest/Kanabec	Reconstruct and widen 3 miles of road to Class 4 standards.	\$155,000
8	Summer Forest Road	Beltrami Island State Forest/Belt/L.O.W./Roseau	Shear road shoulder and reconstruct 3.75 miles of Class 4 road.	\$12,000
9	Rum River Access Trail	Adjacent to Rum River State Forest/Kanabec/Mille Lacs	Construct .25 mile of class 6 road to access 240 acres of public land. .25 mile easement.	\$10,130
10	Bear Lake Road	George Washington State Forest/Itasca	Replace bridge at end of road, realign and upgrade road.	\$95,000
11	Morehouse Road	Beltrami Island State Forest/Belt/L.O.W./Roseau	Resurfacing, gravel crushing, and construction of turnouts on 2.5 miles of Class 4 road.	\$12,000
12	Nehiem/Elkwood Forest Road	Beltrami Island State Forest/Belt/L.O.W./Roseau	Reconstruct 3 miles of Class 4 road, install 12 culverts.	\$35,000
13	South Wulff Forest Road	Rum River State Forest/Kanabec/Mille Lacs	Upgrade 1.5 miles of Class 6 road to Class 4. Construct .5 mile of new Class 5 road.	\$40,000
14	Rearing Pond Bridge	George Washington State Forest/Itasca	Replace existing flat car bridge with concrete culvert.	\$45,000
15	Elliot Forest Road	Savanna State Forest/Aitkin/St. Louis	Reconstruct 4 miles of Class 4 road.	\$115,000
16	Aitkin Lake Forest Road	Savanna State Forest/Aitkin/St. Louis	Reconstruct 3.9 miles and widen to 16', regraveling, replace culverts	\$60,000
17	Beaver Dam Road	Grand Portage State Forest/Cook	Replace culverts and repair ditches on 3 miles of Class 4 road.	\$16,000
18	Frontier Farmer Road	Pine Island State Forest/Koochiching	Reconstruct for all-season use, gravel 3.7 miles.	\$15,000
19	Hay Creek Snowmobile Trail Bridge	R. J. Dorer/Various	Build 120' bridge on existing abutments. T&W funding.	\$32,000
20	Jim Readdy Road	Cloquet Valley State Forest/St. Louis	Regravel 4 miles of Class 4 road.	\$16,000
21	North Boundary Forest Road	Beltrami Island State Forest/Belt/L.O.W./Roseau	Resurface and replace culverts on 6 miles of Class 4 road.	\$12,000
22	Page Access Trail	Adjacent to Rum River State Forest/Kanabec/Mille Lacs	Construct 1 mile of Class 6 road to 160 acres of state land. .5 mile easement.	\$13,880
23	Rapid Creek Bridge	Koochiching St. Forest/Koochiching	Replace washed out culverts with bridge.	\$25,000
24	West Rum River Forest Road	Rum River State Forest/Kanabec/Mille Lacs	Construct 1.5 miles of Class 5 road.	\$30,000

ENGINEERING DESIGN GUIDELINES

For State Forest Roads

ROAD CLASS	1	2	3	4	5	6
Back Slope	2:1 or flatter	1.5:1 or flatter	1:1 or flatter	1:1 or flatter	1:1 or flatter	1/2:1 or flatter
Ditch Bottom	2' to 4'	V Ditch to 4'	V Ditch to 4'	V Ditch to 4'	V Ditch	V Ditch
* Side Slope	3:1	3:1	3:1	1 1/2:1	1 1/2:1	1 1/2:1
Ditch Depth	2' - 3'	1' - 2'	1' min.	1' min.	1/2' min.	1/2' min.
Base and Sub-base Thickness	Site Specific	Site Specific	Site Specific	Site Specific	Minimal Use	Native Material
Compacted Surfacing Thickness (when used)	Asphalt 2" Min.	Rock 6" Deep	6" Deep	Optional 6" Deep	Optional 4" Deep	None
Roadway Width	26 ft	22 ft	18 ft	14 ft	12 ft	10 ft
Shoulder Width	2' Min.	None	None	None	None	None
* Crown Slope	1/8" - 1/4" ft	1/8" - 1/4" ft	1/8" - 1/4" ft	1/8" - 1/4" ft	1/8" - 1/4" ft	Not Required
Design Speed	45 MPH	40 MPH	25 MPH	20 MPH	20 MPH	10 MPH
Structural Design Width	2 Lane	2 Lane	1 Lane	1 Lane w/Turnouts	1 Lane w/Turnouts	1 Lane
Sight Distance	450 ft min.	375 ft min.	200 ft min.	175 ft min.	175 ft min.	100 ft
Curve Radius	600 ft	450 ft	135 ft	75 ft	75 ft	50 ft
Turn Outs	None	None	Optional	Intervisible	Min. 4/mile	Optional
Grades not to Exceed (dependent on soil stability)	7 - 8% Slope Short Grades 10%	7 - 8% Slope Short Grades 10%	7 - 8% Slope Short Grades 10%	8 - 10% Slope Short Grades 12%	8 - 10% Slope Short Grades 15%	15%
Bridge Structure and Loading	NS - 20	NS - 20	NS - 20	NS - 20	NS-20	None Used
Flood Design for Bridges & Culverts Larger than 24"	Design for 50 year flood	Design for 50 year flood	Design for 50 year flood	Design for 25 year flood	Design for 25 year flood	Not Used
Intersections	Adequate View Corridors	Adequate View Corridors	Adequate View Corridors	Adequate View Corridors	Adequate View Corridors	Adequate View Corridors
Right of Way	66' min. on private property	66' min. on private property	66' min. on private property	66' min. on private property	66' min. on private property	33' min. on private property
Canopy Opening Always Provide for Adequate Road Drying	5' beyond top of back slope minimum	5' beyond top of back slope minimum	minimum of 5' from top of backslope or from shoulder	minimum of 5' from top of backslope or from shoulder	minimum of 5' from top of backslope or from shoulder	minimum of 5' from shoulder

* Base, Sub Base and Shoulders will have this same slope

State Forests: Distribution and Amount of Ownership

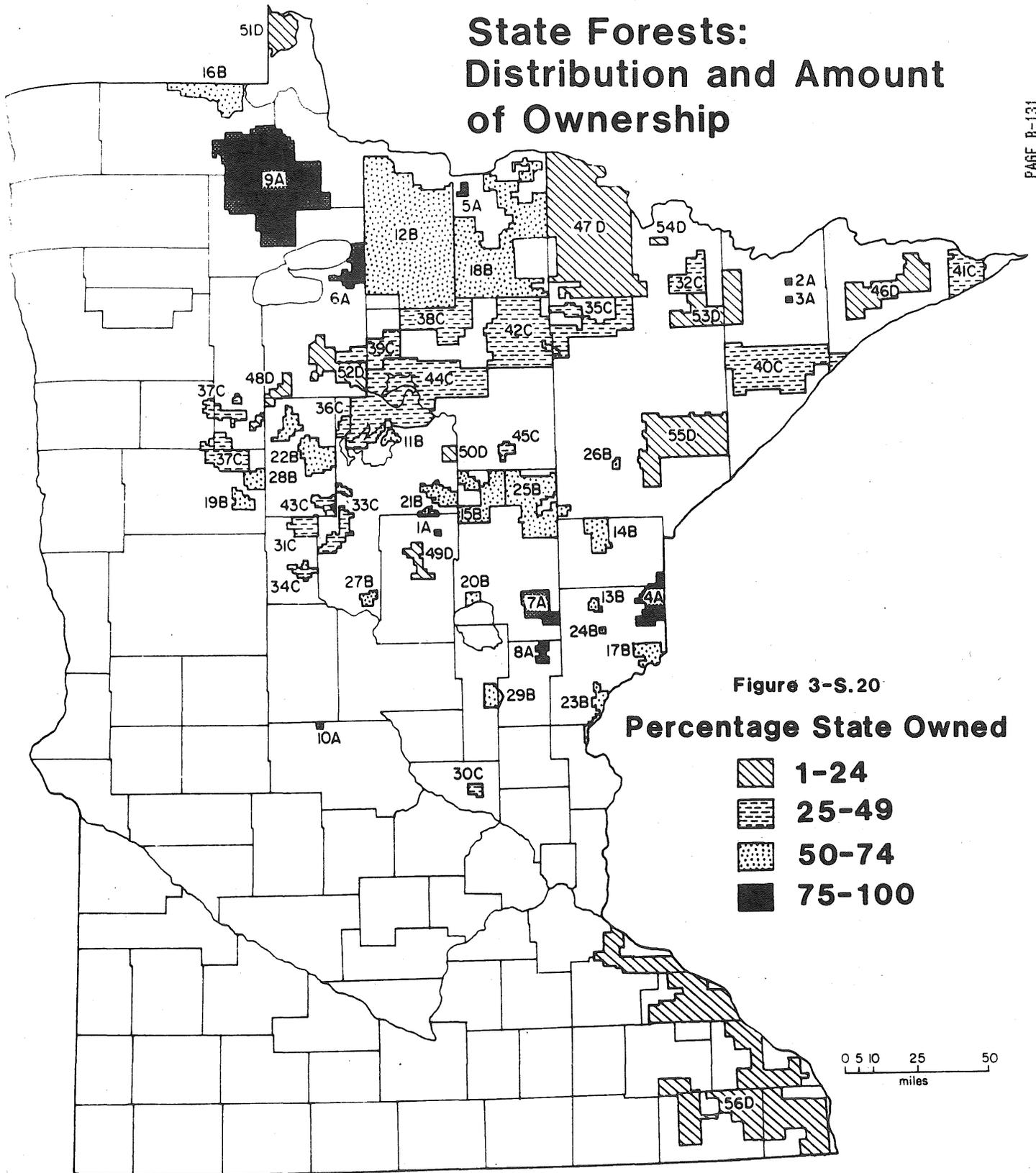


Figure 3-S.20
Percentage State Owned

-  1-24
-  25-49
-  50-74
-  75-100

0 5 10 25 50
miles

**Table 3-S.06
STATE FORESTS – DISTRIBUTION AND AMOUNT OF OWNERSHIP**

Forest Number	State Forest	County	Total Acres	Amount State Owned	Percent Owned	
1	Emily	Crow Wing	640	640	100.0	
2	Insula Lake	Lake	485	485	100.0	
3	Lake Isabelle	Lake	66	66	100.0	
4	Nemadji	Pine/Carlton	96,270	90,270	93.7	A 75-100% State Owned
5	Smokey Bear	Koochiching	12,238	10,997	89.8	
6	Red Lake	Beltrami	66,055	59,257	89.7	
7	Solana	Aitkin	68,176	58,091	85.2	
8	Snake River	Kanabec	9,160	7,758	84.6	
9	Beltrami Island	Belt/L.O.W./Roseau	669,032	505,054	75.6	
10	Birch Lake	Steams	637	477	74.8	
11	Battleground	Cass	12,868	9,413	73.1	
12	Pine Island	Koochiching	878,039	641,136	73.0	
13	Gen. Andrews	Pine	7,540	5,361	71.1	
14	Fond Du Lac	Carlton/St. L.	62,145	42,400	68.2	
15	Hill River	Aitkin	111,392	24,854	67.1	
16	Lost River	Roseau	97,500	63,400	65.0	
17	St. Croix	Pine	42,105	26,046	61.8	B 50-74% State Owned
18	Koochiching	Koochiching	565,582	345,064	61.0	
19	Smokey Hills	Becker	23,791	14,429	60.6	
20	Wealthwood	Aitkin	14,053	8,279	58.9	
21	Land O Lakes	Cass/Crow Wing	50,895	29,971	58.8	
22	Paul Bunyan	Hubbard	102,440	59,931	58.5	
23	Chengwatana	Pine/Chisago	28,004	16,119	57.5	
24	D.A.R.	Pine	640	360	56.2	
25	Savanna	Aitkin/St. Louis	218,451	121,193	55.4	
26	Whiteface	St. Louis	4,480	2,480	55.3	
27	Pillsbury	Cass	14,756	7,883	53.4	
28	Two Inlets	Becker	26,225	13,850	52.8	
29	Rum River	Kanabec/Mille L.	33,180	16,612	50.0	
30	Sand Dunes	Sherburne	10,805	5,366	49.6	
31	Huntersville	Wadena/Hubb.	33,222	14,459	43.5	
32	Burntside	St. Louis	62,782	24,673	39.2	
33	Foothills	Cass	45,125	17,556	38.9	
34	Lyons	Wadena	14,720	5,529	37.5	
35	Sturgeon River	St. Louis	142,868	52,155	37.2	C 25-49% State Owned
36	Welsh Lake	Cass	16,336	6,058	37.0	
37	White Earth	Mahn/Clearw.	113,338	41,617	36.7	
38	Big Forks	Itasca	124,270	45,293	36.4	
39	Blackduck	Itasca/Belt	123,116	41,375	33.6	
40	Finland	Lake, Cook	307,648	102,519	33.3	
41	Grand Portage	Cook	98,700	32,661	33.0	
42	George Wash.	Itasca	306,828	95,818	31.2	
43	Badoura	Hubbard	15,224	4,400	28.9	
44	Bowstring	Itasca/Cass	414,090	118,083	28.5	
45	Golden Anniv.	Itasca	6,811	1,811	26.5	
46	Pat Bayle	Cook	170,644	39,716	23.2	
47	Kabetogama	St. Louis	697,363	155,365	22.2	
48	Miss. Headwaters	Belt/Hubb./Clear	44,919	9,170	20.4	D 1-24% State Owned
49	Crow Wing	Crow Wing	31,307	6,266	20.0	
50	Romer	Cass	12,774	2,440	19.1	
51	NW Angle	Lake of Woods	79,169	14,399	18.1	
52	Buena Vista	Beltrami	104,073	18,480	17.7	
53	Bear Island	Lake/St. Louis	141,187	24,877	17.6	
54	Lk. Jeanette	St. Louis	10,725	1,357	12.6	
55	Cloquet Valley	St. Louis	316,467	39,628	12.5	
56	R.J. Dorer	Various	1,006,819	42,000	4.2	

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Fish and Wildlife Fish Culture Rehabilitation
PROJECT COSTS: \$2,640
APPROPRIATION REQUEST FOR 1994 SESSION: \$1,402
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$619
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$619
LOCATION (CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

7 of 21 requests

1. PROJECT DESCRIPTION:

In accordance with the Department's strategic plan "Directions", \$1,402 in funds are requested for various improvements to the DNR's fish culture facilities. Improvements to coldwater trout and salmon hatcheries, spawn taking sites, and holding facilities include the following: renovation of a nursery facility, spring impoundment, pipeline, and settling pond at the Lanesboro hatchery for \$887; a coldwater holding and distribution facility at the Grand Marais fisheries headquarters for \$30; a fishway and spawn take station at the French River fisheries headquarters for \$218; and renovation of the Peterson hatchery for \$70. Improvements to warm water hatcheries and rearing ponds include: installation of a manual backup de-chlorinator and security system at Hinckley for \$4; repair of the outlet control structure on Wolf Lake rearing ponds near Ely for \$63; replacement of water supply equipment at Detroit Lakes hatchery for \$99; and replacement of the chillers at the Pike River hatchery near Ely for \$31.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

DNR Directions: *We will protect and manage Minnesota's diverse ecosystems, respect the natural world, and enhance the beauty of our surroundings by concentrating resource management efforts on systems*

having the greatest pressure from population growth and development: wetlands, blufflands and river corridors, urban natural areas, and aggregate resources; preserving biological diversity at the genetic, species, and ecosystem levels; protecting surface water and groundwater resources to address increasing demand, user conflicts, and domestic, agricultural, and industrial pollution; preserving unique natural, cultural, historical, and archaeological resources; and using cost-effective methods to acquire land and develop facilities needed for resource protection and management and that allow appropriate public use of natural resources.

DNR Directions: *We will provide opportunities to enjoy our outdoor recreation resources by developing and maintaining safe, accessible outdoor recreation facilities and providing quality recreation services.*

Our long range goal is to improve 21 fish hatcheries statewide to ensure there are sufficient fish to meet stocking quotas established by individual lake and stream management plans. The estimated costs of these improvements through F.Y. 1999 is \$2,640. This request would provide \$1,402 for the highest priority projects in F.Y. 1994-95. The six coldwater hatcheries provide trout and salmon for stocking inland lakes, streams, and Lake Superior. The fifteen warm water hatcheries provide primarily walleye and muskellunge for inland stocking programs and white sucker for the muskellunge rearing program. Fisheries' operating budget cannot supply the funds needed to maintain the state's hatchery facilities.

The capital improvement request for the Lanesboro Hatchery includes four main components: replacement of a water supply pipeline; renovation of a settling pond; renovation of the nursery area, and repair of the main spring impoundment. The existing water supply line from the upper spring is deteriorated and has numerous leaks. The loss of water flow results in reduced fish production capacity. The settling pond is used to remove fish waste before the hatchery effluent enters Duschee Creek, a trout stream. To remain in compliance with PCA discharge standards in the future, the quality of the discharged water needs to be improved. This can be accomplished by installing a linear clarifier and sediment basin, which would allow the waste water more time to settle. The nursery area needs to be renovated by replacing the old concrete tanks and deteriorated water drain

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

line. By making better use of available space in the nursery area, 56 tanks could be installed instead of the 40 which currently exist. The existing drain line is too small, which causes the floor of the nursery to be flooded with water. These improvements to the nursery area would help insure that statewide trout stocking quotas can continue to be met and provide a better working environment. The current delivery line from the main spring impoundment leaks and has a less than optimal diameter (14 inches). Replacement with a new 18 inch delivery line is proposed, in order to provide a better water supply into the brood stock raceways. Also, a cleanout structure needs to be installed in the pond to facilitate draining for cleaning and disinfection.

The coldwater distribution facility at the Devil Track hatchery near the Grand Marais headquarters would provide increased capacity to hold and distribute trout. The Grand Marais area has approximately 60 managed stream trout lakes, which results in a great deal of annual stocking. Currently, trout must be held in Duluth and hauled to Grand Marais in small loads. With the proposed facility, a large fish transport truck could deliver full loads to Grand Marais, rather than Duluth, making the distribution of these fish much more efficient.

The French River fishway and spawning station is needed to provide a more efficient egg take for trout and salmon from Lake Superior. Currently, fish are hauled manually from the French River to the spawn taking station in garbage cans. This is inefficient, stressful for the fish, and presents a safety problem caused by having to carry heavy loads. The proposed improvement would automate the process so that spawning fish would be delivered via a fishway directly to a collection tank in the hatchery.

The renovation at the Peterson Hatchery would upgrade fish rearing facilities so that statewide trout stocking quotas could continue to be met. This project would include the following: replacement and improvement of water supply, discharge pipes, and water control structures; enclosure of the spring pond to reduce the chance of contamination and disease introduction; installation of security fencing; filling outdated ponds; and the design and construction of suitable effluent facilities to meet PCA discharge standards.

The Hinckley Hatchery request includes a backup manual de-chlorinator and security system. This hatchery is hooked up to the city water supply which is chlorinated. Water needs to be de-chlorinated prior to being used; however, there is no backup to the present de-chlorination system or a way to continuously monitor chlorine levels after de-chlorination. Failure of the existing automatic de-chlorinator resulted in a loss of walleye fry in 1993. The manual backup system being requested would prevent this type of problem from recurring. The security system is needed at the hatchery to prevent theft and vandalism which has occurred.

The outlet control structure on the Wolf Lake rearing pond is badly deteriorated and repair has become necessary. This pond is used to rear muskellunge and is a necessary part of the muskellunge production program.

The Detroit Lakes hatchery has received funds to renovate the existing building, but these funds are insufficient to make needed improvements to the water supply apparatus. Additional improvements needed are replacement of the water line and intake, replacement of the water storage tank, and drilling of a new well. Much of the existing equipment is over 50 years old.

The chillers at the Pike River hatchery are over 20 years old. They break down frequently and are not efficient at providing the needed cooling for the hatchery's water supply. This cooling is necessary because the water source (Pike River) warms up faster than the surrounding lakes and, if the water were not cooled, survival of stocked walleye would be poor due to temperature differences and a lack of natural food items.

3. OTHER CONSIDERATIONS (OPTIONAL):

The entire coldwater culture program, including spawn taking, hatching, rearing, and stocking is approximately \$985 annually which is about 6% of the fisheries operating budget. Of that, about \$805 is spent on hatchery operations and \$180 is spent on stocking. For the walleye and muskellunge culture programs, the total spent is about \$1242, or 7% of the fisheries operating budget. Of that, about \$198 is spent on hatchery operations with the remainder going towards spawn taking, rearing and stocking.

**AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)**

Form G-1

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Fish culture remains an extremely important part of the fisheries program. While recent information indicates that some stocking can be ineffective, fisheries has been intensively evaluating and fine tuning stocking as part of an individual waters planned management system for over a decade. Effective stocking would continue to be an important part of the fisheries management program.

The hatchery facilities which would be improved with this request represent very important components of the fish culture program. The Lanesboro and Peterson hatcheries produce about 48% of the statewide trout and salmon quota and the Peterson facility holds brood stock that produce all of the state's lake trout and brown trout eggs and 50% of the state's rainbow trout eggs. The French River facility supplies all the salmon and trout (except lake trout) stocked in Lake Superior including chinook salmon, Kamloops rainbow trout, and steelhead. Pike River is one of the state's most important walleye hatcheries which produced about 28% of the state's walleye fry in 1993. The Detroit Lakes facility is also very important and produced about 11% of the states walleye fry in 1993. The Hinckley facility is the state's newest walleye hatchery.

While fish stocking would not solve problems caused by poor water quality or habitat degradation, it does provide angling opportunity which would not otherwise exist. Fisheries needs to maintain a balanced program with adequate monitoring, habitat improvement and protection, and stocking.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify): Maintenance of Existing Programs/Services

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____
- Source of funds _____

FUNDING SOURCE:

- \$ 1,402 Total Appropriation Request (1994 Session)
- \$ 1,402 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Steve Hirsch _____ Fisheries Program Manager _____ 612/296-0791 _____ 07/20/93
Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

The Governor and the Legislature may wish to consider the Game and Fish Fund as a source for debt service payments on this project.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$600,000 for this project. Also included are preliminary recommendations of \$500,000 in 1996 and \$500,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	60
Agency Priority	60
Asset Preservation/Deferred Renewal	50
Customer Services Improved	20
Operating Savings/Efficiencies	0
Total Strategic Score	190

**"A" Ranked
Fisheries Projects
Sorted by Program**

Title	Total	R a n k
Culture Rehab		
240 Hinckley Fish Hatchery Improvement	4,000	A
462 Lanesboro -- Renovation Of Sfh Nursery	650,000	A 5
461 Pipeline Replacement-lanesboro Sfh	100,000	A 8
430 Coldwater Distribution Holding Facility	30,198	A 14
468 Repairs To Main Spring Impoundment at Lanesboro	12,000	A 18
428 Wolf Lake Ponds Repair	63,000	A 20
431 French River Fishway And Spawning Statio	218,099	A 26
426 Detroit Lakes Lk Sallie Hatchery Water Supply Rehab	98,750	A 56
466 Pond 4 Linear Clarifier -- Lanesboro	125,000	A 98
454 Renovation Phase 3 -- Peterson	70,000	A 100
432 Pike River Hatchery-chiller Upgrade	31,000	A 116
<hr/>		
Total	11	1,402,047
<hr/>		

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Forestry Recreation
PROJECT COSTS: \$1,206
APPROPRIATION REQUEST FOR 1994 SESSION: \$606
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$300
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$300
LOCATION (CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

8 of 21 requests

1. PROJECT DESCRIPTION:

The 1975 Legislature passed the Outdoor Recreation Act (M.S. 86A) which established the state's outdoor recreation system. The act included criteria for developing and managing all state recreation facilities including those in state forests. State forests provide recreational opportunities not often found with other public and private recreation facilities: more "rustic" camping/outdoor experiences at facilities that are less developed (e.g., no electrical hook-ups, or dump stations for RV's), and a wide-variety of dispersed recreation (e.g., berry-picking, hunting, bird-watching, etc.).

The Division of Forestry currently administers 46 campgrounds, 44 day-use areas, 1,200 miles of trail, 142 water accesses and 17 canoe and boating route campsites. Most of the division's facilities were constructed in the late 1960's and 1970's (some as early as the 1930's). Between 1983 and 1987, 16 state forest campgrounds, 20 day-use areas, 40 miles of trail, and 8 water accesses have been rehabilitated or developed with capital bonding funds or Legislative Commission on Minnesota Resources (LCMR) funds. The division has not had any funds appropriated for recreation facilities since 1985.

This project includes the rehabilitation and improvement of 18 state forest campgrounds, and five day-use areas; plus the development of two new campgrounds and one horse staging area. Campgrounds included for rehabilitation are: Grand Portage Dispersed Campsites (Grand Portage State Forest), Sullivan Lake C.G., Finland C.G. and Eckbeck C.G. (Finland State Forest), Bemis Hill C.G. and Blueberry Hill C.G. (Beltrami Island State

Forest), Reno C.G. (R.J. Dorer Memorial Hardwood Forest), Huntersville Forest Landing C.G. (Huntersville State Forest), Wooden Frog C.G., Ash River C.G., and Hinsdale Island Boat-In C.G. (Kabetogama State Forest), Clint Converse C.G. (Land O'Lakes State Forest), Lost Lake C.G. and Owen Lake C.G. (George Washington State Forest), Cottonwood Lake C.G. (Bowstring State Forest), Mantrap Lake C.G. (Paul Bunyan State Forest), Stark Assembly Area (Pillsbury State Forest), and Ann Lake C.G. (Sand Dunes State Forest). Rehabilitation of campgrounds can include replacement of vault toilets, fire rings, and picnic tables, tree planting, re-graveling/reconstruction of campground roads and spurs, closing overused loops/sites to allow recovery, development of new sites/loops, other redesigning of existing campground, replacing and closing contaminated wells, erosion control measures, and/or construction/replacement of fish cleaning "houses".

Day-use areas included for rehabilitation are: Coe Lake (outside of state forest, near Hibbing), Bear Lake and Thistledeew Lake (George Washington State Forest), Cedar Bay (Cloquet Valley State Forest), Reno (R.J. Dorer Memorial Hardwood Forest), Ann Lake (Sand Dunes State Forest). Rehabilitation of day-use areas includes tree planting, replacement of vault toilets, fire rings, and picnic tables, erosion control, swimming beach reconditioning, and other landscaping.

The two new campgrounds proposed include Little John Lake - \$125 (Grand Portage State Forest): 20 site campground with standard facilities (parking spurs, tent pads, picnic tables, fire rings, vault toilets, water); and Wolf Bay - \$25 (Kabetogama State Forest): 10 boat-in campsites on Lake Vermillion with fire rings, picnic tables, and wilderness latrines.

The proposed horse staging area (\$15) is in the Sand Dunes State Forest (Sherburne County) and includes the clearing and leveling of a parking/camping area (2.5 acres), campsite development, horse corral, hitching posts, watering troughs, drilling a well, and the development of 15-20 miles of horseback riding trails.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

DNR Directions: We will provide opportunities to enjoy our outdoor recreation resources by developing and maintaining safe, accessible outdoor recreation facilities and providing quality recreation services.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

The traveling and recreating public lacks primitive, easily accessed recreation opportunities on rivers and public lands.

Minnesota Forest Resource Plan: Fulfill the outdoor recreation potential of Division of Forestry administered lands by providing developed recreation areas and opportunities for dispersed recreational activities compatible with other forest uses and consistent with user demand.

This funding is needed to repair, replace, or construct facilities to protect the health and safety of, and improve the quality and delivery of services to the general public that use state forest facilities. In addition, this project would help the division meet the changing demands of the public for a wider variety of recreational opportunities (e.g., horseback riding). Many of the individual projects are also needed to comply with current safety code requirements. Several projects would qualify for CAPRA funding.

State forest lands have considerable impact on the tourism industry and the supply of outdoor recreation opportunities. These lands and their associated waters are used for many recreational pursuits including camping, picnicking, hiking, hunting, trapping, fishing, canoeing, boating, swimming, ski touring, snowshoeing, snowmobiling, trail biking and horseback riding. Twenty-five percent of all outdoor recreational activity hours occur in townships with state forest lands. In addition, the 1990 State Comprehensive Outdoor Recreation Plan predicts that demand for most recreational activities would increase significantly on state forest lands. State forest campground usage (and receipts) have been steadily increasing since 1986 (see attached chart). State forest campground receipts are deposited in the State's General Fund.

A major portion of previous state forest recreation facility development and rehabilitation was accomplished through funding provided by the LCMR. However, since 1983, the LCMR has not recommended funding for state forest recreation facilities. Funding for the development and maintenance of motorized trails (e.g., snowmobile, ATV) on state forest lands comes from dedicated accounts through the DNR Trails and Waterways Unit. There currently is no funding source for non-motorized trails on Division of Forestry administered lands. The availability of annual direct appropriations for forest recreation development and rehabilitation has been eliminated due to several years of continual budget reductions. With limited funding, expenditures on state forest recreation facilities has been limited to

operation and general maintenance (e.g., garbage pick-up, clean-up, mowing, minor facility repair). The division spends \$200 - \$240 per year on operations and maintenance.

Biennial State Forest Recreation Facility Budget Needs

General Operations and Maintenance (General Fund)	\$400 - \$480
Rehabilitation/Betterment (Bonding)	\$250
■ 10 campgrounds	
■ 5 day-use areas	
■ 6 water accesses	
Non-motorized Trail Rehabilitation	\$50
■ 10-20 miles of trail	

The additional request from the Bond Fund for the FY 1994-95 biennium addresses the backlog of needs resulting from several years in which no rehabilitation or betterment funds were available.

An alternative that has been considered for the operation of state forest campgrounds is turning them over to private vendors. However, most state forest campgrounds would not likely be attractive to private vendors because of their limited ability to generate revenue. Another concern is that private vendors would, in order to generate additional revenue, destroy the niche that state forest campgrounds currently fill in the outdoor recreation system (i.e., providing a fairly primitive, and inexpensive, outdoor experience with minimal development) by developing campgrounds with showers, electricity, and other amenities, and raising fees.

3. OTHER CONSIDERATIONS (OPTIONAL):

Deferral of this project would result in further deterioration of identified facilities and recreation sites, increase future rehabilitation costs, compromise the integrity of facilities, and increase health and safety risks to forest recreation facility users. Some facilities would remain out of compliance with current code requirements. Some facilities would likely be closed. The resulting decrease in the use of state forest facilities would also have a negative impact on the state's tourism industry.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

\$ 606 Total Appropriation Request (1994 Session)
\$ 606 State funding
\$ _____ Federal funding
\$ _____ Local gov't funding
\$ _____ Private funding

Agency Data Prepared by: Dennis Ingvaldson Assistant Director, Forestry 612/296-4495 07/93
Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

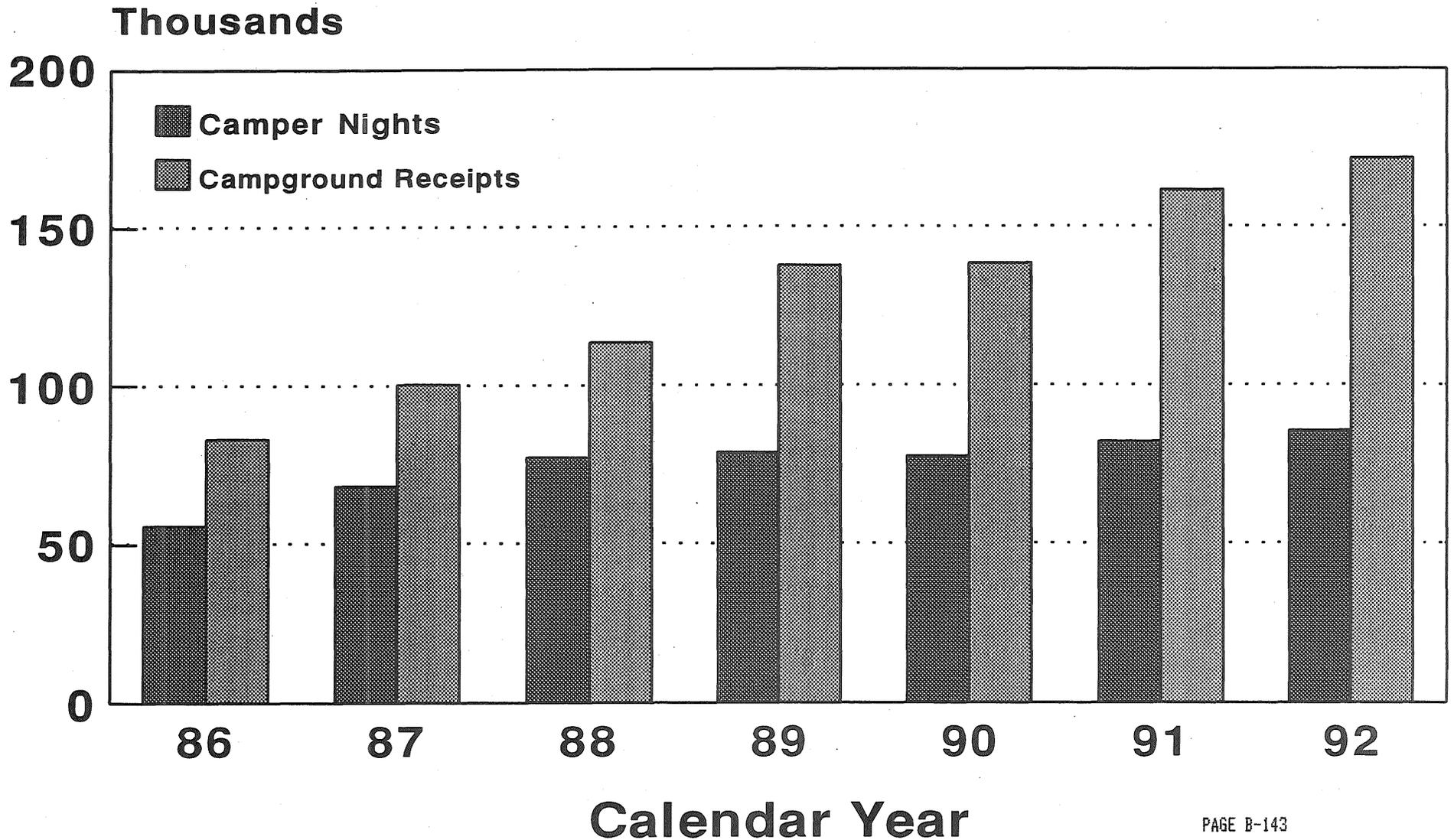
This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$606,000 for this project. Also included are preliminary recommendations of \$300,000 in 1996 and \$300,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	60
Asset Preservation/Deferred Renewal	75
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	285

State Forest Campgrounds Camper Nights and Receipts



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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: RIM - Fish and Wildlife Fisheries Improvement
PROJECT COSTS: \$4,228
APPROPRIATION REQUEST FOR 1994 SESSION: \$1,228
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$1,500
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$1,500
LOCATION (CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

9 of 21 requests

1. PROJECT DESCRIPTION:

In accordance with the Department's strategic plan "Directions", \$1,228 in funds are requested for various fisheries resource improvements. Projects include the following: aeration systems on 7 lakes for \$180; habitat improvement on two warm water streams totaling approximately 135 miles for \$118; development of northern pike spawning areas on four lakes for \$249; development of fish barriers on four lakes for \$265; and shoreline erosion control on Lake Winnibigoshish for \$416.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

DNR Directions: *We will protect and manage Minnesota's diverse ecosystems, respect the natural world, and enhance the beauty of our surroundings by concentrating resource management efforts on systems having the greatest pressure from population growth and development: wetlands, blufflands and river corridors, urban natural areas, and aggregate resources; preserving biological diversity at the genetic, species, and ecosystem levels; protecting surface water and groundwater resources to address increasing demand, user conflicts, and domestic, agricultural, and industrial pollution; preserving unique natural, cultural, historical, and archaeological resources; and using cost-effective methods to acquire land*

and develop facilities needed for resource protection and management and that allow appropriate public use of natural resources.

DNR Directions: *We will provide opportunities to enjoy our outdoor recreation resources by developing and maintaining safe, accessible outdoor recreation facilities and providing quality recreation services.*

Aeration systems are used to prevent winterkill conditions in shallower lakes. They have become necessary in some of the shallower fish lakes, particularly in the southern part of the state, where increased nutrient input has caused low dissolved oxygen levels during the winter months. Aeration systems have been very successful in providing game fish angling opportunities in lakes that would otherwise support few fish other than bullheads. The goal through F.Y. 1998-99 is to install 36 systems at a cost of \$970. To help meet this goal, four systems would be funded by an appropriation from the Legislative Commission on Minnesota Resources (LCMR) in F.Y. 1994-95 for \$100 and three systems would be funded through the fisheries operating budget in F.Y. 94 for \$90. This request would help meet the goal by providing \$180 for seven systems in F.Y. 1994-95. It is anticipated that an additional \$450 in bonding funds would be needed for FY 1996-99.

Warm water habitat improvement is designed to benefit species such as walleye and smallmouth bass. Warm water streams in Minnesota have suffered major impacts from agricultural practices and other watershed developments. Interest in angling and other recreational opportunities on warm water streams is increasing. Techniques for warm water stream improvement include addition of woody debris for fish cover, bank stabilization, stream channel modifications, livestock enclosures, and tree or shrub plantings along riparian zones. Another major improvement category is dam removal. Removal of unnecessary dams can be very desirable in situations where desirable fish species are blocked from moving upstream to suitable habitat. Warm water stream improvement has not been practiced as widely as trout stream improvement and a long range goal has not been developed. Stream improvements would be based on individual stream management plans and project evaluations would play an important role in determining the future direction of this program. The goal for warmwater stream improvement through FY 1998-99 is to improve four

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

streams and remove three dams at a total cost of \$773. To help meet this goal, two streams and one dam removal project would be funded by an LCMR grant in FY 1994-95 for \$255. This request would help meet the goal by providing \$118 for two streams in FY 1994-95. It is anticipated that an additional \$400 in bonding would be needed for FY 1996-99.

Northern pike spawning areas are developed adjacent to lakes which have minimal amounts of northern pike spawning habitat. Developed northern pike spawning areas have become necessary on some lakes where shoreline development, wetland drainage, or urbanization has reduced or eliminated access by northern pike to spawning marshes. The goal through F.Y. 1998-99 is to develop or maintain six spawning areas at a cost of \$350. This request would help meet that goal for four areas at a cost of \$249. in F.Y. 1994-95. It is anticipated that an additional \$101 in bonding would be needed for FY 1996-99.

Fish barriers are used to prevent migration of undesirable fish species such as carp. Barriers may function to prevent entry of unwanted fish species into a lake or to spawning areas. Barriers may be constructed in conjunction with a reclamation project to prevent reentry of fish removed by the reclamation. The goal through F.Y. 1998-99 is to construct eight barriers at a cost of \$1,021. This request would provide \$265 for four barriers in F.Y. 1994-95. It is anticipated that an additional \$756 would be needed in bonding for FY 1996-99.

The shoreline erosion control project on Lake Winnibigoshish is a continuation of work designed to stabilize eroding banks, prevent siltation of walleye spawning areas, and add rock to enhance existing spawning areas. Lake Winnibigoshish is one of the largest and most important walleye lakes in the state. Walleye need clean rock or gravel bottoms to successfully spawn and siltation of these areas could negatively impact long term walleye spawning success. The long range goal is to stabilize approximately 24,300 lineal feet of additional shoreline at a cost of about \$1,216. This request would provide \$416 to stabilize 8,300 lineal feet of shoreline in F.Y. 1994-95. It is anticipated that an additional \$800 in bonding would be needed for FY 1996-99.

Lake habitat improvement includes construction of walleye spawning reefs, shoreline stabilization, and construction of fish aggregating devices. There are no requests for these projects for FY 1994-95. Projected bonding needs for FY 1996-99 are \$240 for walleye spawning reefs, \$208 for shoreline stabilization, and \$45 for fish aggregating devices.

3. OTHER CONSIDERATIONS (OPTIONAL):

The projects listed in this capital budget request cannot be covered with fisheries' normal operating budget. The section of fisheries has an annual operating budget of about \$18 million. Of this amount, over 95% is used for salaries, headquarters operations, administrative costs, and high priority basic programs including lake and stream survey, research, and fish culture and stocking. Only about \$500 is available annually for discretionary funding. Discretionary funding is used for non-capital projects including creel surveys and special research and management projects as well as capital improvement projects such as those listed in this request. Fisheries' costs for creel surveys and other special evaluations is increasing because of a new emphasis on individual waters management, leaving less discretionary funding for capital improvements. As a result, fisheries' current operating budget cannot meet the increased demands for individual waters management and long range goals for capital improvements.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 1,228 Appropriation Request (1994 Session)
- \$ 1,228 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Steve Hirsch Fisheries Program Manager 612/296-0791 07/20/93
Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$600,000 for this project. Also included are preliminary recommendations of \$500,000 in 1996 and \$500,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	60
Agency Priority	60
Asset Preservation/Deferred Renewal	50
Customer Services Improved	40
Operating Savings/Efficiencies	0
Total Strategic Score	210

**“A” Ranked
Fisheries Projects
Sorted by Program**

Title		Total	Rank	
Fish Resource				
253	Mountain Lake Aeration Project	30,000	A	16
597	Clearwater River warmwater habitat improvement	100,000	A	25
255	Aeration Of Lakes Agnes, Henry, And Winona	60,000	A	42
629	Develop Npsa On Sarah Lake	202,500	A	46
598	Fence Casements Along The Swan River	18,000	A	47
350	Channel Modifications And Development Of	22,400	A	49
409	Fish Barrier - Riley Lk.	166,350	A	50
414	Fish Barrier - Long Lk.	60,750	A	51
308	Aeration - Wirth Lk.	30,000	A	52
347	Dev Of Northern Pike Spawning Area-linka	20,600	A	53
626	Control Structure On Npsa, Eagle Lk	3,750	A	70
367	Fish Barrier At Outlet Of Grove Lake	22,500	A	71
417	Fish Barrier - Snelling Lk.	15,000	A	72
277	Lake Aeration, Loeb Lake	30,000	A	92
272	Lake Aeration, Sheilds Lake	30,000	A	95
22	Lake Winnibigoshish Shoreline Erosion Co	416,000	A	113
Total		16	1,227,750	

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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: RIM Wildlife, Scientific and Natural Areas, and Prairie Bank Development/Habitat Improvement
TOTAL PROJECT COST: \$15,655
APPROPRIATION REQUEST FOR 1994 SESSION: \$6,685
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$4,485
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$4,485
LOCATION (CITY, COUNTY): Statewide: Wildlife Management Areas, Scientific and Natural Areas, Prairie Bank Lands, and other State owned lands

AGENCY PRIORITY (for 1994 Session only):

10 of 21 requests

1. PROJECT DESCRIPTION:

Introduction: These projects would protect and improve natural resource values on state lands, and provide higher quality recreation and educational opportunities for Minnesotans. It would also ensure that state land values would be maintained into the future.

A. Wildlife Management Areas and other State Lands (\$6 million FY 94-5)

Wildlife Management Areas (WMAs) are acquired to protect wildlife habitat and natural communities, to restore drained wetlands and other natural communities, and to manage lands for wildlife. The management and development of WMAs and other state owned lands is needed to protect lands, provide recreational opportunities and restore and develop biological communities. Planned opportunities include:

- \$550 for the protection of property by posting and fencing; control of erosion and cleaning up building sites.
- \$950 for the development of recreational and management facilities including access roads, parking lots, handicap facilities water accesses and walking trails.
- \$850 for forest development to re-establish, develop and improve forest stands, forest openings and brushlands.

- \$850 to develop grassland and farmland habitat by planting native grasses, trees and shrub plantings for long-term vegetative cover and wildlife habitat in the agricultural regions of Minnesota.
- \$2.8 million to restore and develop wetlands, replace old dams, install water control structures, and perform other activities to enhance wetlands for wildlife.

B. Scientific and Natural Areas (\$615 FY 94-5)

The development/protection of previously acquired Scientific and Natural Areas (SNAs) would be carried out. SNAs are sites of statewide significance that preserve examples of plant communities, geologic features, landforms, and rare and endangered species habitat. Examples are an old growth pine forest, a gravel esker, a peatland, and habitat for species such as the prairie white-fringed orchid. SNA sites are preserved for these rare features and for their scientific and educational value for present and future generations. Development of protected SNAs includes restoration of fields to woodlands and prairie, surveying boundaries, signing, posting, control of woody encroachment and exotic species, clean-up, fencing, gating, and development of interpretive displays.

C. Prairie Bank (\$70 FY94-5)

The Native Prairie Bank Program was established by the 1987 Minnesota Legislature (MS 84.96 Sec. 19) to protect native prairie lands by entering into perpetual conservation easements with landowners. These easements provide protection for the prairie resource while still allowing the land to remain in private ownership. Easements may allow selected agricultural practices such as mowing for wild hay. Development on prairie bank parcels would consist of activities necessary to protect the state's investment in acquired easements.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

A. Wildlife Management Areas and other State Lands

The mission of the Section of Wildlife is to "protect and manage Minnesota's wildlife and their communities for their intrinsic values and long term benefits to the people of Minnesota."

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

The Section is responsible for enhancement and protection of wildlife habitat and their related ecosystems. The enhancement of ecosystems is necessary to maintain and perpetuate the various wildlife species on the States 1,197 Wildlife Management Areas consisting of 726,800 acres plus several million acres of County and State Forest land. In addition, unit facilities are provided for recreational users of these lands and waters from bird watching to waterfowl hunting.

Two major problems identified in the Division of Fish and Wildlife Strategic Plan are: 1.) Natural succession and intensified human uses of land and water are altering habitats and reducing the carrying capacity for many wildlife species; and 2.) Demands for opportunities to use and appreciate wildlife and their communities are accelerating, resulting in increased competition, conflict, and stress upon existing resources.

Today's wildlife operating budgets are not adequate to meet the basic needs of wildlife and to develop wildlife and other state lands. Maintenance is limited to replacing signs and working with adjoining landowners to establish food plots or controlling noxious weed. Funds are currently not adequate to carry out program goals and the responsibility to acquire and manage wildlife lands. Funds are need to reinvest in Minnesota's wildlife and recreational resources if customer services are to be maintained.

This request would provide funds needed to post new acquisitions and much of the Consolidated Conservation land transfers. Adequate user facilities can be developed and a large effort toward reestablishing long term grassland and woody cover plantings can be accomplished with these funds. Efforts to clean up timber sales, re-establish timber stands and brushlands for wildlife will be accomplished.

Annual construction projects are chosen from the Section's Data Base of projects that are prioritized by Area Wildlife Managers and ranked by regional managers for each activity. Activities are prioritized according to needs of wildlife species and critical habitats. Wetland restorations, brushland management, posting of Consolidated Conservation lands, providing acceptable access and reduced reliance on chemical weed control are examples of needs that currently require the greatest amount of attention.

B. Scientific and Natural Areas

At the present time, one hundred (100) scientific and natural areas have been protected, that encompass some 167,694 acres. Of this total, 146,238 acres are in sixteen (16) ecologically significant peatlands, legislatively protected by the Wetland Conservation Act of 1991. All SNAs meet the following agency long range goals; "protecting and managing Minnesota's diverse ecosystems ..., preserving biological diversity..., preserving unique natural resources..., and using cost effective methods to acquire ... resources."

This request for SNA development is necessary to ensure the genetic and biological diversity found on SNA sites (protected in each landscape region of the state) for species, geological features and plant communities is retained. Development also prevents the loss of important species, plant communities and features from accidental or willful human disturbance and natural catastrophe.

Development efforts are critical to the long term protection of lands acquired. Unless lands are adequately fenced, gated, signed and posted, trespass and, activities destructive to the rare species and habitats/plant communities would take place. Without legal posting, regulations may not be enforceable fields that are occasionally included in acquired parcels require restoration actions. Restoration requires the collection of seed from the site and subsequent replanting with seeds or nursery stock. Restoration activities, though never really recreating the original vegetation lost, allows for enhancement of the entire parcel and habitat component for the rare species found there. Restoration also lessens the likelihood of problems from exotic species over the long term.

Interpretive facilities are needed at selected SNA e.g. along major travel routes and near population centers, to meet the need of school groups and the public that desire to use these sites. Interpretive materials also assist in protecting sites by educating users as to the need to conserve these critical lands and the species found there. At present, seven SNA have interpretive signing provided on site.

It is estimated that development of critical sites as SNA would cost over \$1.35 million over the next six (6) years.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

C. Prairie Bank

Native Prairie is Minnesota's most endangered natural habitat type. We once had over 18 million acres of prairie in the state. Today less than one percent remains (an estimated 150,000 acres). These lands are home to more rare and endangered plants and animals than any of Minnesota's other natural habitats - over 100 different species. To date 14 prairie bank site encompassing some 1400 acres have been protected. These sites are in seven counties. Additional easement sites in other counties are projected to be acquired.

Sites acquired would require surveying and signing of property boundaries to protect the states' investment from illegal trespass and encroachment.

Native prairie also requires active management with prescribed burning and/or removal of woody species to ensure that trees, brush and exotic species do not eliminate the prairie through time. Development of access, construction of fire breaks at selected sites, removal of woody species through cutting, and elimination of exotic species is therefore important to maintain the prairie community on easement lands.

If no action is taken some prairie bank sites may be damaged from encroachment/trespass and degraded by vegetation changes from woody or exotic species invasions.

3. OTHER CONSIDERATIONS (OPTIONAL):

A. Wildlife Management Areas and other State lands

Wildlife operating funds are used to provide basic services to the public. Environmental Trust funds in the amount of \$900 is available for FY94 and FY 95 from LCMR appropriations for WMA, SNA and other state land enhancements. However the majority of these funds are planned for activities that are not considered appropriate for bonding funds such as prescribed burns. Special accounts such as Deer and Waterfowl Stamp funds are available for selected projects, however funds are not available to meet needs. RIM Critical Habitat Matching funds do provide opportunities for habitat development, however most funds are spent on acquisition projects that benefit only one area and not the many sites where work is needed.

Consequences of no Action:

With the increased need to preserve unique areas, restore wetlands and improve customer service, an expanded need exists to properly care for and develop lands that have been purchased. Many Wildlife Areas need to be protected and developed to meet demands of the public. Not managing or protecting our land would result in increased trespass, loss of wildlife values and reduced use and support by the public.

B. Scientific and Natural Areas

No other funding source exists for SNA development. Funds have been historically been appropriated through bonding or in recent years from the Environmental Trust Fund. Lack of development funds would jeopardize the lands previously protected as SNA and threaten the survival of rare and endangered species in Minnesota.

Lack of development funds would therefore threaten the survival of rare and endangered species and those sites that are set aside to protect them in Minnesota. Lack of interpretive facilities at SNA sites would not allow the full educational potential of an area to be realized.

C. Prairie Bank

The tall grass prairie once stretched from southern Manitoba to the Gulf of Mexico. The little that is left of Minnesota's prairies represents one of the best opportunities on the continent to preserve the biodiversity of this major ecosystem. Only the Flint Hills of Kansas and Oklahoma have anything similar. The future of many prairie plants and animals depends on what happens here in Minnesota.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 6,685 Appropriation Request (1994 Session)
- \$ 6,685 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Jay Rendall RIM Coordinator 612/297-1464 07/93
Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$3,200,000 for this project. Also included are preliminary recommendations of \$3,000,000 in 1996 and \$3,000,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	60
Asset Preservation/Deferred Renewal	50
Customer Services Improved	40
Operating Savings/Efficiencies	0
Total Strategic Score	240

Component List

Form G: Non - Buildings

F&W -- Wildlife Improvements

rank	title	cost	cumulative	reference
A	New acquisition Boundary Development	150,000	150,000	3032
A	Wildlife Area Wetland Restoration	180,000	330,000	3034
A	Ground water & site Unit Resource Prot	220,000	550,000	3035
A	Farmland Grassland Development	400,000	950,000	3036
A	Aspen Parkland & Brushland Development	220,000	1,170,000	3037
A	Management and user Access Development	330,000	1,500,000	3038
A	Recreational Unit Facility Development	140,000	1,640,000	3039
A	Statewide Wetland Development	310,000	1,950,000	3040
A	Statewide Wetland Structure Improvement	180,000	2,130,000	3041
A	Northern Forest Stand Development	210,000	2,340,000	3042
A	Roseau River Access Development	180,000	2,520,000	3045
A	Roseau River Pool 2 Access Development	120,000	2,640,000	3046
A	Roadside Program Grassland Development	125,000	2,765,000	3047
A	Lake Wagonga Wetland Enhancement	1,025,000	3,790,000	3048
A	Wetland Enhancement	225,000	4,015,000	3049
A	Farmland Woody Cover Development	125,000	4,140,000	3050
A	Northern Forest Opening Development	235,000	4,375,000	3051
A	Hunting Handicap Facilities	150,000	4,525,000	3052
A	Minnesota Lake Wetland Development	113,000	4,638,000	3053
A	SNA Unit Protection	615,000	5,253,000	3213
A	Prairie Bank Unit Protection	70,000	5,323,000	3214

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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
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Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Metropolitan Council - Regional Recreation Open Space System Capital Improvement Program
TOTAL PROJECT COST: \$143,515
APPROPRIATION REQUEST FOR 1994 SESSION: \$23,570
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$42,300
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$77,645
LOCATION (CITY, COUNTY): Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Washington Counties, designated in legislation (Chap. 473.145), as the Twin Cities Metropolitan Area (hereafter, TCMA)

AGENCY PRIORITY (for 1994 Session only):

11 of 21 requests

1. PROJECT DESCRIPTION:

Funds would meet the capital costs of currently unfunded regional park acquisition, development and redevelopment approved for the Metropolitan Council Regional Park Capital Improvement Plan. Projects within the existing FY 1992-93 biennium are presented here until a revised FY 1994-95 biennium is adopted by the Council. Projects within the Capital Improvement Plan (CIP) can be described within four (4) categories, as follows:

A. SYSTEM WIDE:

- **Emergency Residential Inholding Reserve:** \$1,500
- **Emergency Vacant Parcel Reserve:** \$1,000

The two reserves are used by all nine regional park implementing agencies (IAs), who may request acquisition grants as willing sellers come forward during the biennium. The reserves are imperative if the Council is to maintain a policy favoring acquisition by negotiation over the use of eminent domain in the metro area's highly competitive real estate market. In a few instances, funds from these reserves have been granted for infrastructure (developments) which have been required as a condition of acquisition agreements. The amount in each reserve is based on experience since regional park acquisition began in 1974, modified by IA forecasts on the parcels which are likely to come on the

market in the time period.

- **Natural Resource Rehabilitation:** \$200
Grants are to recreation agencies for resource management, for which no other funds have been found. Wetland and prairie management and reforestation projects have used most of these funds.
- **Tax Equivalency Payment to Communities and Audits:** \$300
Are program costs required of the Council by law.
- **Research, Planning and Administration:** \$400
In past biennia, the Council has received an allocation for part of its system planning, research and administrative costs, which provide data and direction for the plan's implementation at the regional level.

B. ACQUISITIONS:

- **Scheduled Acquisitions, per Master Plans:** \$4,014
Wherever possible, acquisitions are scheduled to enable better long range fiscal planning. Priority is established from the parcel's importance to the regional park, seen in the master plan and from the risk of loss for parcels critical to the regional plan. Lower priority acquisitions are assigned to the future. Acquisitions, in some cases reimbursement of local funds already advanced to meet emergencies when the reserves were empty, are scheduled in Dakota, Washington and Hennepin Counties and in the cities of Minneapolis and St. Paul.

C. DEVELOPMENT:

- **Developments, per Master Plans:** \$7,719
Most development in this biennium continues projects underway, completing work or carrying it to an interim stage which would enable safe public use. One new park and one new trail are proposed in this biennium. The "new start projects" are for a park (Lake Minnetonka RP) and a trail (Burlington Northern RT) with high public visibility, high demand, and no public access.

D. REDEVELOPMENT:

- **Redevelopments, per Master Plans:** \$8,437
Redevelopment projects are in existing parks, with a long history of use, which either lack capacity to meet new and increasing user demand or are no longer serviceable. In the latter category, several parks are still using buildings, walkways and bridges built by Works Progress Administration

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
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Form G-1

(WPA) or Civilian Conservation Corps (CCC) in the 1930's. Many are so worn as to constitute a dangerous attraction to the public. Minnehaha and Como Regional Parks are good examples. These parks, with facilities so much in need of rehabilitation or replacement, are very attractive to users. Closing them is almost unthinkable, even in the name of public safety. A multi-staged rehabilitation program, encompassing nearly 15 year's work, is underway at Como. One is just ready to begin at Minnehaha.

TOTAL all requested categories for Regional Parks CIP: \$23,570

A more detailed table, showing all remaining projects in the current proposed biennium of the Regional Parks CIP, is attached and shows the particulars of the current recommended projects. Please note that this table, which depicts the unfunded projects in the FY 1992-93 biennium, would be revised and adopted by early CY 1994.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

Strategic Plan

The Metropolitan Council mission is to guide orderly development in the TCMA. A *Metropolitan Development Guide* contains the policies which the Council finds necessary for the regional systems over which the Council has control. Each regional system is the subject of a Guide Chapter, all are coordinated through the *Metropolitan Development and Investment Framework*. The Council's adopted *Development Guide Chapter* for Regional Recreation Open Space constitutes its Policy Plan for Regional Parks. Goals for Acquisition and Development of the regional park system are contained in this document, most recently revised and published in June of 1991. The Parks System Plan and the CIP cited elsewhere in this discussion are integral parts of the Policy Plan.

Capital Plan

1974 Legislation, (Chap. 473.147), charged the Metropolitan Council with preparing a plan for regional recreation open space. The plan includes a system of park reserves, regional parks and trails which it found necessary to meet the recreation open space needs of the TCMA, and a set of policies for acquisition, development and protection of these parks. In addition, the Council, advised by the Metropolitan Parks and Open Space Commission

(MPOSC), adopts a Capital Improvement Plan (CIP) after public hearing. The plan must cover at least 5 years. It is reconsidered, and a revised CIP adopted, every two years.

Under the partnership created in the Metropolitan Parks Act, the Council and MPOSC do not own regional parks, instead, title rests with Implementing Agencies, (IAs); the counties, special districts and cities who own and operate the parks which make up the regional system. The Council adopts a CIP for the acquisition, development and redevelopment of the system using information from site-specific master plans prepared by the implementing agencies and approved by the Council for consistency with regional plans. Master plans are implemented by the responsible IA, using grant funds from the Council. This request, for the FY 1994-95 biennium, asks for state bond revenues to be appropriated to the Council for grants to continue the regional system. Historically, the program has also used regional bonds authorized and sold in 1974, (with a partial re-issue in 1991), plus state bond funds first appropriated in 1976 and continued in each biennium since.

A copy of the current approved Parks CIP is attached. The document, adopted in 1992, begins its first biennium in FY 1992-93. Staff anticipates that this document would be reconsidered and a revised plan adopted, following public hearing, by early Calendar Year 1994. After its adoption the new CIP for FY 1994-95 would be substituted in this application.

TIE TO AGENCY'S STRATEGIC PLAN

Both the Metropolitan Parks Act and Council Policy require a close connection between acquisition and development projects in regional parks and the region's *Recreation Open Space Plan*. Projects are eligible for a regional park grant only if they; 1) are located in a regional recreation open space system component, 2) are in an approved Master Plan, and 3) have been approved for the current biennium of the Parks CIP.

The Council's overall strategic plan, the *Metropolitan Development and Investment Framework*, (MDIF) coordinates all regional systems. It is where the parks policy plan is rectified with all other regional planning areas.

PROJECT OUTCOMES

If the requested acquisitions are funded, the Regional Recreation Open Space System, now at 45,000 acres, would increase in size by \$4 million

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
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Dollars in Thousands (\$137,500 = \$138)

Form G-1

worth of added lands. Most of the parcels have been scheduled because they are at some risk of loss to the system if acquisition is delayed. The added acres would be incremental towards the current system goal of approximately 54,000 acres. The park system acquisition program was adopted as a year 2000 plan, realistically, it would probably take until 2010 under present rates.

Developments would use \$7.7 million to extend public access and recreation use in regional parks and trails throughout the TCMA. In most cases, the proposed development completes ongoing projects or brings them to a stage of completion which allows interim public use.

Major redevelopment projects, in the amount of \$8.4 million, affect existing facilities in Anoka, Carver, Ramsey and Hennepin Counties, including such long-standing parks as Minnehaha and the Minneapolis Chain of Lakes in Minneapolis, Como in St. Paul and Bryant Lake, in Eden Prairie of suburban Hennepin County. Two of these, Como and the Minneapolis Chain of Lakes, are the busiest parks in the region, receiving more than 3.5 million annual visits between them.

PROJECT ALTERNATIVES

There are feasible alternative projects in the parks CIP. An evaluation of other acquisitions would show that the alternates are at somewhat less risk of loss, the principal criterion used in their selection. Some of the planned acquisitions are necessary for a scheduled development. If these parcels are not acquired, the related work can not proceed. As already explained, most developments in this biennium extend ongoing work programs. If the programs are halted, the partial developments would not be useable by the public. In the redevelopment projects, parks may close entirely for public safety. In others, the quality of experience to be found in the projects planned for rehab would suffer. Continued public use in degraded facilities presents a two-headed problem. First, one may expect increased vandalism, which would be harder to control since it would tend to be tolerated by a less-protective public. Second is the even greater problem of lost public support for the overall program, leading to a "death spiral" of lost fiscal support, hence less ability to renovate, etc., etc.

The other project alternative continues a trend already in effect, slowed acquisition and development due to funding reductions experienced since the program goals were set. The result is slowed growth in the system,

taking longer to reach acquisition goals, with subsequent delay in development, both because the necessary resource is not yet acquired and fewer funds are available for development. As of July, 1993, no critical parcel has been lost to the system. Several of the IAs have, however, pursued a far less aggressive acquisition program since the reductions, and some parcels of land, currently planned for regional parks, are on the open market today. It is only a matter of time until one or more are taken up for development. The parcel would then be lost, if funds to make the purchase are not available.

The fact that few new developments are proposed, in favor of continuing projects, testifies to the limits placed on the system by recent revenue. Developments have been forced to a phased schedule because funds available were not adequate to complete the project. The undesirable impacts of this situation extend beyond delay in attaining the system's development goals. Phased development costs significantly more. Interruptions in a development schedule, even if planned, cost the contractor for labor, complicate work and material delivery schedules and often add other costs from the need to rework completed roads, trails, utilities and maintenance facilities.

Slow or postponed redevelopment has consequences, from restricted service to closure of an entire facility.

FINANCING ALTERNATIVES AND RATIONALE

Regional Park capital development has come from three major sources, State Bond Funds, Regional Bond Funds and Interest earned on invested Regional Park Funds. The request for state bond funds for the regional parks CIP is made in the belief that no other fund source for which regional parks are eligible is adequate to the need or likely to be available in the time frame. To expand:

Regional Bonds

The Council is authorized to issue up to \$40 million in bonds for acquisition and development of regional parks, which are paid from a levy on the TCMA. The Council issued the \$40 million and has subsequently re-issued \$15 million in retired bonds in 1991. Currently, no significant amount of regional bonds are retired. It appears that the Council could defease and reissue some of the \$40 million, but the decision to do so would not be

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
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made until completion of an analysis of the composite indebtedness of the metro region. Funds from reissued regional bonds are not available today.

Interest Earnings

From 1974 to 1986, interest earnings on invested regional park funds were an important contribution to the regional park's capital program. The advent of new federal arbitrage rules, plus legislation restricting the Council's use of the reduced (i.e., post-arbitrage), interest earnings to a single park, have made this almost a non-factor in the regional capital program.

State Bonds

This request is for state bond revenue for the regional capital costs in the coming biennium. Beginning in 1976, the state legislature has appropriated bond funds to the program, averaging about \$25 million per biennium in the early years, but with a diminishing amount of investment since the state's fiscal difficulties. The rationale for providing state funds to a regional system includes:

- regional parks provide outdoor recreation experience for the residents of the metro region, (more than 1/2 the state's population) similar to that provided throughout Greater Minnesota by state parks.
- metro taxpayers pay more than 1/2 the state's taxes, hence more than 1/2 the capital costs of state parks. State support should come to the region's parks, which they use more than the relatively few state parks in the metro area.
- the regional park program, acquisition and development of outdoor recreation resources, benefits all citizens of Minnesota, just as do state parks and trails. This justifies state participation in the regional program costs.

POLICY ASSUMPTIONS

In the Metro Parks Act, the State of Minnesota made a policy statement for regional parks. It was an action program, charging the Council to identify a system of parks and to see the system acquired and developed according to a regional plan. The assumption on which this request is based is that the policies of the State of Minnesota and the Metropolitan Council, with respect to regional recreation open space, are unchanged. The Council should continue its efforts to acquire and develop a recreation open space

system, benefitting the residents of the TCMA, but also all Minnesota residents and visitors.

3. OTHER CONSIDERATIONS (OPTIONAL):

Consequences of No Action

In this case, no action would be to provide no state bond funds for regional parks. The ultimate consequence would be cessation of regionally funded acquisition, development and redevelopment, blocking all progress toward the system's goals. While it might not happen during the immediate biennium, permanent loss of state funds would be so restrictive of the regional system's future that it probably would lead to dissolution. Control of acquisition and development would return to the individual implementing agencies and future work would depend upon their diverse funding capabilities. Some of the agencies would carry on partially with their own local resources, others would seek state revenue support independently. Others might decide for complete inaction, based upon unwillingness or inability to develop the necessary operations and maintenance support base for the expanded and more developed parks. In any case, there would be:

- a reduction in recreation open space resources set aside in the TCMA,
- a reduction in the amount and variety of recreation opportunity available to citizens
- reduced system planning and less coordination between the agencies providing regional recreation open space.

Intermediate consequences have been described in substantial detail in 2., above.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets¹
- Development of State Assets²
- Maintenance of State Assets
- Grants to Local Governments³
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety⁴
- Provision of New Program/Services⁵
- Expansion of Existing Program/Services⁶
- Other (specify):⁷

- ¹ Regional parks acquisition
- ² Regional parks development
- ³ Grants are from Metropolitan Council
- ⁴ Regional parks redevelopment, in part
- ⁵ Regional parks development, in part
- ⁶ Regional parks development & redevelopment, in part
- ⁷ Acquisition of regional park land, in part

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 23,570 Appropriation Request (1994 Session)
- \$ 23,570 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Jack Mauritz
Name

Parks Coordinator
Title

612/291-6602
Telephone

08/06/93
Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

The Department of Natural Resources was only recently designated as a fiscal agent and a point of access for the Metropolitan Council into the state capital budget process. Questions on this request are best directed to the Council staff directly. DNR will work with other state and local agencies to jointly develop policy on the proper relationships between recreational assets at all levels of government and on appropriate funding policies.

Note: This request includes direct personnel and tax equivalency costs that the state would not ordinarily finance through debt issuance.

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$7,500,000 in capital funds for acquisition, development, and rehabilitation projects. No funds are to be used for research, planning, administration, and tax equivalency payments, none of which are eligible costs for state bonding. Also included are preliminary recommendations of \$7,500,000 in 1996 and \$7,500,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	40
Asset Preservation/Deferred Renewal	50
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	240

METROPOLITAN COUNCIL'S FY 1994-95 REGIONAL OPEN SPACE CAPITAL BONDING REQUEST

July 22, 1993

(Based on unfunded projects in Metropolitan Council's FY 1992-93 Regional Open Space CIP)

Agency/Park	Project	System-wide Needs	Specific Project	Agency Totals
		(\$000's)	(\$000's)	(\$000's)
METROPOLITAN COUNCIL				
System-wide	Emergency Inholding Acquisition Reserve	1500		
System-wide	Emergency Acquisition and Development Reserve	1000		
System-wide	Natural Resource Rehabilitation	200		
System-wide	System-wide Research, Planning and Administration	400		
System-wide	Tax Equivalency and Audits	300		
			System-wide Subtotal	3400
ANOKA COUNTY				
Anoka Co. Riverfront RP Dev.	Park interior trails and links to Coon Rapids Dam RP		100	
Bunker Hills RP Dev.	Visitor contact station, park roads, safety control features		550	
Coon Rapids Dam RP Dev.	Park interior trails and links to regional trail south to Anoka Co. Riverfront RP		115	
			Anoka County Subtotal	765
CARVER COUNTY				
Baylor RP Dev.	Rehabilitate visitor contact station, interior park trails and bridges		260	
Lake Minnewashta RP Dev.	Park roads, interior park trails, expand beach and picnic areas.		300	
			Carver County Subtotal	560

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METROPOLITAN COUNCIL'S FY 1994-95 REGIONAL OPEN SPACE CAPITAL BONDING REQUEST

Agency/Park	Project	System-wide Needs (\$000's)	Specific Project (\$000's)	Agency Totals (\$000's)
DAKOTA COUNTY				
Lake Byllesby Acq.	Acquire key parcels from willing sellers		159	
Lebanon Hills RP Acq.	Acquire key parcels from willing sellers		200	
Miesville Ravine PR Acq.	Acquire parcels which come on the market and stewardship activities including fencing, demolition of buildings on acquired land which cannot be used for park purposes or be relocated; access road; parking and toilets to provide minimal recreation facilities to the park reserve prior to major capital investment for recreation development		300	
Northern Dakota Co. RT Acq.	Acquire remaining trail right-of-way in South St. Paul		100	
Northern Dakota Co. RT Dev.	Develop basic trail features in South St. Paul section to permit use by public		29	
			Dakota County Subtotal	788
RAMSEY COUNTY				
Battle Creek RP Dev.	Finish interior park trail network		500	
Jrington Northern (Suede Hollow) RT Dev.	Develop trail from St. Paul boundary north to Beam Ave. in Maplewood Project is subject to Metropolitan Council review/approval of trail master plan.		240	
Snail Lake RP Dev.	Redevelop Snail Lake Beach and picnic area concurrently with road relocation being done by Ramsey County and City of Shoreview.		680	
Long Lake RP Dev.	Finish ongoing park development		185	
			Ramsey County Subtotal	1605

METROPOLITAN COUNCIL'S FY 1994-95 REGIONAL OPEN SPACE CAPITAL BONDING REQUEST

Agency/Park	Project	System-wide Needs	Specific Project	Agency Totals
		(\$000's)	(\$000's)	(\$000's)
WASHINGTON COUNTY				
Big Marine PR Acq.	Final reimbursement to Washington County for spending \$1.5 million of its own bond funds to acquire parcels from willing sellers.		100	
Cottage Grove RP Acq.	Acquire parcel at risk for other land use development		180	
Lake Elmo PR Dev.	Construct park maintenance facility and extend interior park trails network		480	
			Washington Co. Subtotal	760
CITY OF ST. PAUL				
Burlington Northern (Suede Hollow) RT Dev.	Acquire parcels not being acquired by Ramsey County Regional Railroad Authority for potential joint light rail transit/trail use. This additional land would provide access to the trail and additional space to construct the trail away from the light rail transit line where needed. Project is subject to Metropolitan Council review/approval of trail master plan.		500	
Burlington Northern (Suede Hollow) RT Dev.	Develop portion of trail from St. Paul-Maplewood border south toward Mississippi R. Project is subject to Metropolitan Council review/approval of trail master plan.		200	
Como Conservatory Special Feature Redevelopment	Continue conservatory redevelopment		890	
Como RP Redevelopment	Continue rehabilitation of the park and construct a parking deck for zoo, conservatory and park users.		280	
Hidden Falls/Crosby Farm RP Dev.	Interior park trails and improve river access.		300	
Mississippi River Blvd. RT Redevelopment	Continue trail redevelopment from portion redeveloped north toward St. Paul/Mpls. border		400	
			City of St. Paul Subtotal	2570

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METROPOLITAN COUNCIL'S FY 1994-95 REGIONAL OPEN SPACE CAPITAL BONDING REQUEST

Agency/Park	Project	System-wide Needs (\$000's)	Specific Project (\$000's)	Agency Totals (\$000's)
MINNEAPOLIS PARK & REC. BD.				
Central Miss. Riverfront RP Acq.	Pay off loans from Minneapolis Community Dev. Agency used to acquire parcels in the park		1325	
Central Miss. Riverfront RP Dev.	Interior park trails on Nicollet Island		244	
Mpls. Chain of Lakes RP Acq.	Final reimbursement for acquiring VFU parcel to provide additional space in congested area of Lake Calhoun		150	
Mpls. Chain of Lakes RP Dev.	Stabilize eroded lake shore line and reconstruct worn out trails.		1170	
Minnehaha RP Dev.	Phase 2, park rehabilitation		1500	
		Mpls. Park & Rec. Bd. Subtotal		4389
SUBURBAN HENNEPIN RP DISTRICT				
Bryant Lake RP Dev.	First phase redevelopment of park, including access road, beach, boat launch, sewer/water assessments, and some interior park trails.		2178	
North Hennepin RT Dev.	Continue construction of trail		1355	
		Suburban Hennepin RP Dist. Subtotal		3533
SUBURBAN HENNEPIN RP DISTRICT AND SCOTT COUNTY				
Cleary Lake RP Dev.	Park roads, interior park trails and infrastructure improvements		200	
		Suburban Henn. RP Dist. & Scott Co. Subtotal		200
SUBURBAN HENNEPIN RP DISTRICT (SPECIAL REQUEST)				
Lake Minnetonka RP Acq.	Complete acquisition of park. (To date, Council has granted \$8,136,739 for acquisition).		1000	
Lake Minnetonka RP Dev.	Construct all recreation facilities east of relocated Highway 44, including park roads, parking lots, swimming beach, recreation center, boat launch, interior park trails and picnic areas planned for that portion of the park.		4000	
		Special Request Subtotal		5000
BIENNIAL FUNDING REQUEST FOR FISCAL YEAR 1994-1995				23570

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Local Recreation Grants
PROJECT COSTS: \$21,000
APPROPRIATION REQUEST FOR 1994 SESSION: \$7,000
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$7,000
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$7,000
LOCATION (CITY, COUNTY): Local Governments Statewide

AGENCY PRIORITY (for 1994 Session only):

12 of 21 requests

1. PROJECT DESCRIPTION:

Matching grants would be provided to cities, counties, townships and recognized Indian tribal units for acquisition, development and renovation of local park and recreation areas. A wide range of outdoor recreation facilities are eligible for assistance including trails, water related facilities, athletic fields and courts, picnic and camping facilities, playgrounds and support facilities. Local governments complete the projects and are reimbursed for actual work completed.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The Local Recreation Grant program helps fill a critical need for "close to home" outdoor recreation opportunities. The 1990-1994 State Comprehensive Outdoor Recreation Plan (SCORP) noted that 73% of Minnesotan's outdoor recreation hours per capita are spent within a 1/2 hour travel distance from home. This means that city, county and other local park facilities play a major role in providing for day to day outdoor recreation needs of Minnesotan's. Many local governments need financial assistance to be able to provide an adequate level of outdoor recreation areas and facilities for local citizens. The local recreation grant program has played a major role in developing local outdoor recreation facilities throughout the state over the past 28 years. Much of the existing local outdoor recreation infrastructure was developed with assistance through this program. In

many cases, the matching grants available through this program provided the incentive for local governments to proceed with a recreation project. In other cases the program has been instrumental in protecting valuable and threatened open space and natural areas.

The state has a legitimate role and interest in helping to provide local outdoor recreation opportunities. It is in the interest of the state to help ensure that citizens throughout Minnesota have opportunities to participate in recreation activities that support healthy life-styles, foster respect for the natural environment, teach concepts of teamwork and participation, and, in some cases, provide economic benefits to communities. Many communities derive tourism dollars from their local outdoor recreation facilities and many others view local parks as important economic development factors that play an important part in attracting or retaining both businesses and skilled workers. This program is one way that the state can help support rural communities trying to survive amid the exodus to the cities, suburban communities that are growing faster than their abilities to provide for outdoor recreation needs, and inner city areas that need positive environments and activities for young people.

The program also helps to support and complement state outdoor recreation facilities. Local facilities can provide key linkages to state parks and trails, cooperative public access opportunities, local rest areas along state trails, camping and other facilities that complement state recreation areas, and other opportunities for state and local cooperation. These efforts can help enhance the state's investment in state administered facilities and foster support for these facilities within nearby local communities.

Finally, the state has an interest and a responsibility in seeing that all citizens have access to public outdoor recreation areas. Many local facilities are not accessible to persons with disabilities. Major renovation and investment is needed in many parks in order for these facilities to meet state and federal accessibility requirements. State financial assistance is needed, in many cases, to enable these required renovations to take place. Many communities simply lack adequate funds. In addition, the state has a responsibility to help correct accessibility problems in local outdoor recreation areas that it has funded through previous grants.

The program would also help to further the department's long range strategic goals in the following ways:

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

We will work with the people of Minnesota to manage the state's diverse natural resources for a sustainable quality of life by participating with local governments in the protection of "close to home" open spaces and the development and renovation of accessible local outdoor recreation facilities that are available to average citizens on a day-to-day basis.

We will ensure the cooperation, involvement and participation of local citizens and governments in protection and development of outdoor recreation resources by requiring local public involvement in the grant application process and by encouraging active local government involvement in the planning and development of funded projects.

We will support and recognize opportunities for sustainable resource development and recreation that benefits local economies by funding local government park amenities that will help keep and attract local industries and businesses, encourage families and a qualified work force to live in the community, and attract tourism dollars from outside the community.

Finally, we will invest in our human resources by addressing the tremendous need to renovate existing local park facilities to make them accessible to persons with disabilities and assisting local governments with the substantial renovation costs associated with such an effort, and by providing opportunities for people to participate in recreational activities that promote physical fitness and offer positive social interaction.

Specific long term goals for the program include the provision of approximately 200 grants to local governments by the year 2000. These grants would focus on needs identified in the 1995-2000 SCORP, as well as required renovations to meet accessibility requirements and opportunities for cooperative state and local projects. Total grant requests during the period 1985-1993, have totaled over \$90.6 million, an average of over \$10 million per year. The requested funding would enable us to fund about 1/3 of grant requests. At this level, approximately 30 to 40 grants would be made each year. This would be about the optimum number of grants per year given the current staffing level and the logistics of the grant process.

3. OTHER CONSIDERATIONS (OPTIONAL):

The increased urbanization of the state has led to a shortage of outdoor recreation facilities in growing communities throughout the state. In

addition, a major reduction over the past decade in both state and federal funds available to assist local governments with local park projects has resulted in a backlog of capital expenditure needs at the local level, and a loss of needed open space to non-recreation uses.

This program involves a successful partnership between the state and local governments. The state annually solicits grant applications from local governments. These applications are evaluated against a number of criteria related to SCORP priorities, adequacy of design, commitment to long term operations and maintenance, safety concerns, and other related factors. The projects are ranked on these criteria and the highest ranked projects chosen for funding. Grant recipients must provide a match of at least 50% of total eligible project costs. Local service organizations often provide donations to help meet the match requirement. The grants are reimbursement grants, so grant funds are not provided until eligible project work has been completed. This allows for state oversight to ensure that local units comply with contract obligations.

For many years this program was funded through the Legislative Commission on Minnesota Resources. In the mid - 1980's, however, the Commission recommended that, as this was an ongoing program, funding should more appropriately be provided through the capital budget process. The last funded capital budget request for the program was in 1990. That funding was allocated in 1991 and 1992. No state grant funds were available in 1993.

If no action is taken, there would be no state assistance available to local governments for acquisition, development and renovation for most types of local outdoor recreation facilities, other than some minimal funding provided through the Land and Water Conservation (LAWCON) Fund. In 1993, less than \$250 was available statewide for local parks through the LAWCON program.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify): Compliance with Americans with Disabilities Act (ADA)

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 7,000 Appropriation Request (1994 Session)
- \$ 7,000 State funding
- \$ 350 Federal funding
- \$ 6,650 Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Wayne Sames Supervisor, Local Recreation Grants 612/296-1567 07/20/93
Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$1,000,000 for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	70
Strategic Linkage	30
Agency Priority	40
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	200

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Trail Acquisition, Development and Betterment
PROJECT COSTS: \$24,034
APPROPRIATION REQUEST FOR 1994 SESSION: \$7,778
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$8,000
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$8,256
LOCATION (CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

13 of 21 requests

1. PROJECT DESCRIPTION:

Project includes land acquisition and betterment on three state trails as authorized in Minnesota Statutes, Chapter 85.015. All development would be in accordance with trail master plans as adopted and filed with the Secretary of State. Recreational user groups served by this proposal include bicyclists, hikers, snowmobilers, cross-country skiers, and equestrians.

Paul Bunyan State Trail \$3,000

- develop two large bridges over Trunk Highway 371
- develop Baxter to Pine River segment (30 miles)
- develop parking lots at Baxter, Merrifield, Nisswa, Pequot Lakes, Pine River

Root River State Trail: Houston Extension \$ 500

- acquire 6.5 miles
- initial development (blading, shaping, bridge and culvert repairs as needed, signing)

Root River State Trail: Harmony Extension \$1,000

- acquire and develop 17.5 miles of new trail

Glacial Lakes State Trail \$1,400

- develop bicycle surface (36 miles)
(NOTE: Initial development of bridges and culverts, blading and shaping, and bridge decking are now underway funded by the Legislative Commission on Minnesota Resources.)

North Shore State Trail: Grand Portage Extension \$378

- develop trail (4 to 6 new bridges) (40 miles)
- cooperatively funded by the U.S. Forest Service

Minnesota Valley State Trail \$1,500

- acquire and develop 5 to 10 miles (depending on cost of property and existence of willing sellers)

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

DNR Directions: *We will provide opportunities to enjoy our outdoor recreation resources by developing and maintaining safe, accessible outdoor recreation facilities and providing quality recreation services.*

Benefits from these projects related to the Department of Natural Resources' *Directions* strategic plan include:

- Develop recreational trails
- Aid public safety
- Promote tourism.

All projects meet demonstrated recreational needs. Customer service would be improved by adding services where none now exist. The Root River State Trail is one of the most successful trails because of its high quality scenery and close proximity to the Twin Cities. The extensions requested here would allow other communities in the area to benefit from the trail plus improving the quality of service offered trail users. The Minnesota Valley State Trail is also close to the Twin Cities metropolitan area and offers a unique opportunity to visit important wildlife refuges and natural settings near the most populous part of the state.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

The Paul Bunyan and Glacial Lakes state trails would be the first long-distance, multi-use trails in the area. Extending the North Shore State Trail to Grand Portage would create a connection between the Minnesota snowmobile trail system and the Ontario trail system, including the city of Thunder Bay.

3. OTHER CONSIDERATIONS (OPTIONAL):

Because of their location and high quality attractions, these trails offer great potential for return on state funds. These trails support year-round, intense use. They have regional reputations and enjoy local governmental support and support from citizens. In the case of the Minnesota Valley State Trail, a cooperative plan exists between the U.S. Fish and Wildlife Service where the trail can occupy federal land.

The State has already purchased abandoned railroad property for the Paul Bunyan and Glacial Lakes state trail projects. The State is already incurring costs to maintain and operate them on an interim basis without enjoying the economic benefits that could result once full development takes place.

Budgets would be required to operate and maintain all trail segments included in this proposal. They would take the form of labor salary, equipment, travel, supplies and materials, and professional service. Exact costs are subject to the combination of trail uses served by the trail, the level of use that develops, length and intensity of winter recreational seasons, and economic conditions.

Maintenance and operations costs for multi-use trails range from \$3 hundred to \$9 hundred per mile per year, depending on length, amount of use, combinations of use, weather, and location within the state. Funding for maintenance and operations is from a combination of sources including general fund and dedicated snowmobile and cross-country ski accounts.

Minnesota State Trails: Improvements for the Future is attached for further reference.

AGENCY CAPITAL BUDGET REQUEST

Form G-2

Non-Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____
- Source of funds _____

FUNDING SOURCE:

- \$ 7,778 Total Appropriation Request (1994 Session)
- \$ 7,778 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Gordon Kimball Trail Program Coordinator 612/296-6693 07/22/93
Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

The Governor and the Legislature may wish to consider the snowmobile account in the Natural Resources Fund as a source for debt service payment on the north shore state trail portion of this request.

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$4,405,000 in capital funds for the Paul Bunyan, Root River - Houston, Root River - Harmony projects. The Governor further recommends the \$378 North Shore State Trail project, with debt service payments from the snowmobile account in the Natural Resources Fund. Also included are preliminary recommendations of \$7,500,000 in 1996 and \$7,500,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	40
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	190

**Minnesota State Trails:
Improvements for the Future**

**State Trail Acquisition, Development, and Rehabilitation
Priorities and Opportunities**

THE BENEFITS OF TRAILS

Trails are today at the forefront of the recreation agenda. Federal, state and local units of government are mobilizing their resources in response to growing grassroots support for additional trail opportunities. Why? Trail oriented recreation is increasingly being embraced by diverse constituencies including: trail user groups, tourism and economic development interests, environmentalists, the transportation community and the public at-large.

Trails...

- Provide opportunities for people to improve their physical and mental health.
- Help to create jobs and spur local economic activity.
- Secure abandoned railroad corridors for continued public use.
- Provide alternative transportation and off-road travel options.
- Provide habitat for plants and animals; greenspace for people.
- Tie communities together, both physically and "in spirit".
- Provide educational opportunities.
- Foster a sense of civic pride and community well-being.
- Link existing recreation lands and facilities.

FORCES AFFECTING THE WAY TRAILS AND WATERWAYS WILL DO BUSINESS

There are a number of powerful forces at work in society today that together suggest the need for timely action.

Variety of funding sources.

State trail acquisition and development efforts are supported by legislative appropriations with recommendations by the Legislative Commission on Minnesota Resources (LCMR), capital bonding, dedicated user funded accounts, and general fund dollars. Federal funding through various provisions of the Intermodal Surface Transportation Efficiency Act (ISTEA) has opened the door to still more possibilities and opportunities.

This diversity of funding sources creates new administrative complexities and timing constraints as they challenge DNR/Trails and Waterways to match trail opportunities with the most appropriate instrument for funding. These diverse sources will undoubtedly push the Unit to change and expand its mission as it attempts to satisfy the purposes for each of the funding sources.

Increased sophistication of trail user and trail advocate groups.

Organizations and individuals are increasingly participating in public processes to promote their activities and secure facilities. The formation of the Minnesota Recreation Trail Users Association (MRTUA) is one example. MRTUA was formed with representatives from eight user groups to collaborate on common problems, and share information on their needs and plans. They are the official state trail advisory group and serve as an official advisory to the distribution of the National Recreation Trail Fund, another ISTEA provision.

Another example is the Harmony - Preston Area Trail Commission. This commission is a joint powers board formed to identify and secure a 17.5 mile trail that will connect to the Root River State Trail. They have successfully identified and are securing an alignment for this trail.

This sophistication will increasingly affect the way that DNR/Trails and Waterways does business. Simultaneously, more attention will have to be given to these articulate "voices" while still attempting to provide a balanced product line for all of the people of Minnesota.

Changing land use patterns.

- Railroad abandonments

The pace of railroad abandonments will decline in the future. Emerging public policy directs they be preserved today for future options. Trails are a convenient way to preserve them in the short and long run. DNR/Trails and Waterways will need to cooperate with an ever-widening array of public and private interests as it attempts to preserve these "conservation corridors."

- Consolidation of farms, decline of mining, growth of the state's tourism economy.

Communities recognize that trails can provide a positive economic stimulus and can enhance the local economic mix as more traditional businesses decline or diversify.

Summer surveys conducted in 1989 by DNR provide information about the economic impact of trails. A survey of the Carlton to Duluth segment of the Willard Munger State Trail indicated that an estimated 42,320 people used the trail during the May to September season. Since the average trail user expected to spend \$8.38 per day, an estimated \$355,000 were spent by trail users during the summer season. Forty seven thousand people used the Heartland State Trail during the 1989 summer season and spent an average of \$8.00 per day. This means \$376,000 were spent by trail users that summer. Trail users on the Root River State Trail spent an average of \$9.71 per day. The estimated 18,900 trail users spent \$184,000. Observation of the change in lodging facilities in the town of Lanesboro along the Root River State Trail is illustrative of the positive economic impact of trails. Prior to trail development, there were two lodging facilities in town. Today there are nine. A number of other businesses have sprung up such as restaurants and gift shops.

Winter trail users have a positive economic impact as well. The Heartland State Trail hosted approximately 25,000 users during the 1988-89 snowmobile season. Each users spent an average of almost \$30 per day. Thus, as estimated \$750,000 were spent by snowmobilers.

DNR/Trails and Waterways will need to become increasingly sophisticated in economic development planning and impact analysis. As Minnesota's trail "expert", Trails and Waterways bears responsibility for generating and publishing timely, accurate information regarding the costs and benefits of trail development.

Trails for recreation and transportation.

Trails increasingly serve as an important part of the transportation infrastructure. Bicyclists and pedestrians are using trails as an alternative to automobile travel. If trails are to realize their potential as an integral part of the multimodal transportation system, DNR/Trails and Waterways will need to anticipate this potential in planning, development and seeking funding for new trails. Trails and Waterways must anticipate the diversification of the role of trails.

Creation of innovative partnerships: between the public/private sector and among federal, state and local governments.

Such partnerships are emerging as interest in trails grows and as public budgets shrink. Trails and Waterways has begun to forge new relationships and "do business" in innovative and non-traditional ways.

THE CONTEXT: SOCIAL TRENDS AFFECTING OUR PRODUCT MIX

Changing Demographics

Aging Population

Minnesotans are getting older. In fact, by the year 2000, fully 30% of state residents will be between the ages of 35 and 54, a 50% increase over the number of persons in that age group in 1986. In contrast, some 27% of Minnesotans will fall between the ages of 15 and 34, a 14% decrease from 1986.

Ethnic Diversity

Minnesota is becoming more racially and ethnically diverse. Minnesota's minority population grew 72% between 1980 and 1990. (This was the 4th highest rate of increase of any state in the nation.) However, in spite of this rapid growth, the minority percent of the state's total population is relatively small at 6.3%. Only six other states have a smaller minority population.

Household Trends

Minnesota households are continuing to become more diverse. In 1950, 77% of households were comprised of married couples. This percentage declined to 57% in 1990. Single parent households and other non-traditional living arrangements have become much more prevalent.

Migration

A few areas of the state are experiencing an increase in population: the Twin Cities, St. Cloud, Rochester and a corridor of counties in central Minnesota. Most counties have experienced a decrease in population.

Changes in Recreation and Leisure Patterns

Demand for Trails

Participation in trail recreation will continue to increase. Demand for trail activities will grow into the future. Walking/hiking, and biking are among those activities projected to have the greatest increase in hours of participation into the year 2000.

Leisure Time

Minnesotans feel increasingly pressed for time, as growth in leisure time has stagnated, even reversed, in recent years. And, ways to spend leisure time have multiplied.

The pattern of how available outdoor recreation time will be used has changed. Shorter trips, closer to home are replacing the longer 2 week family vacations. Minnesotans stay within 30 minutes from home for almost 75% of their total outdoor recreation time. They are willing to travel an hour or more for 22% of their recreation activities.

Emerging and changing recreational equipment and technology.

Today, in-line skates, all terrain vehicles, mountain bikes and roller skis are relatively new to the recreation market. What will tomorrow bring? New recreational products and technologies are being continually developed and refined. The Trails and Waterways Unit must respond to these new trail uses by accommodating use on our existing facilities or by providing new facilities. If uncontrolled, new uses can impact trail facilities and lead to conflicts with more established uses and user groups.

Responding to the needs of motorized trail users is a need. Motorized trail users have become increasingly well organized and articulate. Trails and Waterways must accommodate motorized trail users by developing appropriate programs and facilities.

IMPLICATIONS

Trail recreation is well suited to meet the needs of Minnesota's changing population. As the population shifts towards larger numbers of older citizens, trails can offer the opportunity for safe, accessible activities such as walking or bicycling essential for maintaining health and a high quality of life. The increasingly urbanized society is looking for close to home opportunities, as well as longer distance vacation activities.

Based on all of these changes in demographics and leisure patterns, more people may be seeking facilities and programs that provide group dynamics other than those based on the traditional family. More people may be participating in activities they can do alone. Trail recreation can provide opportunities for both groups and individuals.

The following criteria for acquisition, development, and rehabilitation were developed, based on the previously discussed forces at work in society and societal trends.

1. **Completeness** - Priority was given to those projects that extend, link, or upgrade existing trails to make these trails more meaningful and complete.
2. **Destination** - Priority was given to those projects that provide connections between major population or service centers.
3. **Opportunity** - Priority was given to those projects that take full advantage of local political support, that leverage available funds, that harness trail user support, that build upon other desirable projects or partnerships, and those projects that are developed in response to pending rail abandonments.
4. **Tourism** - Priority was given to those projects that encourage increased local tourism and spur desirable economic development.
5. **Integrity of Facilities** - Priority was given to those projects that protect existing investments.
6. **Improvements** - Priority was given to development and rehabilitation projects that improve existing trail conditions and correct deficiencies.

Following are Trails and Waterways priorities for state trail acquisition/development and rehabilitation. This list is preliminary and subject to revision.

An inventory of other acquisition opportunities is listed as well.

STATE TRAIL DEVELOPMENT PRIORITIES

TRAIL	SEGMENT	COUNTIES	DNR REGION	MILES	ESTIMATED COST	COMMENTS
Paul Bunyan State Trail	Baxter to Lake Bemidji State Park	Crow Wing, Cass, Hubbard, Beltrami	I & III	100	\$6,000,000	
Root River State Trail	Rushford to Houston	Fillmore, Houston	V	12.5	\$1,488,000	Acquisition in progress.
Glacial Lakes State Trail	Willmar to Richmond	Kandiyohi, Stearns	IV	36	\$2,000,000	
Blufflands System	Isinours/Preston/Harmony	Fillmore	V	17.5	\$1,893,000	
Willard Munger State Trail	Barnum to Carlton	Carlton	III	17	\$1,080,000	
Willard Munger State Trail	Gateway extension into downtown St. Paul	Ramsey	VI	3-4	\$3,000,000	Includes 1.2 million for Phase 1: Arlington to Cayuga
North Shore State Trail	Grand Marais - Grand Portage	Cook	II	40	\$450,000	Matching USFS \$, strong local support. \$250,000 for bridges.
Blufflands System	Houston to Caledonia	Houston	V		\$2,128,000	
Minnesota Valley Trail	Fort Snelling State Park to LeSeur	Carver, Hennepin, Sibley, Scott	IV, VI		\$1,500,000	
Heartland State Trail	Walker to south of Cass Lake	Cass	I	16	\$1,200,000	Surface with asphalt.
Arrowhead State Trail	Ericksburg to International Falls	Koochiching	II	10	\$70,000	Strong local support, includes bridge over Rat, Root Rivers.
Gandy Dancer	Danbury to Foxboro	Pine, Carlton	III	31	\$100,000	
Casey Jones State Trail		Pipestone	IV	12		
Luce Line State Trail	Winsted to Hutchinson	McLeod	VI	15	\$500,000	
*	Cloquet to Saginaw	Carlton, St. Louis	II	10	\$50,000	Local interest by township/SLRB
*	Carlton to Wrenshall	Carlton	II	4	\$45,000	Blading, erosion control.

* Unnamed Segments

STATE TRAIL REHABILITATION PRIORITIES

TRAIL	SEGMENT	COUNTIES	DNR REGION	MILES	ESTIMATED COST	COMMENTS
Luce Line State Trail	Plymouth to Winsted	Hennepin, Carver	VI, IV	32	\$608,000	Rehabilitate (\$483,000) bike and horse trails and bridge repairs (\$125,000).
Willard Munger State Trail	Carlton to Duluth	Carlton	III	31	\$172,500	Rehabilitate Duluth slumps.
North Shore State Trail	Duluth to Grand Marais	St. Louis, Lake, Cook	II	152	\$201,250	Rehabilitate North Shore Trail bridges.
Sakatah Singing Hills State Trail	Mankato, Faribault	Blue Earth, LeSueur, Rice	IV, V	37	\$849,200	Replace limestone surface with asphalt.
Heartland State Trail	Park Rapids to Walker	Hubbard, Cass	I	28	\$1,300,000	Rehabilitate deteriorated asphalt surface. Resurface and widen.
Taconite State Trail	Grand Rapids - Coleraine	Itasca	II	5	\$33,700	Reroute, improvement for multiple use.
North Shore State Trail	Ross Creek reroute	St. Louis	II	4	\$37,500	Reroute to avoid wetlands.
Willard Munger State Trail	East Segment	Pine, Carlton	III	35	\$33,700	Reroute and repair.
*	Pengilly - Alborn	St. Louis, Itasca	II	39	\$49,200	Grading & bridge decking.

STATE TRAIL ACQUISITION PRIORITIES						
TRAIL	SEGMENT	COUNTIES	DNR REGION	MILES	ESTIMATED COST	COMMENTS
Root River State Trail	Money Creek Woods to Houston	Houston	V	6.5	\$12,000	
Blufflands System	Isinours/Preston/Harmony	Fillmore	V	17.5	\$107,000	
Willard Munger State Trail	Gateway extension into downtown St. Paul	Ramsey	VI	3-4		
Blufflands System	Houston to Caledonia	Houston	V	14	\$36,000	
Minnesota Valley Trail			IV			Acquisition of segments pending or in progress.
Paul Bunyan State Trail	Beltrami County Line to Lake Bemidji State Park	Beltrami	I	9		
Taconite State Trail	Grand Rapids to Coleraine	Grand Rapids	II	7	\$40,000	On many parcels, trail is on mining or paper company lands, with permit only.
Taconite State Trail	Coleraine to Ely	Grand Rapids	II	160	\$200,000	

OTHER ACQUISITION OPPORTUNITIES

TRAIL	SEGMENT	COUNTIES	DNR REGION	MILES	ESTIMATED COST	COMMENTS
Willard Munger State Trail	Gateway to William O'Brien State Park	Washington	VI	11		
Blufflands System	LaCrescent-Hokah	Houston	V	5.5		
Blufflands System	Houston-Hokah	Houston	V	12.5		
Blufflands System	Caledonia - Spring Grove	Houston	VI	10		
Blufflands System	Spring Grove - Harmony	Houston, Fillmore	VI	20		
Superior Vista	Duluth - Two Harbors	St. Louis, Lake	II	29		
*	Bemidji to Oklee	Beltrami	I	50		
Glacial Lakes State Trail	New London - three St. Parks	Douglas, Pope, Kandiyohi	I, IV	140		
*	Villard to Starbuck	Pope	I	15		
Willard Munger State Trail	through Duluth	St. Louis	II	8		
*	Grand Rapids to Schley	Itasca, Cass	II, III	34		
*	Brainerd to McGregor	Aitkin, Crow Wing	II, III	50		
*	Grand Portage to International Falls	Cook, Lake, St. Louis, Koochiching	II	220		
Willard Munger State Trail	Hinckley via the St. Croix	Washington, Chisago, Pine	III, VI	85		Feasibility has been studied.
*	Collegeville to St. Cloud	Stearns	III	12		
*	Little Falls to St. Cloud	Benton, Morrison	III	30		

OTHER ACQUISITION OPPORTUNITIES						
TRAIL	SEGMENT	COUNTIES	DNR REGION	MILES	ESTIMATED COST	COMMENTS
*	Brainerd to Camp Ripley	Crow Wing	III	20		Extension of Paul Bunyan State Trail to Crow Wing State Park.
*	Avon to Fergus Falls	Stearns, Todd, Douglas, Ottertail	III	100		
*	Pine Island to Red Wing	Olmsted, Goodhue	V	32		
*	St. Paul - LaCrescent	Dakota, Goodhue, Wabasha, Winona, Houston	V, VI	140		
*	Northfield to Faribault	Rice	V	13		Extends Sakatah Trail
*	Faribault to Blooming Prairie	Rice, Steele	V	34		
*	Rochester to Stewartville	Olmsted	V	13		
*	Preston - Forestville	Fillmore	V	9		
*	Fountain to Spring Valley	Fillmore	V	14		
*	Blooming Prairie to Austin	Mower	V	15		
*	Lanesboro-Brightsedale Unit	Fillmore	V	3		
*	Spring Valley to Stewartville	Fillmore, Mower, Olmsted	V	12		
*	Luce Line to Theodore Wirth Park, Mpls.	Hennepin	VI	6		Important connection between recreation units.
*	Maplewood through White Bear Lake-Hugo	Ramsey, Washington	VI	8		Possible route for Willard Munger State Trail, St. Paul to Duluth.
*	Forest Lake to Hugo	Washington	VI	7		

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Saint Louis River Land Acquisition
PROJECT COSTS: \$5,500
APPROPRIATION REQUEST FOR 1994 SESSION: \$3,400
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$-0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$-0-
LOCATION (CITY, COUNTY): St. Louis and Carlton Counties

AGENCY PRIORITY (for 1994 Session only):

14 of 21 requests

1. PROJECT DESCRIPTION:

This project would provide funds to acquire and protect undeveloped lands located along the Saint Louis, Cloquet, and Whiteface rivers. It would place in public ownership rare, contiguous riparian lands offering very high quality resources including scenic, recreation, historic, and archaeological values.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

This project would build on the local river planning project funded by the 1991 Legislature. It is a cooperative effort among the Department of Natural Resources (DNR), the Minnesota Power Company, and the Saint Louis River Board to acquire lands identified in the *Saint Louis River Management Plan (SLRMP)*.

Approximately 22,000 acres of riparian lands currently available from the Minnesota Power Company have been identified for acquisition in the *SLRMP*. The possibility that these lands would be sold to private developers contributed to the creation of the Saint Louis River Board and the *SLRMP*. Significant cost savings in acquisition fees would be realized by purchasing large tracts of land from one landowner.

The total funds needed to acquire available Minnesota Power Company lands are estimated at \$5.5 million (approximately \$250 per acre x 22,000 acres). Currently, the 1993 Legislature appropriated \$1.0 million from the Environmental Trust Fund for the first phase of acquisition of these lands. Additional financing has been guaranteed by the Minnesota Power Company in the form of a minimum land donation of 20 percent of the total value of the land. Therefore, an additional \$3.4 million is requested to complete the acquisition of Minnesota Power Company lands.

Minnesota Power Land Acquisition Financing Summary:

1993-95 LCMR	\$1,000
Minnesota Power Donation	1,100
Capital Bonding Request	<u>3,400</u>
TOTAL	\$5,500

3. OTHER CONSIDERATIONS (OPTIONAL):

Minnesota Power has indicated that they intend to sell these riparian lands soon. When they did not receive any interest in the past from government agencies to acquire these properties, they entered into an option to sell a significant portion of the lands to a large developer (since released). This contributed to the creation of a local initiative, the Saint Louis River Board, to protect the river and place lands known for their resource values in public ownership.

In the event funds are not available for this project in the near future, Minnesota Power may sell the lands to private individuals or businesses. This may destroy many of the resource values and make future acquisitions much more difficult and costly.

**AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)**

Form G-2

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 3,400 Appropriation Request (1994 Session)
- \$ 3,400 State funding
- \$ _____ Federal Funding
- \$ _____ Local gov't funding
- \$ 1,100 Private funding - MPC
- \$ 1,000 LCMR

Agency Data Prepared by: Steve Mueller
Name

Program Coordinator
Title

612/297-4955
Telephone

07/93
Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

The Governor and the Legislature may wish to consider converting an Environmental Trust Fund appropriation from the 1993 session into debt service payments in order to accelerate this project.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$4,400,000 for this project. The Governor further recommends that the debt service on this project be paid from the Environmental Trust Fund. An existing trust fund appropriation for the project should be re-directed to this purpose and added to the bonding request.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	28
Strategic Linkage	90
Agency Priority	40
Asset Preservation/Deferred Renewal	0
Customer Services Improved	40
Operating Savings/Efficiencies	0
Total Strategic Score	198

AGENCY CAPITAL BUDGET REQUEST

Non-Building Project Detail

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: RIM - Wildlife and Natural Area Land Acquisition (Wildlife Management Areas, Scientific and Natural Areas, Prairie Bank Easements, N.A. Waterfowl Management Plan, Critical Habitat Match)
PROJECT COSTS: \$41,200
APPROPRIATION REQUEST FOR 1994 SESSION: \$15,800
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$12,700
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$12,700
LOCATION (CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

15 of 21 requests

1. PROJECT DESCRIPTION:

Introduction: There are a number of acquisition programs to protect important habitat for Minnesota's wildlife and native plants. This request covers all these programs administered by the DNR's Section of Wildlife.

Each acquisition program protects slightly different resources and provides different recreation opportunities for Minnesotans and non-residents. These programs also take advantage of different opportunities to leverage state funding with private funds and federal funds. These acquisition programs have historically received funding from bonding and funds recommended by the Legislative Commission on Minnesota Resources (LCMR).

A. Wildlife Management Areas (WMAs) (\$4.0 million FY 94-5)

These funds would provide for accelerated wildlife land acquisition efforts with a main emphasis on completing existing WMA's, protecting habitat for rare and endangered species, and restoring drained wetlands. The Wildlife Management Area (WMA) System (1,164 units, 717,000 acres) protects critical wildlife habitat across the State and provides high quality recreational opportunities for hunting, trapping, wildlife observation, and other compatible activities.

M.S. 86A.04, Subd.8. states, *A state wildlife management area shall be established to protect those lands and waters which have high potential for wildlife production and to develop and manage those lands and waters for the production of wildlife, for public hunting, fishing, and trapping, and for other compatible outdoor recreational uses.*

B. Scientific and Natural Areas (SNAs) (\$5.0 million FY 94-5)

The acquisition of lands and waters that qualify as scientific and natural areas (SNA) would be carried out. SNA are sites of statewide significance that preserve examples of plant communities, geological features, landforms, and rare and endangered species habitat. Examples are an old growth pine forests, a gravel esker, a peatland, and habitat for a species such as the prairie white-fringed orchid. These sites are preserved for these rare features and for their scientific and educational value for present and future generations.

M.S. 86A.05, Subd. 5. states, *A state scientific and natural area shall be established to protect and perpetuate in an undisturbed natural state those natural features which possess exceptional scientific or educational value.*

C. Prairie Bank Easements (\$1.3 million FY 94-5)

The Native Prairie Bank Program was established by the 1987 Minnesota Legislature to protect native prairie lands by entering into perpetual conservation easements with landowners. MS 84.96, Sec. 19 states, *The commissioner shall establish a native prairie bank, determine where prairie land is located in the state, and prescribe eligibility requirements for inclusion of land in the native prairie bank.* These easements provide protection for the prairie resource while still allowing the land to remain in private ownership.

To be eligible for Prairie Bank a tract must be *covered by native prairie vegetation, must never have been plowed, and must have less than 10% tree cover.* Funding for Prairie Bank is limited. The following factors are considered to determine which eligible parcels would be accepted:

- Relationship to other units:
 - is the tract part of a Prairie Landscape Reserve (M.S. 84.96)?
 - is the tract adjacent DNR, USFWS or other public land?

AGENCY CAPITAL BUDGET REQUEST

Non-Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Form G-1

■ Inventory:

- is there good information on the availability of this prairie type from the Natural Heritage Program or other sources?
- has the County Biological Inventory been completed for the area?

■ Quality:

- does the tract contain high quality prairie?
- does the tract contain rare species?

■ Jeopardy:

- will the tract be lost if some action is not taken?

■ Acquisition:

- is the landowner not interested in selling, or would the state rather own less than fee title ownership?

For a permanent easement the landowner is paid 65% of the RIM permanent Marginal Agricultural Land payment rate (this is typically equal to 58% of the average estimated market value of cropland in the township). For an easement of limited duration the landowner is paid 65% of the Permanent Prairie Bank easement. If the landowner is interested in continuing agricultural uses such as limited haying or grazing, a set of conditions and practices are developed (often in consultation with SCS, Extension, or SWCD) which would allow such use yet still protect the prairie. The payment rate is adjusted to reflect the retention of these rights.

The Native Prairie Bank Program is administered by the Scientific and Natural Areas (SNA) Program. Priority sites and target areas are selected by the SNA program based on the established criteria and other factors listed above. Landowners apply directly to the program, or are directed to it through other conservation agencies and offices.

D. Critical Habitat Match (\$1.5 million FY 94-5)

The RIM Critical Habitat Matching Program (CHM) provides an opportunity for private individuals, groups, and businesses to help fund the cost of acquiring or improving critical fish, wildlife, and native plant habitats. State funds are matched dollar-for-dollar by contributions of land, easements, or cash to the program. Cash donations and state matching dollars are used statewide to: 1) purchase critical parcels of land for wildlife management areas, scientific and natural areas, aquatic management areas, and occasionally state parks, or state forests; and 2) enhance fish, wildlife and native plant habitat on public lands and waters.

E. North American Waterfowl Management Plan (\$4.0 million FY 94-5)

The North American Waterfowl Management Plan (the "Plan") is a cooperative effort by federal, state, and local governments and private organizations in Canada, Mexico and the U.S. to stabilize and restore continental waterfowl populations by preserving and restoring adequate wetland habitats. Funding for this project would be used to acquire and restore wetlands and associated uplands in key locations of Minnesota.

Minnesota has the highest number of duck hunters of any state in the Mississippi Flyway and is a key waterfowl production state. Minnesota has always been a leader in waterfowl conservation, and is committed to fulfilling habitat objectives defined in the Plan and the state implementation plan. Under the state implementation plan, to meet population objectives, 168,000 acres of wetlands and associated uplands must be acquired by the year 2001 in the prairie region of Minnesota. This includes acquisition currently being realized under existing programs by the DNR and U.S. Fish and Wildlife Service, but would require considerable acceleration over current acquisition rates. Other land management initiatives would also be required such as private lands management and lake reclamation, but are not covered by this work plan.

Most of this acquisition would occur in the prairie pothole region of Minnesota, and would benefit all species of prairie wildlife. Project areas for acquisitions and wetland restorations in Minnesota are: Heron Lake Watershed, Swan Lake Watershed, Red River Valley Watershed, Cannon River Watershed and Minnesota River Valley Watershed.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

A. Wildlife Management Areas

Acquisition of wildlife lands are guided by *Minnesota Statutes, Fish and Wildlife Long Range Plan* and the *Wildlife Management Area Long-Range Acquisition Plan*. According to the acquisition long-range plan the goal is to acquire 1 million acres of wildlife lands by the year 2,000. The acquisition objective was established on the bases of the needs of various wildlife species and availability of lands within each county. The DNR - Division of Fish and Wildlife's acquisition priority lists are based on willing sellers within project boundaries.

**AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)**

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Form G-1

Drainage of wetlands and destruction of upland habitat is continuing at a rapid rate exerting increased pressures on our wildlife resources. The acquisition of wildlife habitat in fee title has been the most effective way to protect them. Trends in the recreational use of Minnesota's wildlife and native plant resources indicate a growing demand by citizens and visitors for hunting and wildlife viewing opportunities.

Funds for acquisition have not been adequate, resulting in lost opportunities to purchase priority wildlife lands. Presently, there are willing sellers for \$12 million of potential WMA lands within existing previously approved active projects. If these lands are not acquired now the state may not have an opportunity to purchase them for many decades and some of the areas may be destroyed if they are not protected. Many of the tracts are crucial to complete priority wetland and habitat development.

The above acquisition goal cannot be met without new appropriations for this purpose. Existing funds from the wildlife acquisition surcharge provides about \$878 for acquisition during the 1994-95 biennium. There have not been bonding or Environment and Natural Resources Trust Fund appropriations specifically for WMA acquisition since 1990 when \$300 was appropriated for statewide projects. Critical habitat Match has helped but acquisition is often driven by restrictions on the donations.

Therefore, bonding funds are needed to acquire project inholdings and to meet the long-range goal. Funds under this request would allow for the purchase of up to 7,000 acres of critical wildlife habitat per biennium, helping to ensure the future status of wildlife populations and quality outdoor experiences.

B. Scientific and Natural Areas

At the present time, 100 scientific and natural areas have been protected, that encompass some 167,694 acres. Of this total, 146,238 acres are in 16 ecologically significant peatlands, legislatively protected by the Wetland Conservation Act of 1991. All SNA meet the following agency long range goals; "protecting and managing Minnesota's diverse ecosystems..., preserving biological diversity....., preserving unique natural resources..., and using cost effective methods to acquire...resources."

This request for SNA acquisition is in accordance with the Department's Long Range Plan for Scientific and Natural Areas. In 1980, the Legislative Commission on Minnesota Resources (LCMR), as a part of the oversight of agency acquisition work programs, mandated that the SNA Program develop a Long-Range Plan (LRP). This LRP was approved by the LCMR in 1980 and again in 1991 when the plan was revisited.

The LRP divides the state into 18 ecological landscape regions based on soils, geological history, and presettlement vegetation. The LRP establishes a policy of protecting multiple sites in each landscape in order to preserve the genetic diversity inherent in each of these landscapes. The LRP arrived at this approach after extensive consultation with other states and agencies involved in natural area and rare species protection efforts.

To ensure the protection of the genetic and biological diversity of the state, the LRP uses a two tier approach; a coarse filter and a fine filter approach. Plant community sites are the coarse filter. Plant communities protect many different plant species, common and uncommon. The rationale is that if you protect a plant community you protect the whole array of species, plants and often animals, most commonly associated with it. To this end the LRP calls for protecting at least 5 examples (sites) of each plant community found in a particular landscape region.

Sites for protecting plant, animal, and geological features are the fine filter. Protection efforts here focus on one species/feature. This action ensures one of the best sites in the landscape for a particular rare or unique attribute is protected, thereby helping to ensure the survival of a species or protection of a feature. It is recognized the site may not be a state significant example of a plant community nor protect many other plant or animal species. The LRP calls for protecting at least 3 examples of each species or feature important site found in any particular landscape region.

The ensuing system of multiple sites, protected in each landscape region, for species, geological features and plant communities ensures the genetic/biological diversity of the landscape is retained. It also prevents the loss of important species, plant communities and features from accidental or willful human disturbance and natural catastrophe. This strategy can be summed up as a ecological policy of not putting all your eggs in one basket!

AGENCY CAPITAL BUDGET REQUEST

Form G-1

Non-Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Minnesota has approximately 500 features that are tracked by the Department of Natural Resources (DNR) to ensure their protection. While many of these features are found across several landscape regions others maybe restricted to only one. To ensure all of these entities are preserved it is estimated that a system of 500 natural areas will be needed by the year 2085* to adequately protect these features in a system of multiple sites. Since an average of eight rare features are protected on any given site, 500 sites is estimated to be needed to meet long term protection goals. Minnesota is one of the few states that have attempted to establish a goal as to the number of sites that would ultimately be needed to protect the state's rare features. Most other states continue to protect all sites identified, subject to available funds.

Protection priorities for SNA are identified through the inventory and assessment efforts of the Heritage and County Biological Survey (CBS) Programs of the DNR. The CBS is a systematic county by county inventory of all natural features that presently remain in Minnesota. Priorities from the CBS, assessment of historical occurrences of rare features (in counties where CBS is not completed), and past Heritage inventory efforts, enable the SNA Program to identify and pursue the best possible sites for protection. Some sites are acquired in counties where the CBS or Heritage Program has not completed an inventory. In these cases protection priorities are influenced by historical data, immediate threats to critical parcels, knowledge of co-occurrences of rarity, data from federally funded inventories (federal endangered species efforts), and other first hand knowledge of a site. The process used to identify protection priorities often allows the SNA Program to meet multiple protection objectives (communities and species/geological features) while protecting one site.

Protection efforts also entail a continual review of the existing public land base to determine if rare species, geological features and plant communities occur. State significant occurrences found on public lands are pursued for SNA dedication when found. Gifts of lands are another method by which SNA are protected. Acquisition is used to protect occurrences of rare features in private ownership where features are not adequately protected on the public land base. Based on historical protection efforts, it is estimated that 35% of the 500 natural areas necessary to meet the goals of the LRP will be acquired. Gifting is anticipated to account for 40% and public land dedication for 25% of the protection efforts toward this goal.

It is estimated that protection of critical sites as SNA would cost over \$10 million over the next 6 years. This level of funding would permit the protection of over 9000 acres of virgin prairies, old growth forests, geological features, rare species habitats and 9,000 of lands in peatland SNA. To acquire the remaining 48,000 acres of lands in peatland SNA owned by counties and others would require an additional \$3 million. Protection costs are based on average costs to acquire critical SNA lands over the past few years.

* This 100 year goal was set in 1985, hence the year 2085.

C. Prairie Bank Easements

Native Prairie is Minnesota's most endangered natural habitat type. We once had over 18 million acres of prairie in the state. Today less than one percent remains (an estimated 150,000 acres). These lands are home to more rare and endangered plants and animals than any of Minnesota's other natural habitats - over 100 different species. In recognition of this, the 1987 Legislature, enacted the Native Prairie Bank (M.S. 84.96 Sec. 19) and the Prairie Landscape Reserve Program (M.S. 84.91 Sec. 98.1) to recognize the value of native prairie and to mandate its restoration, management and protection. The Prairie Landscape Reserve bill requires the Department to plan for the restoration and management of prairie on a landscape scale. Landscape reserves are to be composed of integrated networks of protected prairie lands, prairie restoration sites, and private prairie lands where compatible agricultural practices are encouraged. Prairie Bank easements were seen as another key protection tool to link these parcels together since landowners are often reluctant to sell or to give up certain agricultural practices.

The new law also established a prairie biologist position within the Scientific and Natural Areas Program to carry out prairie landscape planning and management.

Prairies provide excellent wildlife habitat for nesting waterfowl, pheasant, and other upland nesting birds in addition to protecting rare species. The rich soil of most of Minnesota's productive farmland was formed under a prairie sod. Today, native prairies also are important for agricultural research (soil fertility and crop development) and provide valuable hay and pasture lands.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Form G-1

The near elimination of native prairie in Minnesota has spurred a concerted effort to protect the remaining parcels. The DNR has purchased native prairie as part of state Scientific and Natural Areas, Wildlife Management Areas, and State Parks. In addition, the USFWS and private conservation groups such as The Nature Conservancy have protected prairie lands. Many additional prairie species, however, would become endangered if more private prairie habitat is lost. Prairie bank provides an alternative for preserving prairie on private land.

The majority of the state's native prairie, almost 75% is privately owned. The long range goal of the Native Prairie Bank program is to protect 75,000 acres of native prairie on private land. In the next ten years we hope to be able to enroll about a third of this (20-25,000 acres). This funding request would enroll an estimated 35 prairie tracts, protecting about 3,500 acres of prairie on private land in FY 1994-95. The Native Prairie Bank Program provides many landowners the option to keep the land in private ownership while protecting the prairie for future generations.

If no action is taken prairie lands would be lost to continued agricultural conversion and intensive grazing.

D. Critical Habitat Match

CHM projects are guided by the DNR - Division of Fish and Wildlife's acquisition priority lists that are based on the Fish and Wildlife Long Range Plan. Priorities are provided by area and regional managers and the Critical Habitat Management Committee. Donations are evaluated according to the state statutes 84.944 (Acquisition of Critical Habitat) and Minnesota Rules 6210.0400 (Priorities for the Acquisition and Improvement of Critical Habitat)

The CHM Program has received nearly \$9 million in private contributions that have been equally matched with state funds. The average donation level for the last several years is \$1.5 million per year.

E. North American Waterfowl Management Plan

This project directly fulfills objectives within the Section of Wildlife's strategic plan relating to wetlands and wetland wildlife. The DNR's *Long-range Plan for Waterfowl* has the goal of maintaining current diversity and distribution of waterfowl populations and increasing numbers for maximum recreational, hunting and viewing opportunities.

Successful implementation could directly add up to 4,000 acres of wetlands and adjacent uplands to the Wildlife Management Area (WMA) and Scientific and Natural Area (SNA) systems. A reduced level of effort would make timely achievement of Plan goals impossible. Federal matching grants are available to extend the accomplishments of this budget.

This wetland protection and restoration program is different from other state wetland programs for these reasons:

- The Plan is a cooperative and coordinated effort among many agencies that fosters considerable leveraging, and reflects and acceleration of existing efforts to stabilize populations and habitats before this opportunity is lost.
- The plan is directed to specific joint venture areas and key wetland habitats within these joint ventures.
- The Plan has an implementation horizon of the year 2001 so it would not be a endless program.
- Key areas for acquisition include those with high biodiversity and other wildlife use; this helps maximize benefits and allows priority targeting.

This acquisition program protects wetlands through public ownership and complements the state wetland presence and RIM reserve that protects and restores wetland on private lands.

3. OTHER CONSIDERATIONS (OPTIONAL):

A. Wildlife Management Areas

Valuable wetland acreage and critical upland wildlife habitat would be lost if acquisition funds are not available. Consolidation of ownerships on existing WMAs would enhance public use and management efforts and safeguard past investments.

In addition to protecting wildlife habitat, the WMA acquisition program is important in conserving surface water, preserving unique vegetation, natural beauty and open space, and providing areas for outdoor recreation compatible with wildlife management.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

B. Scientific and Natural Areas

If no acquisition action is taken to protect state significant sites for rare and endangered species, geological features, and native plant communities they would be lost to urban development, agricultural expansion, mining, silvicultural management and other incompatible land uses. These sites can not be recreated once they are lost. Surveys have documented that 81% of the population believe natural areas need to be protected.

C. Prairie Bank Easements

The tall grass prairie once stretched from southern Manitoba to the Gulf of Mexico. Ironically, the little that is left of Minnesota's prairies represents one of the best opportunities on the continent to preserve the biodiversity of this major ecosystem. Only the Flint Hills of Kansas and Oklahoma have anything similar. The future of many prairie plants and animals depends on what happens here in Minnesota.

D. Critical Habitat Match

The CHM Program is one of the most innovative and successful programs in the country for enhancing environmental quality and fish, wildlife, and native plant habitats. Additional CHM funds will encourage matching private donations to protect and enhance additional crucial habitat for fish, wildlife, and rare and endangered species, as well as provide additional areas for related recreation. Without adequate state matching dollars, potential donations could be lost.

The LCMR recommended and the Legislature funded \$2.6 million for FY 94-95 through the Environment and Natural resources Trust Fund. That appropriation would probably be matched by private donations before the end of FY 94 and additional funds would be needed from bonding to meet the needs of FY 95.

Critical Habitat Match Procedures

Step 1 Donors contact the DNR local offices regarding potential donations or they submit a Critical Habitat Match donation application to the central office.

Step 2 Pledges for enhancement projects and land donations are screened by area and regional fish and wildlife staff.

Step 3 Once approved at the local level, the pledges or donations for projects are evaluated on a quarterly basis by a Division of Fish and Wildlife panel. The panel includes the Division Director, DNR RIM Coordinator, Fish and Wildlife Land Acquisition Coordinators, Wildlife Section Chief, Fisheries Section Chief and other individuals as necessary. Donations are evaluated according to the state statutes 84.944 (Acquisition of Critical Habitat), and Minnesota Rules 6210.0400 (Regulations Establishing Priorities for the Acquisition and Improvement of Critical Natural Habitat)

In the review process, each proposal is assigned one of the following priorities. These priorities are listed in order of decreasing importance as established by rule:

- Potential contribution to the maintenance or enhancement of populations of native plant, fish, and wildlife species listed as endangered or threatened
- Potential contribution to the protection or enhancement of native ecological communities that are now uncommon or diminishing
- The benefits provided to existing or potential habitat for fish and wildlife populations
- The enhancement of fish and wildlife oriented recreation

When there are several proposed projects within one of the above categories, they would be evaluated against one another based on the following attributes. (These priorities were established by the Division of Fish and Wildlife.)

- Acquisition is within or adjacent to an existing unit of the Outdoor Recreation System
- New WMAs, SNAs, or Aquatic Management Areas are large enough to achieve resource or recreation protection and management objectives.
- The project would protect or improve habitat as identified by the Divisions Fish and Wildlife Long Range Plans.
- Project contributes to the goal of the North American Waterfowl Management Plan

Step 4 After approval by the Division of Fish and Wildlife, and completion of donation or 50/50 land donations are optioned, the projects expending Critical Habitat Match bonding funds are submitted to LCMR for recommendation under their bonding oversight responsibilities.

**AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)**

Form G-1

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Step 5 Bonding expenditures are recommended for approval by LCMR .

Step 6 State funds are encumbered.

Step 7 Development projects and land acquisitions are initiated. Land purchase values would be based on a certified appraisal.

Step 8 State and private funds are expended.

NOTE: Donations are deposited and deeds are received at various times between Steps 1 through 3.

E. North American Waterfowl Management Plan

State appropriations since 1989 for Plan activities, primarily at the Swan and Heron lakes projects, have been approved for match by federal dollars (\$3.5 million) through the North American Wetland Conservation Act (the "Act"). To date, more federal match has been available than state seed money. State dollars, therefore, appropriated through bonding have a good chance of being leveraged to achieve objectives. State funds can be matched up to 1:1 under the Act grant process, which is competitive and subject to annual Congressional appropriations. Other project dollars are also leveraged from other partners, both governmental and private.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 15,800 Total Appropriation Request (1994 Session)
- \$ 15,800 State funding
- \$ 4,000 Federal funding
- \$ _____ Local gov't funding
- \$ 1,500 Private funding

Agency Data Prepared by: Jay Rendall
Name

RIM Coordinator
Title

612/297-1464
Telephone

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07/21/93
Date

**AGENCY CAPITAL BUDGET REQUEST
 Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)**

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

The Governor and the Legislature may wish to consider the Game and Fish Fund as a source for debt service payments on the wildlife management area acquisition portion of this request.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$6,300,000 for this project. Also included are preliminary recommendations of \$6,500,000 in 1996 and \$6,500,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	31
Strategic Linkage	90
Agency Priority	40
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	221

Component List

Form G: Non - Buildings

F&W -- Wildlife Acquisition

rank	title	cost	cumulative	reference	
1	Hardwood Creek Wma - Acq	495,000	495,000	678	A
2	Bradshaw Lake Wma - Acq	254,100	749,100	834	A
3	Carlos Avery Wma - Acq	121,000	870,100	837	A
4	Carlos Avery Wma - Acq	102,850	972,950	838	A
5	Carlos Avery Wma - Acq	29,720	1,002,670	839	A
6	Carlos Avery Wma - Acq	72,600	1,075,270	836	A
7	Carlos Avery Wma - Acq	48,400	1,123,670	835	A
8	Elmo Wma - Acq	89,540	1,213,210	729	A
9	Inman Wma - Acq	16,760	1,229,970	733	A
10	Inman Wma - Acq	29,720	1,259,690	734	A
11	Whitewater Wma - Acq	82,885	1,342,575	828	A
12	Whitewater Wma - Acq	42,350	1,384,925	827	A
13	Whitewater Wma - Acq	23,375	1,408,300	830	A
14	Whitewater Wma - Acq	7,958	1,416,258	829	A
15	Mikkelson Wma - Acq	77,440	1,493,698	697	A
16	Mikkelson Wma - Acq	60,016	1,553,714	696	A
17	Mikkelson Wma - Acq	87,120	1,640,834	695	A
18	Mikkelson Wma - Acq	17,840	1,658,674	694	A
19	Rosenau Lambrecht - Acq	68,970	1,727,644	706	A
20	SE Hanska Wma - Acq	84,700	1,812,344	677	A
21	SE Hanska Wma - Acq	75,020	1,887,364	708	A
22	Iowa Great Lakes - Acq	169,400	2,056,764	682	A
23	Caribou Wma - Acq	877,250	2,934,014	728	A
24	Skull Lake Wma - Acq	113,740	3,047,754	716	A
25	Halma Swamp Wma - Acq	43,560	3,091,314	731	A
26	Shible Lake Wma - Acq	99,220	3,190,534	713	A
27	Sweetwater Wma - Acq	67,760	3,258,294	800	A
28	Sweetwater Wma - Acq	10,712	3,269,006	799	A
29	McCarthy L. Wma - Acq	21,080	3,290,086	693	A
30	Lac Qui Parle Wma - Acq	12,440	3,302,526	688	A
31	Hand's Marsh Wma - Acq	238,370	3,540,896	676	A
32	Milest Wma - Acq	72,600	3,613,496	819	A
33	Fulda Wma - Acq	52,030	3,665,526	782	A
34	Daubs Lake Wma - Acq	42,350	3,707,876	776	A
35	Pokegama Lake Wma - Acq	96,800	3,804,676	747	A

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Component List

Form G: Non - Buildings

F&W -- Wildlife Acquisition

rank	title	cost	cumulative	reference	
36	Roseau River Wma - Acq	27,020	3,831,696	736	A
37	Irish Lake Wma - Acq	61,347	3,893,043	783	A
999	Adolph Schmidt Wma - Acq	188,760	4,081,803	652	C
999	Ann & Leo Donahue Wm - Acq	12,332	4,094,135	653	B
999	Babcock Wma - Acq	66,550	4,160,685	654	C
999	Ben Lacs Wma - Acq	38,720	4,199,405	657	B
999	Blackberry Wma - Acq	9,200	4,208,605	658	C
999	Blackberry Wma - Acq	302,500	4,511,105	659	C
999	Blue Heron Wma - Acq	48,400	4,559,505	660	C
999	Bootleg Lake Wma - Acq	133,100	4,692,605	661	B
999	Bootleg Lake Wma - Acq	36,300	4,728,905	662	B
999	Buckhorn Lake Wma - Acq	36,300	4,765,205	663	C
999	Bullard Wma - Acq	43,560	4,808,765	664	C
999	Burgen Lake Prairie - Acq	15,950	4,824,715	665	C
999	Burgen Lake Prairie - Acq	38,720	4,863,435	666	C
999	Center Creek Wma - Acq	108,900	4,972,335	667	B
999	Circle Lake Wma - Acq	133,100	5,105,435	668	C
999	Clay Wma - Acq	43,076	5,148,511	669	C
999	Coon Lake Wma - Acq	14,600	5,163,111	670	C
999	David Steen Wma - Acq	96,800	5,259,911	671	B
999	Deer Creek Wma - Acq	25,400	5,285,311	672	C
999	Des Belt Wma - Acq	54,450	5,339,761	673	B
999	Gold Mine Lake Wma - Acq	114,950	5,454,711	674	C
999	Gray Fox Wma - Acq	164,560	5,619,271	675	C
999	Height Of Land Wma - Acq	102,850	5,722,121	680	C
999	Heterodon Dunes Wma - Acq	78,650	5,800,771	681	C
999	Izaak Walton League - Acq	154,880	5,955,651	684	C
999	Jeglum Wma - Acq	54,450	6,010,101	685	C
999	Jervoss Wma - Acq	14,600	6,024,701	686	C
999	Kobliska Wma - Acq	91,960	6,116,661	687	C
999	Little Willow Wma - Acq	12,440	6,129,101	689	C
999	Magaksika Wma - Acq	38,720	6,167,821	690	B
999	Magaksika Wma - Acq	30,800	6,198,621	691	B
999	Marvin Schubring Wma - Acq	30,800	6,229,421	692	C
999	Mud Lake Access - Acq	10,280	6,239,701	698	C

Component List

Form G: Non - Buildings

F&W -- Wildlife Acquisition

rank	title	cost	cumulative	reference	
999	Pischke Wma - Acq	44,649	6,284,350	699	C
999	Pischke Wma - Acq	14,600	6,298,950	700	C
999	Prairie Creek Wma - Acq	30,800	6,329,750	701	C
999	Prairie Lake Wma - Acq	36,300	6,366,050	703	C
999	Ridgeline Wma - Acq	90,750	6,456,800	704	B
999	Rosehill Wma - Acq	151,250	6,608,050	705	B
999	Rurres Wma - Acq	60,500	6,668,550	707	C
999	Sacred Heart Wma - Acq	34,040	6,702,590	709	B
999	Sax Wma - Acq	10,280	6,712,870	711	C
999	Sedge Wren Wma - Acq	135,520	6,848,390	712	C
999	Sioux Agency Wma - Acq	290,400	7,138,790	714	B
999	Sioux Agency Wma - Acq	254,100	7,392,890	715	B
999	Spectacle L. Wma - Acq	14,600	7,407,490	718	C
999	Straight River Wma - Acq	72,600	7,480,090	719	C
999	Swan River Wma - Acq	60,500	7,540,590	720	C
999	Tyson Lake Wma - Acq	67,760	7,608,350	721	C
999	Tyson Lake Wma - Acq	77,440	7,685,790	722	C
999	Tyson Lake Wma - Acq	38,115	7,723,905	723	C
999	Winsor-greenwood Wma - Acq	72,600	7,796,505	724	C
999	Winsor-greenwood Wma - Acq	48,400	7,844,905	725	C
999	Yaeger Lake Wma - Acq	50,820	7,895,725	726	B
999	Burntwood Wma - Acq	25,400	7,921,125	727	C
999	Frank Wma - Acq	145,200	8,066,325	730	C
999	Hill River Wma - Acq	14,600	8,080,925	732	C
999	Mosquito Creek Wma - Acq	181,500	8,262,425	735	C
999	Spring Creek Wma - Acq	60,500	8,322,925	737	C
999	Vanose Wma - Acq	16,760	8,339,685	739	B
999	Wambach Wma - Acq	23,240	8,362,925	740	C
999	Wambach Wma - Acq	242,000	8,604,925	741	C
999	Wambach Wma - Acq	372,680	8,977,605	742	C
999	Castle Creek Wma - Acq	48,400	9,026,005	743	C
999	Great Scott Wma - Acq	20,000	9,046,005	744	C
999	Kettle Lake Wma - Acq	48,400	9,094,405	745	C
999	Owens Wma - Acq	12,440	9,106,845	746	C
999	Zim Wma - Acq	117,370	9,224,215	748	C

Component List

Form G: Non - Buildings

F&W -- Wildlife Acquisition

rank	title	cost	cumulative	reference	
999	Branch Wma - Acq	65,340	9,289,555	749	B
999	Dalbo Wma - Acq	108,900	9,398,455	750	B
999	Dalbo Wma - Acq	72,600	9,471,055	751	B
999	Dalbo Wma - Acq	16,760	9,487,815	752	B
999	Dalbo Wma - Acq	72,600	9,560,415	753	B
999	Dalbo Wma - Acq	21,080	9,581,495	754	B
999	Freemont Wma - Acq	90,750	9,672,245	755	B
999	Iona Wma - Acq	54,450	9,726,695	757	B
999	Kunkel Wma - Acq	15,680	9,742,375	758	B
999	Maple Lake Wma - Acq	42,350	9,784,725	759	B
999	Mystery Lake Wma - Acq	124,630	9,909,355	760	C
999	North Germany Wma - Acq	35,120	9,944,475	761	C
999	North Germany Wma - Acq	29,720	9,974,195	762	C
999	Red Eye Wma - Acq	18,542	9,992,737	763	C
999	Strike Wma - Acq	42,350	10,035,087	764	C
999	Strike Wma - Acq	10,280	10,045,367	765	C
999	Strike Wma - Acq	21,080	10,066,447	766	C
999	Turtle Creek Wma - Acq	43,560	10,110,007	767	C
999	Yeager Lake Wma - Acq	188,760	10,298,767	768	B
999	Amiret Wma - Acq	48,400	10,347,167	769	B
999	Archerville Wma - Acq	23,240	10,370,407	770	B
999	Benderberg Wma - Acq	36,300	10,406,707	771	B
999	Budolfson Wma - Acq	67,760	10,474,467	773	B
999	Cactus Rock Wma - Acq	871,200	11,345,667	774	B
999	Dietrich Lange Wma - Acq	18,920	11,364,587	778	B
999	Iron Lake Wma - Acq	53,240	11,417,827	784	B
999	Kaibab Wma - Acq	11,576	11,429,403	785	B
999	Krahmer Wma - Acq	90,750	11,520,153	786	B
999	Leeds Wma - Acq	37,510	11,557,663	787	C
999	Madsen Wma - Acq	50,215	11,607,878	788	B
999	Maple River Wma - Acq	157,300	11,765,178	789	B
999	Milan Wma - Acq	17,840	11,783,018	790	B
999	Milan Wma - Acq	12,440	11,795,458	791	B
999	Minnie Man Wma - Acq	157,300	11,952,758	792	B
999	Phelan Wma - Acq	210,540	12,163,298	793	C

Component List

Form G: Non - Buildings

F&W -- Wildlife Acquisition

rank	title	cost	cumulative	reference
999	Phelan Wma - Acq	20,108	12,183,406	794 C
999	Revanche Wma - Acq	142,175	12,325,581	795 C
999	Rupp Wma - Acq	25,400	12,350,981	796 B
999	Rupp Wma - Acq	87,120	12,438,101	797 B
999	Schmalz Wma - Acq	139,150	12,577,251	798 B
999	Timber Lake Wma - Acq	90,750	12,668,001	803 B
999	Vale Wma - Acq	60,500	12,728,501	804 B
999	Wieker Wma - Acq	32,960	12,761,461	805 B
999	Wood Lake Wma - Acq	39,930	12,801,391	806 B
999	Wood Lake Wma - Acq	148,709	12,950,100	807 B
999	Aurora Wma - Acq	39,930	12,990,030	808 B
999	Boyd Wma - Acq	48,400	13,038,430	809 B
999	Boyd Wma - Acq	45,980	13,084,410	810 B
999	Carex Wma - Acq	11,900	13,096,310	811 B
999	Carex Wma - Acq	11,900	13,108,210	812 B
999	Geneva Wma - Acq	10,901	13,119,111	813 B
999	Geneva Wma - Acq	10,928	13,130,039	814 B
999	Geneva Wma - Acq	25,400	13,155,439	815 B
999	Geneva Wma - Acq	84,700	13,240,139	816 B
999	Lena Larson Wma - Acq	25,400	13,265,539	817 C
999	Maple Creek Wma - Acq	54,450	13,319,989	818 C
999	Nelson Fen Wma - Acq	67,760	13,387,749	821 B
999	Nelson Fen Wma - Acq	64,130	13,451,879	822 B
999	Peat Bog Wma - Acq	7,904	13,459,783	823 B
999	Perched Valley Wma - Acq	25,400	13,485,183	824 C
999	Sakatah Wma - Acq	70,180	13,555,363	825 C
999	Schumann Wma - Acq	21,080	13,576,443	826 C
999	Zimbrick Wma - Acq	48,400	13,624,843	831 C
999	Bethel Wma - Acq	30,800	13,655,643	832 B

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Component List

Form G: Non - Buildings

F&W -- Scientific & Natural Area Acquisition

rank	title	cost	cumulative	reference
A	Algific Talus Slopes	179,200	179,200	3167
A	Alpine Bilberry	168,000	347,200	3179
A	Bald Eagle	1,120,000	1,467,200	3172
A	Big Woods	604,800	2,072,000	3168
A	Bluff Prairie	1,232,000	3,304,000	3177
A	Calcareous Fen	53,760	3,357,760	3180
A	Five Lined Skink	145,600	3,503,360	3182
A	Glacial Till Prairie	425,600	3,928,960	3178
A	Leedy's Roseroot/Maderite	134,400	4,063,360	3183
A	Northern Hardwoods	672,000	4,735,360	3170
A	Northwest Prairie	1,176,000	5,911,360	3169
A	Ottoa Skipper	224,000	6,135,360	3184
A	Peatlands	784,000	6,919,360	3185
A	Prairie Bush Clover	336,000	7,255,360	3171
A	Prairie Moonwort	53,760	7,309,120	3181
A	Prairie White Fringed Orchid	145,600	7,454,720	3173
A	Ramshead Orchid	60,480	7,515,200	3174
A	Sand Dunes	1,120,000	8,635,200	3165
A	Sand Prairie	1,120,000	9,755,200	3166
A	Trout Lily	364,000	10,119,200	3175
A	Wet Prairie Parkland	369,600	10,488,800	3176
A	Wood Turtle	168,000	10,656,800	3186

22 Components

FY 94-95 Prairie Bank Priority Sign-up Areas
 (Based on goal of 2000 ac/yr)

Enrollment Area	County	Acres	Cost
Red River Valley Beach Ridges	Kittson, Marshall, Polk, Pennington, Red lake, Norman, Clay	1500	\$525,000
Minnesota River Valley	Traverse, Bigstone, Lac qui Parle, Swift, Chippewa, Yellow Medicine, Renville, Redwood, Brown, Nicollet, Blue Earth, LeSeur	800	\$280,000
Alexander Moraine	Douglas, Pope, Swift, Kandiyohi	600	\$210,000
Prairie Coteau Escarpment	Linclon, Murry, Nobles, Jackson	600	\$210,000
Sioux Quartzite Outcrops	Pipestone, Rock	300	\$105,000
Cannon River/Mississippi River Blufflands	Rice, Goodhue, dakota, Wabasha, Winina, Houston	200	\$70,000
Totals		4000	\$1,400,000

Component List

Form G: Non - Buildings

F&W -- NAWMP Acquisition

rank	title	cost	cumulative	reference
A	Bailout WMA	15,730	15,730	3198
A	Bailout WMA	22,688	38,418	3199
A	Caron WMA	133,100	171,518	3197
A	Fritsche Creek WMA	54,450	225,968	3204
A	Fritsche Creek WMA	108,900	334,868	3205
A	Heron Lake WMA	300,080	634,948	3190
A	Heron Lake WMA	338,800	973,748	3191
A	Lac qui Parle WMA	229,900	1,203,648	3200
A	Lac qui Parle WMA	76,230	1,279,878	3201
A	Lac qui Parle WMA	291,610	1,571,488	3202
A	Maple Creek WMA	54,450	1,625,938	3187
A	Moonan Marsh WMA	169,400	1,795,338	3189
A	Omro WMA	54,450	1,849,788	3206
A	Ruthton WMA	56,870	1,906,658	3203
A	Straight River WMA	78,650	1,985,308	3188
A	Swan Lake WMA	358,160	2,343,468	3207
A	Swan Lake WMA	108,295	2,451,763	3208
A	Swan Lake WMA	390,225	2,841,988	3209
A	Swan Lake WMA	151,371	2,993,359	3210
A	Swan Lake WMA	17,424	3,010,783	3211
A	Swan Lake WMA	42,350	3,053,133	3212
A	Toe WMA	545,952	3,599,085	3192
A	Toe WMA	56,870	3,655,955	3193
A	Toe WMA	15,730	3,671,685	3194
A	West Graham WMA	194,810	3,866,495	3195
A	West Graham WMA	65,340	3,931,835	3196

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AGENCY CAPITAL BUDGET REQUEST

Non-Building Project Detail

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: RIM - Fish and Wildlife Fisheries Acquisition
PROJECT COSTS: \$1,850
APPROPRIATION REQUEST FOR 1994 SESSION: \$350
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$700
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$800
LOCATION (CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

16 of 21 requests

1. PROJECT DESCRIPTION:

In accordance with the Department's strategic plan "Directions", \$350 in funds are requested for acquisition of trout stream easements for fisheries management purposes.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

DNR Directions: *We will protect and manage Minnesota's diverse ecosystems, respect the natural world, and enhance the beauty of our surroundings by concentrating resource management efforts on systems having the greatest pressure from population growth and development: wetlands, blufflands and river corridors, urban natural areas, and aggregate resources; preserving biological diversity at the genetic, species, and ecosystem levels; protecting surface water and groundwater resources to address increasing demand, user conflicts, and domestic, agricultural, and industrial pollution; preserving unique natural, cultural, historical, and archaeological resources; and using cost-effective methods to acquire land and develop facilities needed for resource protection and management and that allow appropriate public use of natural resources.*

DNR Directions: *We will provide opportunities to enjoy our outdoor recreation resources by developing and maintaining safe, accessible outdoor recreation facilities and providing quality recreation services.*

Acquisition of trout stream easements has been the most important component of the fisheries acquisition program. Trout streams are considered by the public to be a precious state resource and are highly vulnerable to degradation. Easements provide environmental protection of the riparian zone and angler access. Easements also provide access for DNR personnel and constituent cooperators to participate in trout habitat improvement projects.

Acquisition of warm water stream easements and aquatic management areas is a new component of the fisheries acquisition program. Easement acquisition on warm water streams has the same benefits as for trout streams. Aquatic Management Areas were authorized by the 1992 legislature as part of the Outdoor Recreation System. Aquatic Management Areas are intended to protect critical fisheries habitats such as sensitive riparian areas and undeveloped lakeshores. Areas targeted would include unique or important habitats such as aquatic plant beds or fish spawning areas. The demand for lake shore property continues to increase causing more development of shoreline areas. Development along lakeshores has adversely affected fisheries habitat through shoreline modifications and removal of aquatic vegetation. Critical spring areas along trout streams have been adversely impacted in some cases and need protection to enhance water quality. Aquatic Management Areas would provide opportunities to add needed protection to the states fisheries resource.

The long range goal for trout stream easements is to acquire approximately 1,000 miles. There are currently about 195 miles of trout stream easements. The goal through F.Y. 1999 is to acquire an additional 60 miles at a cost of about \$1,200. This requires funding at \$200 each F.Y., which is about the maximum that could be used given the logistics of the acquisition process and personnel available to contact landowners. This request, along with a \$50 appropriation from the Legislative Commission on Minnesota Resources (LCMR) for trout stream easements, would meet the goal for F.Y. 1994-95.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

The long range goal for Aquatic Management Areas and warm water stream easements needs to be developed once these programs become better established. Currently, priorities are established on the basis of individual lake and stream management plans. No funding is requested for F.Y. 1994-95 for Aquatic Management Areas and warm water stream easements because fisheries needs can be covered with an appropriation of \$250 from LCMR; however, the projected needs for F.Y. 1996-99 are \$300 and \$400 for Aquatic Management Areas and warm water stream easements, respectively.

3. OTHER CONSIDERATIONS (OPTIONAL):

Currently, there is no funding in the operating budget of fisheries specifically earmarked for fisheries acquisition. Some trout stamp money has been used in recent years; however, the amounts have been relatively small because there are substantial costs of habitat improvement and trout culture which the trout stamp also funds. No trout stamp money is available for acquisition in F.Y. 94; however, a total of \$300 was appropriated from LCMR funds for acquisition in F.Y. 1994-95 including \$50 for trout streams, \$50 for warmwater streams, and \$200 for Aquatic Management Areas. As a result, the additional funding needs for fisheries acquisition are less for this biennium than they will be for the next two.

A prioritized list of acquisition projects has been included. However, it is necessary to purchase easements on a "willing seller" basis. As a result, the specific parcels which would be obtained with this appropriation cannot be identified at this time.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 350 Total Appropriation Request (1994 Session)
- \$ 350 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Steve Hirsch Fisheries Program Manager 612/296-0791 07/20/93
Name Title Telephone Date

**AGENCY CAPITAL BUDGET REQUEST
 Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)**

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

The Governor and the Legislature may wish to consider the Game and Fish Fund as a source for debt service payments on this project.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$250,000 for this project. Also included are preliminary recommendations of \$350,000 in 1996 and \$350,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	40
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	190

“A” Ranked Fisheries Projects Sorted by Program

	Title	Total	Rank	
Acquisition				
80	Trout Stream Corridor Easement	31,700	A	5
111	Little Rock Creek Trout Stream Easements	20,714	A	6
228	Assumption Creek Easement Acquisition	139,599	A	7
114	Luxemburg Creek Trout Stream Easement	149,829	A	12
112	Stoney Brook Trout Stream Easement	45,049	A	13
229	Eagle Creek Easement Acquisition	174,474	A	17
109	Willow Creek Trout Stream Easements	48,149	A	21
116	Lawrence Creek Trout Stream Easements	40,399	A	22
79	Trout Stream Easement	13,500	A	27
115	Cory Brook Trout Stream Easements	10,379	A	28
129	Pickwick Creek Fisheries Mgmt Acquisitio	157,727	A	29
226	Browns Creek Angler Easement Acquisition	27,999	A	30
227	Vermillion River Angler Easement Acquisi	201,599	A	31
130	West Beaver Creek Fma	29,700	A	32
117	Hay Creek Trout Stream Easements	131,849	A	33
85	Sucker Brook trout stream acquisition	29,400	A	34
81	Trout Stream Corridor Easement	13,850	A	35
113	Whitelys Creek Trout Stream Easement	8,759	A	36
131	Mid. Br. Whitewater River Fma	81,740	A	37
147	Trout Run Creek Fma	88,477	A	38
118	Bangs Brook Trout Stream Easements	69,849	A	39
110	Long Lake Creek Trout Stream Easement	4,547	A	40
165	Middle Creek Fma	102,274	A	41
119	Crooked Creek Trout Stream Easements	161,299	A	54
599	Sand Creek Easement Aquisition	155,099	A	55
225	Trout Stream Watershed Acquisition	698,000	A	59
155	Spring Creek Fma	105,152	A	60
135	Diamond Creek Fma	39,432	A	61
154	Hay Creek Fma	105,152	A	62
120	Round Creek Trout Stream Easement	14,049	A	63
186	Bee Creek Fma	16,839	A	65
158	Gilbert Creek Fma	86,874	A	68
145	Rush Creek Fma	216,875	A	73
127	Rupprecht Valley Creek Fisheries Mgmt Ac	128,811	A	74
143	Pine Creek Fma	152,265	A	77
152	Trout Brook Fma	65,720	A	78
132	Big Springs Creek Fma	54,178	A	81
166	Miller Creek Fma	100,018	A	82
136	Duschee Creek Fma	26,287	A	85
177	Gilmore Valley Creek Fma	92,007	A	86

128	Camp Creek Fisheries Mgmtt Acquisit	238,195	A	89
171	Bear Creek Fma	141,706.	A	90
137	Hemmingway Creek Fma	22,921	A	93
156	Spring Brook Fma	31,421	A	94
142	Nepstad Creek Fma	84,965	A	101
157	Cold Spring Brook Fma	7,376	A	102
148	Gernander Creek Fma	29,165	A	103
176	Garvin Brook Fma	64,281	A	104
139	Lynch Creek Fma	94,885	A	105
161	East Indian Creek Fma	89,131	A	106
138	Little Jordan Creek Fma	11,956	A	107
162	West Indian Creek Fma	94,885	A	108
210	Pine Creek Fma	146,423	A	109
126	Mill Creek Fisheries Mgmt Acquisit	310,976	A	112
604	Establishment Of Aquatic Mgmt Area	775,000	A	114

**“B & C” Ranked
Fisheries Projects
Sorted by Program**

PAGE B-215

	Title	Total	Rank
Acquisition			
87	Flute Reed River Easement Acquisition	358,330	B
89	Kimball Creek Easement Acquisition	27,640	B
96	Sauk River Fishing Pier	21,000	B
102	Mink Lake Aeration System	30,000	B
103	Little Waverly Lake Aeration System	30,000	B
107	Martha Lake Aeration System	30,000	B
141	Money Creek Fma	94,885	B
146	Spring Valley Creek Fma	386,433	B
151	Pine Creek Fma	65,720	B
163	Long Creek Fma	52,575	B
173	East Burns Valley Creek Fma	86,874	B
174	West Burns Valley Creek Fma	26,287	B
175	Cedar Valley Creek Fma	228,581	B
181	Rollingstone Creek Fma	36,554	B
207	Money Creek Fma	170,872	B
224	Carey Creek Fma	216,712	B
82	Trout Stream Corridor Easement	5,400	C
83	Trout Stream Corridor Easement	16,400	C
84	Detroit Lks Area Trout Stream Rehab-pa	99	C
93	Poplar River Easement Acquisition	99,650	C
105	Quamba Lake Aeration System	30,000	C
159	Gorman Creek Fma	68,596	C
170	Helbig Creek Fma	16,020	C
179	Little Pickwick Fma	92,007	C
206	Maple Creek Fma	113,654	C
211	Pine Creek, South Fork Fma	26,779	C
213	Riceford Creek Fma	220,571	C
Total		27	2,551,647

**“D & E” Ranked
Fisheries Projects
Sorted by Program**

	Title	Total	Rank
Acquisition			
20	Tomato Creek Easement Aquisition	8,500	D
78	Spruce Creek Corridor Easements	79,400	D
90	Deer Yard Creek Easement Acquisition	11,204	D
91	Carlson Creek Easement Acquisition	31,350	D
92	Little Devil Track R. Easement Acquisiti	99,650	D
99	Skifstrom Lake Fishing Pier	30,000	D
149	Winnebago Creek Fma	305,188	D
153	Bullard Creek Fma	44,565	D
160	Hammond Creek Fma	13,144	D
164	Mazeppa Creek Fma	23,411	D
167	Second Creek Fma	13,144	D
168	Spring Creek Fma	136,573	D
169	Trout Brook Fma	23,411	D
172	Beaver Creek Fma	19,715	D
178	Peterson Creek Fma	16,020	D
180	Pleasant Valley Creek Fma	181,139	D
182	Trout Valley Creek Fma	83,997	D
183	Ahrensfield Creek Fma	95,048	D
185	Main Br. Beaver Creek Fma	177,607	D
208	New York Hollow Creek Fma	44,238	D
209	Newburg Creek Fma	28,217	D
212	Raaen Creek Fma	70,689	D
217	Swede Bottom Creek Fma	9,723	D
221	Wildcat Creek Fma	113,162	D
222	Willow Creek Fma	285,473	D
223	Woodson Creek Fma	38,157	D
97	Mississippi River Shore Fishing Site	40,500	E
100	Ann Lake Fishing Pier	30,000	E
125	Hallum Creek Fma	36,554	E
133	Campbell Creek Fma	57,874	E
134	Corey Creek Fma	170,543	E
140	Mahoods Creek Fma	13,472	E
144	Rice Creek Fma	108,846	E
150	Wisel Creek Fma	346,712	E
184	Badge Creek Fma	21,808	E
187	Berg Creek Fma	26,287	E
188	Blagsvedt Creek Fma	23,084	E
189	Bloody Run Creek Fma	109,620	E
190	Bridge Creek Fma	141,380	E
191	Brush Valley Creek Fma	55,453	E

192	Burns Valley Creek Fma	40,870	E
193	Butterfield Creek Fma	90,569	E
194	Chickentown Creek Fma	23,246	E
195	Coolridge Creek Fma	10,383	E
196	Crystal Creek Fma	85,600	E
197	Eitzen Creek Fma	34,953	E
198	Etna Creek Fma	34,953	E
199	Frego Creek Fma	94,885	E
200	Girl Scout Camp Creek	53,850	E
201	Hamilton Creek Fma	10,611	E
202	Kedron Creek Fma	10,839	E
203	Klnney Creek Fma	52,575	E
204	Looney Creek Fma	70,199	E
205	Lost Creek Fma	39,432	E
214	Rose Valley Creek Fma	82,232	E
215	Silver Creek Fma	229,693	E
216	StoRer Creek Fma	121,173	E
218	Thompson Creek Fma	202,293	E
219	Vesta Creek Fma	83,506	E
220	Watson Creek Fma	440,159	E
<hr/>			
	Total	60	4,976,902
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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Water Access Acquisition and Betterment
PROJECT COSTS: \$21,000
APPROPRIATION REQUEST FOR 1994 SESSION: \$8,318
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$6,400
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$6,282
LOCATION (CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

17 of 21 requests

1. PROJECT DESCRIPTION:

This program provides the public with access to Minnesota's lakes and rivers in a comprehensive manner and serves a diverse clientele. Access includes fishing piers, shore fishing, and boat access. For Fiscal Year 1994-95, our goals are to acquire, construct, and rehabilitate 40 public water access sites at a cost of \$7.318 million (including Lake Minnetonka), and construct 40 piers and shoreline access sites at a cost of \$1 million.

This program would provide boat access to lakes and rivers that meet the needs of people with disabilities and that are in high demand by the public for many uses including but not limited to activities such as boating, sailing, fishing, and observation. A Department of Natural Resources (DNR) public water access typically contains a boat launching ramp and a parking lot. In high use areas, portable toilets, docks, safety lighting, safety and informational signing, and landscaping are also provided.

Access to Minnesota lakes and rivers continues to be in high demand. From the 1988 statewide boating survey conducted by the University of Minnesota, we know that three-fourths of the state's boat owners launch a boat at a free public water access site at least once each year. Boat registrations continue to increase at a rate of approximately 1.5 percent per year. For 1992, Minnesota was third in the nation with over 727,000 registered boats. Minnesota is highest in the nation in boats per capita with one boat for every six people.

Another component of the program is to provide angling opportunities through fishing piers and shoreline improvements for those without a boat including special populations such as persons with disabilities, the elderly, and children. The Water Recreation Program is evaluating and developing potential fishing sites by designing and constructing floating piers, permanent piers, shore platforms, and making shoreline modifications. Fishing piers and shoreline enhancements are barrier-free and, generally, operated and maintained through a cooperative effort with local units of government. The DNR's Trails and Waterways Unit has 139 floating piers and 1 permanent pier statewide. Seven shore fishing projects are being built during 1993 in the metro area with funding provided by the Legislative Commission on Minnesota Resources (LCMR). Local units of government usually provide the land, ongoing maintenance, and sometimes partial construction funding. Fishing piers are built by Prison Industries at Stillwater and are installed by the DNR.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

DNR Directions: *We will provide opportunities to enjoy our outdoor recreation resources by developing and maintaining safe, accessible outdoor recreation facilities and providing quality recreation services.*

State law and DNR policy have long recognized the rights of citizens to use one of Minnesota's greatest resources: its lakes and rivers. This program provides the mechanism for the public to use those waters by providing developed access sites for a variety of clientele.

Our first goal is to acquire, construct, and rehabilitate approximately 300 boat accesses over the next ten years at a estimated cost of \$34 million. A priority listing of lakes was established in 1993 that identifies 850 public access sites statewide yet to be acquired and developed. This list was established using the water access site criteria system created in 1980. Using this system, priorities are ranked according to lake size, lake type, and water clarity. Sites are acquired and developed according to the priority of the lake and the availability of willing sellers. The access program criteria is attached as Exhibit A, and the Lake Priority Ranking is included on the following pages as Exhibit B.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)

Form G-1

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Suitable lakeshore for access sites is becoming more scarce due to private developments. As lakeshore property values continue to increase, acquisition funds do not purchase as much. If we do not accelerate acquisition, the public may be denied access or have severely restricted access to lakes and rivers.

The Legislative Commission on Minnesota Resources (LCMR) has provided \$944 for the 1994-95 biennium for acquisition of a multi-purpose access site on Lake Minnetonka. An additional \$600 is needed to purchase the site and \$400 is needed for construction. This site would include a boat access, fishing pier, and/or shoreline fishing area and other public use areas as appropriate.

Our second goal is to construct 200 fishing piers and shore fishing sites over the next ten years at an estimated cost of \$5 million. Fishing piers and shoreline access sites are very popular, and there is a substantial backlog of requests from local governments and angling clubs. Every year the fishing pier backlog of projects and new projects are re-prioritized using ranking criteria developed by the DNR's Trails and Waterways Unit and the Section of Fisheries. The fishing pier ranking form is attached as Exhibit C. The list of backlog fishing pier projects is attached as Exhibit D.

Shore fishing allows people with only a few hours of spare time a chance to get out and enjoy the sport. Studies on fishing pier use in the metro area indicate that they provide from 3,000 to 6,000+ hours of angling per pier, per season. Providing a constant level of funding for the next ten years would allow the DNR to meet the statewide demand for these types of facilities.

State funds are provided for the Water Recreation program from the Water Recreation Account which includes boat license fees and 1.5 percent of the highway gas tax receipts based on motor boat use. Additional funding for operations is budgeted from the Game and Fish fund based on federal fund receipts earned by the activity. Currently, state funds budgeted from these accounts include \$1.1 million annually for development and land acquisition. The LCMR has provided \$500 for water access acquisition and development for the 1994-95 biennium.

Due to the federal Wallop-Breaux Trust Fund, Minnesota's water access program is eligible for federal financial assistance from two different sources as follows:

The federal Sport Fish Restoration Account requires that Minnesota spend 12.5 percent of its federal apportionment of \$9.8 million on boat access. These funds are earned using state acquisition and construction monies and are reimbursed at 75 percent. This means Minnesota must spend over \$1.6 million on boat access annually to remain eligible for the maximum amount of federal funding available under this particular financial assistance program. At the federal level, these funds are administered by the U.S. Fish and Wildlife Service.

The second source of federal financial assistance is the Boat Safety Account. Minnesota receives \$500 per year on a 50/50 match basis using state acquisition and construction funds. These funds are administered by the U.S. Coast Guard.

As a result of the two federal financial assistance programs, Minnesota must annually spend over 2.1 million dollars on acquisition and development of boat access sites to meet requirements and maximize receipt of federal funds. Without increased capital expenditure appropriations, Minnesota's ability to earn federal funds is jeopardized.

Minnesota also earns federal funds for fishing piers under the Sport Fish Restoration Account. For the current biennium, the LCMR has provided \$500 for fishing piers and shore fishing access. This request accelerates that program and could result in more federal funds earned by the state.

3. OTHER CONSIDERATIONS (OPTIONAL):

This program provides funding for acquisition and development of boat access sites that are very expensive to acquire and develop. These costs would be impossible to absorb in the regular budget of the Water Access Program. It also provides fishing piers and shoreline access improvements which are not included in the department's regular budgets.

Under the Wallop-Breaux Act, Minnesota is required to spend 12.5 percent of its federal allotment on boat access. These funds are earned using state

**AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)**

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Form G-1

acquisition and construction funds as a match. Without continued state appropriations, Minnesota's ability to earn federal funds and meet federal law is jeopardized.

Maintenance: In order to provide high quality access sites, to keep boat launching ramps in good shape, and to provide and maintain amenities such as docks and toilet facilities, maintenance funds are provided for access sites statewide. Adding 40 new sites in a biennium would increase maintenance statewide at a cost of approximately \$20 to \$30 a year. Funding for access site maintenance is primarily through the Water Recreation Account. In addition, the State is assisted by local units of government throughout the state when providing public access. In many cases, the State cooperatively develops a site by providing capital funds and, in turn, the local unit of government takes responsibility for the day-to-day operation and maintenance of the site. Fishing piers and shore fishing sites are taken care of in a similar manner. Day-to-day maintenance is typically provided by local units of government and major repairs are funded by the State.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify): Joint Ventures/US Forest Service

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____
- Source of funds _____

FUNDING SOURCE:

- \$ 8,318 Total Appropriation Request (1994 Session)
- \$ 8,318 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Mike Markell Supervisor, Water Recreation 612/296-6413 07/22/93
Name Title Telephone Date

**AGENCY CAPITAL BUDGET REQUEST
 Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)**

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

The Governor and the Legislature may wish to consider the water Recreation Account in the Natural Resources Fund as a source for debt service payments on this project.

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend capital funds for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	20
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	170

"A" Priority Projects by County

Aitkin County

2238	Public access - Big Sandy (east shore) L Activity: Acq	Dev	54.000	
		Acq	109.000	
2284	Public access - Clear Lk Activity: Acq	Dev	40.000	
		Acq	54.000	
2285	Public access - Farm Island (N. side) Lk Activity: Acq	Dev	40.000	
		Acq	109.000	
County Sub-total:			Development	134.000
			Acquisition	272.000

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Becker County

2073	Public access - Big Cormorant (SE Shore) Activity: Acq	Dev	47.000	
		Acq	109.000	
County Sub-total:			Development	47.000
			Acquisition	109.000

Beltrami County

2091	Public access - Bemidji (Stump) Lk Activity: Acq	Dev	40.000	
		Acq	44.000	
2080	Public access - Long (Lbrty, Twshp) Lk Activity: Acq	Dev	15.000	
		Acq	19.000	
2081	Public access - Marquette Lk Activity: Acq	Dev	40.000	
		Acq	87.000	
2082	Public access - Movil Lk Activity: Acq	Dev	40.000	
		Acq	87.000	
2085	Public access - Big Rice Lk Activity: Dev	Dev	40.000	
		Acq	14.000	
2123	Public access - Kitchi Lk Activity: Dev	Dev	54.000	
		Acq	0	
2124	Public access - Long Lk Activity: Dev	Dev	40.000	
		Acq	0	
County Sub-total:			Development	269.000
			Acquisition	251.000

Big Stone County

2751	Public access - Big Stone Lk Activity: Acq	Dev	5.000	
		Acq	9.000	
County Sub-total:			Development	5.000
			Acquisition	9.000

Carver County

2886	Public access - Waconia Lk Activity: Acq	Dev	94.000	
		Acq	109.000	

A Priority Projects by County

County Sub-total: Development
Acquisition

94,000
109,000

Cass County

2474	Public access - Ada Lk	Dev	54,000
	Activity: Acq	Acq	109,000
2476	Public access - Big Deep Lk	Dev	40,000
	Activity: Acq	Acq	65,000
2304	Public access - Big Sand Lk	Dev	40,000
	Activity: Acq	Acq	54,000
2506	Public access - Birch Lk	Dev	54,000
	Activity: Acq	Acq	109,000
2482	Public access - Gull Lk	Dev	125,000
	Activity: Acq	Acq	218,000
2092	Public access - Little Wolf Lk	Dev	15,000
	Activity: Acq	Acq	29,000
2507	Public access - Long Lk	Dev	54,000
	Activity: Acq	Acq	87,000
2497	Public access - Pleasant Lk	Dev	54,000
	Activity: Acq	Acq	98,000
2093	Public access - Steamboat Lk	Dev	15,000
	Activity: Acq	Acq	29,000
1478	Public access - Sylvan Lk	Dev	47,000
	Activity: Acq	Acq	87,000
2508	Public access - Ten Mile Lk	Dev	75,000
	Activity: Acq	Acq	131,000
2498	Public access - Thunder Lk	Dev	68,000
	Activity: Acq	Acq	120,000
2473	Public access - Washburn Lk	Dev	54,000
	Activity: Acq	Acq	76,000
2509	Public access - Webb Lk	Dev	47,000
	Activity: Acq	Acq	76,000
2481	Public access - Woman Lk	Dev	54,000
	Activity: Acq	Acq	120,000
2477	Public access - Baby Lk	Dev	47,000
	Activity: Dev	Acq	34,000
2126	Public access - Leech Lk (site 1)	Dev	68,000
	Activity: Dev	Acq	0
2127	Public access - Leech Lk (site 2)	Dev	20,000
	Activity: Dev	Acq	0
1094	Public access - Leech Lk (site 3)	Dev	125,000
	Activity: Dev	Acq	87,000

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"A" Priority Projects by County

2475	Public access - Mule Lk Activity: Dev	Dev	54,000	
		Acq	0	
County Sub-total:			Development	1,110,000
			Acquisition	1,529,000

Chisago County

2903	Public access - Sunrise Lk Activity: Acq	Dev	68,000	
		Acq	164,000	
County Sub-total:			Development	68,000
			Acquisition	164,000

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Clay County

2128	Public access - Red River (S of I-94) Activity: Dev	Dev	100,000	
		Acq	0	
County Sub-total:			Development	100,000
			Acquisition	0

Cook County

2441	Public access - Greenwood Lk Activity: Dev	Dev	10,000	
		Acq	0	
2432	Public access - Pike Lk Activity: Dev	Dev	20,000	
		Acq	0	
County Sub-total:			Development	30,000
			Acquisition	0

Crow Wing County

2493	Public access - Bay Lk Activity: Acq	Dev	75,000	
		Acq	131,000	
2471	Public access - Big Trout Lk Activity: Acq	Dev	68,000	
		Acq	82,000	
2470	Public access - Cross Lk Activity: Acq	Dev	94,000	
		Acq	109,000	
2492	Public access - Hubert Lk Activity: Acq	Dev	68,000	
		Acq	109,000	
2490	Public access - Ossawinnamakee Lk Activity: Acq	Dev	54,000	
		Acq	76,000	
2483	Public access - Pelican Lk Activity: Acq	Dev	88,000	
		Acq	153,000	
2472	Public access - Rush Lk Activity: Acq	Dev	75,000	
		Acq	109,000	
2489	Public access - Smith Lk Activity: Acq	Dev	47,000	
		Acq	76,000	
_491	Public access - Upper Hay Lk Activity: Acq	Dev	47,000	
		Acq	87,000	

"A" Priority Projects by County

2494	Public access - West Fox Lk Activity: Acq	Dev	47,000
		Acq	65,000
2469	Public access - Whitefish Lk Activity: Acq	Dev	94,000
		Acq	109,000

County Sub-total:	Development	757,000
	Acquisition	1,106,000

Dakota County

2910	Public access - Miss. R. (site 3) Activity: Acq	Dev	68,000
		Acq	179,000
2911	Public access - Miss. R./S.Paul Park Activity: Dev	Dev	100,000
		Acq	0

County Sub-total:	Development	168,000
	Acquisition	179,000

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Douglas County

2134	Public access - Darling Lk Activity: Acq	Dev	68,000
		Acq	164,000
2138	Public access - Le Homme Dieu Lk Activity: Acq	Dev	68,000
		Acq	65,000
2135	Public access - Miltona Lk Activity: Acq	Dev	54,000
		Acq	109,000
2141	Public access - Mud (Latoka) Lk Activity: Acq	Dev	10,000
		Acq	14,000
2201	Public access - Carlos (East) Lk Activity: Dev	Dev	2,000
		Acq	0
2202	Public access - Miltona (West) Lk Activity: Dev	Dev	5,000
		Acq	0

County Sub-total:	Development	207,000
	Acquisition	352,000

Goodhue County

2845	Public access - Lake Pepin Activity: Acq	Dev	68,000
		Acq	179,000

County Sub-total:	Development	68,000
	Acquisition	179,000

Hennepin County

2875	Public access - Minnetonka Lk, Maxwell Bay Activity: Acq	Dev	270,000
		Acq	840,000
9001	Public access - Minnetonka Lk - Site 2. Activity: Acq	Dev	270,000
		Acq	1,635,000
'8	Public access - Minnesota River Activity: Dev	Dev	230,000
		Acq	0

"A" Priority Projects by County

2877	Public access - Miss.River/Lyndale Activity: Dev	Dev	230.000	
		Acq	0	
County Sub-total:			Development	1,000.000
			Acquisition	2,475.000

Houston County

2838	Public access - Miss.R.Pool8 (site 1) Activity: Acq	Dev	68.000	
		Acq	90.000	
2868	Public access - Miss.R.Pool8 (site 2) Activity: Acq	Dev	125.000	
		Acq	268.000	
County Sub-total:			Development	193.000
			Acquisition	358.000

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Hubbard County

2106	Public access - 11th Crow Wing Lk Activity: Acq	Dev	15.000	
		Acq	19.000	
2095	Public access - Big Sand Lk Activity: Acq	Dev	68.000	
		Acq	109.000	
2104	Public access - No. Twin Lk Activity: Acq	Dev	15.000	
		Acq	24.000	
2105	Public access - Plantagenet (N. Shore) L Activity: Acq	Dev	40.000	
		Acq	82.000	
2098	Public access - West Crooked Lk Activity: Acq	Dev	15.000	
		Acq	24.000	
County Sub-total:			Development	153.000
			Acquisition	258.000

Itasca County

2312	Public access - Ball Club Lk Activity: Acq	Dev	40.000	
		Acq	34.000	
2314	Public access - Bass Lk Activity: Acq	Dev	40.000	
		Acq	44.000	
2239	Public access - Pokegama Lk Activity: Acq	Dev	10.000	
		Acq	109.000	
2305	Public access - Round Lk Activity: Acq	Dev	40.000	
		Acq	54.000	
2307	Public access - Sissebakwet (Sugar) Lk Activity: Acq	Dev	54.000	
		Acq	44.000	
County Sub-total:			Development	184.000
			Acquisition	285.000

Kandiyohi County

569	Public access - Bear Lk Activity: Acq	Dev	38.000	
		Acq	65.000	

"A" Priority Projects by County

2666	Public access - Green Lk Activity: Acq		Dev	20,000	
			Acq	82,000	
			County Sub-total:	Development	58,000
				Acquisition	147,000

Kittson County

2109	Public access - Red River/St. Vincent Activity: Dev		Dev	100,000	
			Acq	27,000	
			County Sub-total:	Development	100,000
				Acquisition	27,000

Koochiching County

2345	Public access - Rainy River Activity: Acq		Dev	125,000	
			Acq	179,000	
2404	Public access - Rainy River Activity: Dev		Dev	47,000	
			Acq	54,000	
			County Sub-total:	Development	172,000
				Acquisition	233,000

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Lac Qui Parle County

2703	Public access - Minnesota River Activity: Acq		Dev	20,000	
			Acq	36,000	
			County Sub-total:	Development	20,000
				Acquisition	36,000

Lake County

2410	Public access - Snowbank Lk Activity: Acq		Dev	20,000	
			Acq	49,000	
			County Sub-total:	Development	20,000
				Acquisition	49,000

Lk Of The County

2110	Public access - Lk of the Woods(Site 2) Activity: Acq		Dev	68,000	
			Acq	54,000	
2860	Public access - Lake of the Woods Lk (Site 1) Activity: Dev		Dev	125,000	
			Acq	0	
2111	Public access - Lk of the Wds (Site 3) Activity: Dev		Dev	125,000	
			Acq	44,000	
			County Sub-total:	Development	318,000
				Acquisition	98,000

Mille Lacs County

2484	Public access - Mille Lacs Lk Activity: Acq		Dev	125,000	
			Acq	164,000	

"A" Priority Projects by County

2573	Public access - Onamia Lk Activity: Acq	Dev	40.000	
		Acq	34.000	
		County Sub-total:	Development	165.000
			Acquisition	198.000

Morrison County

2485	Public access - Shamineau Lk Activity: Acq	Dev	54.000	
		Acq	87.000	
		County Sub-total:	Development	54.000
			Acquisition	87.000

Nicollet County

2827	Public access - Minnesota RM 163 Activity: Acq	Dev	8.000	
		Acq	14.000	
		County Sub-total:	Development	8.000
			Acquisition	14.000

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Norman County

2129	Public access - Red River - Halsted Activity: Dev	Dev	94.000	
		Acq	0	
		County Sub-total:	Development	94.000
			Acquisition	0

Olmsted County

3005	Public Access - WR4/Rochester Reservoir Activity: Dev	Dev	172.000	
		Acq		
		County Sub-total:	Development	172.000
			Acquisition	

Otter Tail County

2190	Public access - Clitherall Lk Activity: Acq	Dev	10.000	
		Acq	44.000	
2181	Public access - Crystal Lk Activity: Acq	Dev	40.000	
		Acq	87.000	
2133	Public access - East Lost Lk Activity: Acq	Dev	15.000	
		Acq	34.000	
2160	Public access - Little McDonald Lk Activity: Acq	Dev	20.000	
		Acq	65.000	
2176	Public access - Lizzie Lk Activity: Acq	Dev	40.000	
		Acq	98.000	
2180	Public access - Pelican (Little) Lk Activity: Acq	Dev	10.000	
		Acq	54.000	
2189	Public access - South Lida Lk Activity: Acq	Dev	20.000	
		Acq	65.000	

"A" Priority Projects by County

2158	Public access - Stalker Lk Activity: Acq	Dev Acq	10,000 34,000
2162	Public access - Swan Lk Activity: Acq	Dev Acq	20,000 76,000
2182	Public access - West Lost Lk Activity: Acq	Dev Acq	20,000 44,000
2209	Public access - Crystal Lk Activity: Dev	Dev Acq	10,000 0
2211	Public access - Eagle Lk Activity: Dev	Dev Acq	10,000 0
2214	Public access - Little Pine (SW) Lk Activity: Dev	Dev Acq	5,000 0
2215	Public access - Long (Vergas) Lk Activity: Dev	Dev Acq	5,000 0
2219	Public access - West Battle Lk Activity: Dev	Dev Acq	2,000 0
2220	Public access - West Lost Lk Activity: Dev	Dev Acq	2,000 0

County Sub-total:	Development	239,000
	Acquisition	601,000

Pine County

301	Public access - Sand Lk Activity: Acq	Dev Acq	54,000 44,000
2595	Public access - Sturgeon Lk Activity: Acq	Dev Acq	75,000 65,000
2596	Public access - Grindstone Lk Activity: Dev	Dev Acq	65,000 54,000

County Sub-total:	Development	194,000
	Acquisition	163,000

Polk County

2112	Public access - Union Lk Activity: Acq	Dev Acq	20,000 29,000
2114	Public access - Red River (Climax) Activity: Dev	Dev Acq	94,000 27,000

County Sub-total:	Development	114,000
	Acquisition	56,000

Pope County

2195	Public access - Minnewaska Lk Activity: Acq	Dev Acq	40,000 98,000
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"A" Priority Projects by County

2223	Public access - Minnewaska (Glenwood) Lk Activity: Dev	Dev	5,000	
		Acq	0	
2224	Public access - Minnewaska (Starbuck) Lk Activity: Dev	Dev	5,000	
		Acq	0	
County Sub-total:			Development	50,000
			Acquisition	98,000

Redwood County

2754	Public access - Minnesota River Activity: Acq	Dev	20,000	
		Acq	36,000	
County Sub-total:			Development	20,000
			Acquisition	36,000

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Rice County

2863	Public access - Mazaska Lk Activity: Dev	Dev	94,000	
		Acq	0	
County Sub-total:			Development	94,000
			Acquisition	0

Scott County

2915	Public access - Prior (Lower) Lk Activity: Acq	Dev	230,000	
		Acq	382,000	
County Sub-total:			Development	230,000
			Acquisition	382,000

St. Louis County

2418	Public access - Bear Island Lk Activity: Acq	Dev	20,000	
		Acq	34,000	
2415	Public access - Birch Lk Activity: Acq	Dev	54,000	
		Acq	54,000	
2424	Public access - Burntside (East End) Lk Activity: Acq	Dev	88,000	
		Acq	164,000	
2425	Public access - Burntside (West End) Lk Activity: Acq	Dev	100,000	
		Acq	109,000	
2416	Public access - Eagles Nest 1 & 2 Lk Activity: Acq	Dev	20,000	
		Acq	29,000	
2417	Public access - Eagles Nest 3 Lk Activity: Acq	Dev	38,000	
		Acq	44,000	
2403	Public access - Elbow Lk Activity: Acq	Dev	38,000	
		Acq	34,000	
2420	Public access - Pelican Lk Activity: Acq	Dev	81,000	
		Acq	136,000	
27	Public access - Pequaywan Lk Activity: Acq	Dev	68,000	
		Acq	54,000	

"A" Priority Projects by County

2429	Public access - Pike Lk Activity: Acq	Dev Acq	54.000 54.000
2422	Public access - Rainy-Dove Island Lk Activity: Acq	Dev Acq	88.000 164.000
2421	Public access - Rainy-Jackfish Bay Lk Activity: Acq	Dev Acq	94.000 218.000
2367	Public access - Shagawa Lk Activity: Acq	Dev Acq	40.000 44.000
2368	Public access - Sturgeon Lk Activity: Acq	Dev Acq	47.000 54.000
2423	Public access - Vermilion/10 sites Lk Activity: Acq	Dev Acq	1,080.000 1,635.000
2398	Public access - Big Lk Activity: Dev	Dev Acq	75.000 0
2431	Public access - Island Lk Activity: Dev	Dev Acq	54.000 0
2395	Public access - Johnson Lk Activity: Dev	Dev Acq	61.000 0

County Sub-total:	Development	2,100.000
	Acquisition	2,827.000

Statewide County

853	Fishing Pier & Shoreline Fishing Activity: Dev	Dev Acq	4,000.000 5.000
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County Sub-total:	Development	4,000.000
	Acquisition	5.000

Stearns County

2555	Public access - Miss.Rv (above SartellDm) Activity: Acq	Dev Acq	88.000 358.000
2592	Public access - Miss.Rv (below St. Cloud) Activity: Dev	Dev Acq	20.000 0

County Sub-total:	Development	108.000
	Acquisition	358.000

Wabasha County

2830	Public access - Clear (Finger Lakes) Lk Activity: Acq	Dev Acq	38.000 34.000
2840	Public access - Miss.R. Lower Pool 5 Activity: Acq	Dev Acq	172.000 358.000
2834	Public access - Miss.R. Pool 4 Wabasha Activity: Acq	Dev Acq	172.000 268.000

"A" Priority Projects by County

	County Sub-total:	Development		382.000
		Acquisition		660.000

Washington County

2917	Public access - St. Croix River Activity: Acq	Dev	230.000	
		Acq	537.000	
2912	Public access - White Bear Lk Activity: Acq	Dev	125.000	
		Acq	382.000	

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	County Sub-total:	Development		355.000
		Acquisition		919.000

Wilkin County

2200	Public access - Red River Activity: Acq	Dev	40.000	
		Acq	90.000	

	County Sub-total:	Development		40.000
		Acquisition		90.000

Winona County

2859	Public access - Miss.R.P.7 (site3) Activity: Acq	Dev	125.000	
		Acq	537.000	
2833	Public access - Miss.R.Pool 5A Upper Poo Activity: Acq	Dev	125.000	
		Acq	179.000	
2836	Public access - Miss.R. Pool6 (site 1) Activity: Acq	Dev	172.000	
		Acq	268.000	
350	Public access - Miss.R.Pool6 (site 2) Activity: Acq	Dev	201.000	
		Acq	358.000	
2864	Public access - Miss.R.Pool7 (site 4) Activity: Acq	Dev	68.000	
		Acq	90.000	
2828	Public access - Miss.R.Pool 7 (Dakota) Activity: Dev	Dev	172.000	
		Acq	0	
2841	Public access - Miss.R. Pool6 BigTrout C Activity: Dev	Dev	20.000	
		Acq	0	
2829	Public access - Miss.R.Pool6 (Homer) Activity: Dev	Dev	172.000	
		Acq	0	
2847	Public access - Miss.R.Pool7 (site 1) Activity: Dev	Dev	201.000	
		Acq	90.000	

	County Sub-total:	Development		1,256.000
		Acquisition		1,522.000

Wright County

2894	Public access - Cedar Lk Activity: Acq	Dev	68.000	
		Acq	109.000	
290	Public access - Sylvia Lk Activity: Acq	Dev	125.000	
		Acq	218.000	

"A" Priority Projects by County

2893 Public access - Twin Lk
Activity: Acq

Dev 125.000
Acq 109.000

County Sub-total: Development 318.000
Acquisition 436.000

Total Costs Development 15,268,000
Acquisition 16,677,000

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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: State Park Acquisition
PROJECT COSTS: \$30,000
APPROPRIATION REQUEST FOR 1994 SESSION: \$10,000
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$10,000
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$10,000
LOCATION (CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

18 of 21 requests

1. PROJECT DESCRIPTION:

The state park acquisition program exists to acquire private lands within legislatively established state park boundaries. This request would provide funds to acquire approximately 5,000 acres per year. Lands would only be purchased from willing sellers at their appraised value.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The Minnesota state park system was established to protect and preserve Minnesota's unique natural and cultural resources while providing outdoor recreation and enjoyment of the same in a manner that will leave them unimpaired for the enjoyment of future generations.

The state park system is constantly faced with the threat of non-conforming uses of private inholdings. Housing developments, gravel mining operations, and severe erosion are only a few of the conflicting uses that occur.

GOAL: The goal of the State Park Acquisition program is to purchase all private lands within the legislatively authorized state park boundaries that are offered for sale by willing sellers over the next 10 years. There are 223,800 acres authorized within 66 state park statutory boundaries. Of

these, 30,083.85 acres are still privately owned (see Exhibit A on following pages). It would cost approximately \$30 million to acquire this private land. Without a sincere, aggressive effort to acquire this land there is a serious risk of substantial natural and cultural resource loss.

It is imperative that funds become available to purchase inholdings. Eliminating inholdings prevents conflicts between private use/development and the resource management/protection goals of state parks. An example of a lost opportunity can be seen at Frontenac State Park where a private party purchased an inholding that divided the park in half. Another example is the 80 acre private inholding at Banning State Park that includes 1/4 mile of Hells Gate rapids in the center of the park. This is a nationally known resource used by kayakers and canoeists. If the inholding is sold to a private party who would not allow a portage easement or constructs a residence on the river, Minnesota's first wild and scenic river would be severely impacted. The current owner wants to sell to the state if funding becomes available fairly soon.

Acquiring 5,000 acres per year at an average cost of \$1 thousand/acre for six years would meet the goal for a total 6 year cost of \$30 million; this request is for \$10 million for FY 1995-96. We feel this amount is the maximum that could be processed because of the logistics of the acquisition process and the number of willing sellers.

3. OTHER CONSIDERATIONS (OPTIONAL):

The acquisition goals are outlined in each State Park Management plan, the Division of Parks Capital Improvement plan and the DNR's Directions 1993 Strategic plan.

The attached priority list is based on our most current knowledge of willing sellers and was prepared based on information developed by park and regional staff.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify): Acquire privately held in-holdings.

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 10,000 Appropriation Request (1994 Session)
- \$ 10,000 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: <u>John Strohkirch</u>	State Parks Development & Acq. Mgr. <u>612/296-8289</u>	Telephone <u>07/19/93</u>	Date
Name	Title	PAGE B-238	

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$4,000,000 for this project. Also included are preliminary recommendations of \$4,000,000 in 1996 and \$4,000,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	20
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	170

Non - Buildings: Acquisition

Form G

P & R

<u>id</u>	<u>title</u>	<u>div rank</u>	<u>cost</u>	<u>cumulative</u>
1839	Banning: acq 120 acres	1	96,900	96,900
1837	Sibley: acq 27 acres	2	114,000	210,900
1977	Lake Bemidji: acq 30.00 acres	3	36,200	247,100
1846	Crow Wing: acq 50 acres	4	57,800	304,900
1838	Forestville: acq 300 acres	5	342,000	646,900
1879	Camden: acq 10.00 acres	6	14,600	661,500
1844	Maplewood: acq 32.25 acres	7	91,200	752,700
1843	Minneopa: acq 82 acres	8	93,480	846,180
1859	Sakatah Lake: acq 25 acres	9	30,800	876,980
1894	Sibley: acq 40.00 acres	10	47,000	923,980
1842	Splitrock Lighthouse: acq 113 acres	11	128,820	1,052,800
1836	Tettegouche: acq 5 acres	12	193,800	1,246,600
1860	Whitewater: acq 578.14 acres	13	659,079	1,905,679
1876	Geo. Crosby Manitou: acq 160.00 acres	14	182,400	2,088,079
1880	Jay Cooke: acq 119.88 acres	15	136,663	2,224,742
1848	Lake Maria: acq 83 acres	16	94,620	2,319,362
1847	Mille Lacs Kathio: acq 80 acres	17	91,200	2,410,562
1858	Wild River: acq 2.5 acres	18	6,500	2,417,062
1864	Judge Magney: acq 80.00 acres	19	91,200	2,508,262
1840	Camden: acq 40 acres	20	47,000	2,555,262
1857	Banning: acq 80 acres	21	68,600	2,623,862
1852	Jay Cooke: acq 300 acres	22	47,000	2,670,862
1905	Judge Magney: acq 80.00 acres	23	91,200	2,762,062
1854	Mille Lacs Kathio: acq 40 acres	24	47,000	2,809,062
1914	Banning: acq 80.00 acres	25	91,200	2,900,262
1928	Banning: acq 65.00 acres	26	74,100	2,974,362
1948	Scenic: acq 40.00 acres	27	47,000	3,021,362
1950	Gooseberry Falls: acq 10.00 acres	28	14,600	3,035,962
1920	William O'Brien: acq 40.00 acres	29	47,000	3,082,962
1930	Scenic: acq 40.00 acres	30	47,000	3,129,962
1926	Jay Cooke: acq 54.80 acres	31	62,984	3,192,946
1968	Wild River: acq 80.00 acres	32	91,200	3,284,146
1983	Frontenac: acq 385.43 acres	33	439,390	3,723,536
1998	Frontenac: acq 103.74 acres	34	118,263	3,841,799
1946	Wild River: acq 12.00 acres	35	16,760	3,858,559
2005	Maplewood: acq 40.00 acres	36	47,000	3,905,559
2010	Sibley: acq 17.32 acres	37	22,506	3,928,065
2006	Moose Lake: acq 120.00 acres	38	136,800	4,064,865
1988	Lake Louise: acq 158.00 acres	39	180,120	4,244,985

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Non - Buildings: Acquisition

Form G

P & R

<u>id</u>	<u>title</u>	<u>div rank</u>	<u>cost</u>	<u>cumulative</u>
1997	Whitewater: acq 15.00 acres	40	20,000	4,264,985
1845	Itasca: acq 240 acres	41	136,800	4,401,785
1849	Rice Lake: acq 60.39 acres	42	69,021	4,470,806
1850	St. Croix: acq 351 acres	43	47,000	4,517,806
1851	Lake Bronson: acq 480 acres	44	171,000	4,688,806
1853	McCarthy Beach: acq 39.2 acres	45	46,136	4,734,942
1855	Mille Lacs Kathio: acq 2.4 acres	46	20,000	4,754,942
1856	Lake Maria: acq 40 acres	47	47,000	4,801,942
1861	Beaver Creek Valley: acq 87.50 acres	48	99,750	4,901,692
1862	Rice Lake: acq 40.00 acres	49	47,000	4,948,692
1863	McCarthy Beach: acq 38.50 acres	50	45,380	4,994,072
1865	Rice Lake: acq 55.43 acres	51	63,664	5,057,736
1866	Judge Magney: acq 50.00 acres	52	57,800	5,115,536
1867	Judge Magney: acq 5.00 acres	53	12,440	5,127,976
1868	Sibley: acq 22.87 acres	54	28,500	5,156,476
1869	Sibley: acq 106.00 acres	55	120,840	5,277,316
1870	McCarthy Beach: acq 26.70 acres	56	32,636	5,309,952
1871	McCarthy Beach: acq 13.30 acres	57	18,164	5,328,116
1872	Sibley: acq 71.65 acres	58	81,681	5,409,797
1873	McCarthy Beach: acq 856.10 acres	59	975,954	6,385,751
1874	McCarthy Beach: acq 56.10 acres	60	64,388	6,450,139
1875	Frontenac: acq 273.90 acres	61	312,246	6,762,385
1877	Nerstrand Big Woods: acq 10.00 acres	62	14,600	6,776,985
1878	Banning: acq 181.36 acres	63	206,751	6,983,736
1881	Whitewater: acq 8.90 acres	64	13,412	6,997,148
1882	Scenic: acq 40.00 acres	65	47,000	7,044,148
1883	Frontenac: acq 17.75 acres	66	22,970	7,067,118
1884	Forestville: acq 5.00 acres	67	9,200	7,076,318
1885	Whitewater: acq 101.38 acres	68	115,573	7,191,891
1886	Camden: acq 46.30 acres	69	53,804	7,245,695
1887	Wild River: acq 44.55 acres	70	51,914	7,297,609
1888	William O'Brien: acq 40.00 acres	71	47,000	7,344,609
1889	William O'Brien: acq 60.00 acres	72	68,600	7,413,209
1890	Jay Cooke: acq 12.50 acres	73	17,300	7,430,509
1891	Forestville: acq 27.50 acres	74	33,500	7,464,009
1892	Sibley: acq 7.00 acres	75	25,400	7,489,409
1893	Lake Bemidji: acq 8.82 acres	76	36,200	7,525,609
1895	Sibley: acq 10.10 acres	77	14,600	7,540,209
1896	Judge Magney: acq 15.00 acres	78	20,000	7,560,209

Non - Buildings: Acquisition

Form G

P & R

<u>id</u>	<u>title</u>	<u>div rank</u>	<u>cost</u>	<u>cumulative</u>
1897	Judge Magney: acq 10.00 acres	79	14,600	7,574,809
1898	Jay Cooke: acq 84.35 acres	80	96,159	7,670,968
1899	Blue Mounds: acq 19.98 acres	81	25,378	7,696,346
1900	Blue Mounds: acq 4.29 acres	82	14,600	7,710,946
1901	McCarthy Beach: acq 40.00 acres	83	47,000	7,757,946
1902	Scenic: acq 40.00 acres	84	47,000	7,804,946
1903	Jay Cooke: acq 43.80 acres	85	51,104	7,856,050
1904	Whitewater: acq 33.80 acres	86	40,304	7,896,354
1906	Lake Bemidji: acq 20.00 acres	87	25,400	7,921,754
1907	Whitewater: acq 160.00 acres	88	182,400	8,104,154
1908	Camden: acq 7.19 acres	89	11,565	8,115,719
1909	Hayes Lake: acq 40.00 acres	90	47,000	8,162,719
1910	Crow Wing: acq 35.85 acres	91	42,518	8,205,237
1911	Banning: acq 8.00 acres	92	12,440	8,217,677
1912	Sibley: acq 11.18 acres	93	15,874	8,233,551
1913	Sibley: acq 6.02 acres	94	10,302	8,243,853
1915	Scenic: acq 40.00 acres	95	47,000	8,290,853
1916	Wild River: acq 44.55 acres	96	51,914	8,342,767
1917	Geo. Crosby Manitou: acq 40.00 acres	97	47,000	8,389,767
1918	Interstate: acq 0.40 acres	98	4,232	8,393,999
1919	Interstate: acq 0.14 acres	99	3,951	8,397,950
1921	Interstate: acq 1.40 acres	100	5,312	8,403,262
1922	Sibley: acq 19.90 acres	101	25,292	8,428,554
1923	Minneopa: acq 28.51 acres	102	34,591	8,463,145
1924	Geo. Crosby Manitou: acq 80.00 acres	103	91,200	8,554,345
1925	O.L. Kipp: acq 197.83 acres	104	225,526	8,779,871
1927	Judge Magney: acq 40.00 acres	105	47,000	8,826,871
1929	O.L. Kipp: acq 78.60 acres	106	89,604	8,916,475
1931	Interstate: acq 0.60 acres	107	4,448	8,920,923
1932	Moose Lake: acq 45.36 acres	108	52,789	8,973,712
1933	Moose Lake: acq 19.68 acres	109	25,054	8,998,766
1934	Whitewater: acq 55.75 acres	110	64,010	9,062,776
1935	Whitewater: acq 91.90 acres	111	104,766	9,167,542
1936	Lake Bemidji: acq 10.00 acres	112	14,600	9,182,142
1937	Rice Lake: acq 5.50 acres	113	9,740	9,191,882
1938	Crow Wing: acq 0.65 acres	114	4,502	9,196,384
1939	Judge Magney: acq 5.00 acres	115	9,200	9,205,584
1940	Wild River: acq 15.61 acres	116	20,659	9,226,243
1941	Banning: acq 14.00 acres	117	18,920	9,245,163

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P & R

id	title	div rank	cost	cumulative
1942	Banning: acq 6.90 acres	118	11,252	9,256,415
1943	O.L. Kipp: acq 108.00 acres	119	123,120	9,379,535
1944	O.L. Kipp: acq 80.00 acres	120	91,200	9,470,735
1945	Forestville: acq 2.00 acres	121	5,960	9,476,695
1947	Nerstrand Big Woods: acq 10.00 acres	122	14,600	9,491,295
1949	O.L. Kipp: acq 76.00 acres	123	86,640	9,577,935
1951	Forestville: acq 154.90 acres	124	176,586	9,754,521
1952	MN Valley Trail: acq 29.79 acres	125	35,973	9,790,494
1953	MN Valley Trail: acq 181.15 acres	126	206,511	9,997,005

126 Projects

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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Forestry Land Acquisition
PROJECT COSTS: \$9,150
APPROPRIATION REQUEST FOR 1994 SESSION: \$3,150
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$3,000
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$3,000
LOCATION (CITY, COUNTY): State Wide

AGENCY PRIORITY (for 1994 Session only):

19 of 21 requests

1. PROJECT DESCRIPTION:

The Department of Natural Resources is a major land management agency in Minnesota. The Division of Forestry administers nearly 4.6 million acres of the roughly 5.3 million acres of DNR-administered land. Minnesota has 13.7 million acres of commercial forest land. These lands are about equally divided between public (53 percent) and private (47 percent) landowners. The Division manages about 20 percent of the commercial forest land in Minnesota.

This project proposal would provide funding to acquire 10,661 acres of private land within the existing boundaries of several state forests:

		(000's)
R.J. Dorer Memorial Hardwood Forest	4,562 acres	\$2,000
Sand Dunes State Forest	1,300 acres	\$1,755
Birch Lakes State Forest	120 acres	\$111
Chengwatana State Forest	980 acres	\$918
Rum River State Forest	1,360 acres	\$644
Crow Wing State Forest	650 acres	\$600
Pillsbury State Forest	1,500 acres	\$2,850
Tioga Recreation Area	189 acres	\$272
Total	10,661 acres	\$9,150

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

DNR Directions: We will protect and manage Minnesota's diverse ecosystems, respect the natural world, and enhance the beauty of our surroundings by preserving biological diversity at the genetic, species, and ecosystem levels.

We will use natural resources to create and share wealth for Minnesota by ensuring that natural resource products and services are available to meet the needs of society, consistent with our commitment to sound environmental management.

There is a need to increase forest land acquisition for multiple resource opportunities and meet objectives in the R.J. Dorer Memorial Hardwood Forest while land values are low.

Minnesota Forest Resources Plan: Achieve the optimum pattern of forest land ownership for the management of forest resources designed to best serve the needs of Minnesota's citizens while maximizing long-term resource and economic benefits through efficient resource management, land acquisition, leasing, sale, and exchange.

Continue to purchase lands in the R.J. Dorer Memorial Hardwood Forest to meet goals outlined in A Plan for Land Acquisition (MN DNR. October, 1979) and in the Lewiston Area Forest Resource Management Plan (FRMP) (MN DNR. December, 1988).

Set priorities for acquisitions in other state forests as identified in Unit Plans and purchase them as funding is available.

The Division's lands include a mix of large contiguous blocks and small isolated parcels. This checkerboard pattern of public land ownership is inefficient to manage for some purposes. Dispersed ownership increases the costs of determining property corners, maintaining property lines, providing road access, preventing trespass and for a wide range of management activities that require on-site administration.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)

Form G-1

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

One objective of this project is to eliminate private in-holdings within the existing boundaries of several state forests to provide more contiguous units for more efficient management and reduced mixed-ownership conflicts (e.g., trespass, conflicting land-use). Larger, more contiguous blocks of state forest land are also important in addressing the conservation of biological diversity.

Land acquisition is undertaken on a case-by-case basis for specific purposes such as improving management efficiency, protecting key forest resources and maintaining an adequate public forest resource base to provide for multiple-use forest values.

The land acquisition proposals contained in this capital budget request are in state forests where private inholdings are extremely susceptible to residential/commercial development and which receive heavy recreational use and because of their proximity to expanding urban areas and tourist centers. Continued recreation and development pressures in these areas would make state forest land more and more valuable as areas providing unique opportunities for dispersed recreation not available on private land and most other public land. Additions to current state forest land ownership in these areas would be important for the provision and protection of these unique opportunities on a long-term basis.

The department's goal for acquisition in the R.J. Dorer Memorial Hardwood Forest is 83,150 acres. Of this goal, 39,000 acres remain to be acquired at an estimated total cost of \$12 million. This request for \$2 million (4,562 acres) is what realistically could be accomplished during this funding period given the availability of willing sellers and the division's/department's capacity for processing acquisitions. The 1979 acquisition plan identified the need for public ownership in southeastern Minnesota to enhance long range stability of natural resources in the area, protect critical resources (e.g., soils, waters, and forests), provide public access to area forests (especially for recreation), and to demonstrate forest management. The 1988 Lewiston Area FRMP stated the acquisition is particularly important at this time because land which were previously purchased are beginning to reach their capacity for public recreation uses.

The Cambridge Area Forest Resource Management Plan (FRMP) (MN DNR, December, 1989) identified approximately 1,400 acres of privately owned land to acquire primarily to prevent future residential and commercial development pressures and to provide additional dispersed recreation and other forest related resources within the boundaries of the Sand Dunes State Forest. 1,200 acres of this has yet to be acquired. Easy access, the adjoining public land and nearness to the Twin Cities metropolitan area make private land within the boundaries of the forest a prime target for real estate speculation and residential development. Residential development has increased dramatically on surrounding public lands in recent years. Residential development on identified parcels would make acquisition for resource management and recreation impossible in the future. In addition to the problems identified for private land inholdings and residential development in the Rum River State Forest, the Sand Dunes has a great wildfire potential due to the large percentage of conifer plantations that exist on surrounding state forest land. The Environmental Assessment for Sand Dunes State Forest (MN DNR - Division of Forestry 1976) describes the impacts, social and physical, of acquiring nearly 2000 acres of private land within the Sand Dunes State Forest. Much of the same rationale for purchasing private lands within the forest are presented in that document. Over half of the acreage (720 acres) proposed for acquisition in this request was also proposed in the 1976 environment assessment. The department received \$60 in the capital bonding bill passed by the 1993 legislature to acquire a 40 acre parcel within the forest.

The Cambridge Area FRMP also identified 1,720 acres of private land in Mille Lacs County to acquire (through purchase or gift) to add to the Rum River State Forest. All of the parcels identified are within existing state forest boundaries. The primary emphasis for acquisition in the Rum River State Forest is to acquire private land to minimize inholdings within established blocks of state ownership and to form a more contiguous state ownership pattern within the forest. Private inholdings lead to trespass problems for both the state and the private landowner. A majority of the parcels identified for acquisition are easily accessed with many directly adjacent to public roads. Easy access, adjoining public land and geographic location make these parcels a prime target for real estate speculation and residential development. Further residential development on private lands adjacent to and especially on inholdings surrounded by state ownership would have

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

severe impacts on the character of surrounding resources. The effectiveness and efficiency of resource management on state land would also be severely compromised. Other criteria for acquisition included providing additional and protecting existing dispersed recreation opportunities, providing needed access for forest resource management and recreation, facilitating trail and road routing, and protection of wetland areas.

The Cambridge Area FRMP identified 160 acres of privately owned land within the boundary of the Birch Lakes State Forest to acquire. The potential exists for residential development on the remaining private land because of easy access off of public roads and the adjacency of public land in an area predominantly devoid of public ownership. Problems associated with residential development that are detailed for the Rum River State Forest are accentuated in the Birch Lakes State Forest due to the small size of the forest. The focus of the Birch Lakes State Forest is forest recreation. Acquisition of the remaining private lands within the forest boundary would greatly enhance the recreation potential of the entire forest.

The Cambridge Area FRMP identified approximately 1,200 acres of forested land owned by the United Power Association and Northern States Power within the boundaries of the Chengwatana State Forest in the Cambridge Area. Acquisition of this property would provide a much needed public multiple use, dispersed recreation area that is reasonably close to the Twin Cities metropolitan area. This area would help alleviate some of the intense public use pressure (i.e. hunting) from the limited multiple use, dispersed recreation land that currently exists near the Twin Cities. The land identified for acquisition also has excellent timber and wildlife potential. Acquiring this land would provide a nearly continuous corridor of public land connecting the Wild River State Park and the northern portion of the Chengwatana State Forest making the establishment, management, and maintenance of the Willard Munger Trail much more feasible and opening the trail to a wider variety of uses.

The requested funding for acquisition in the Pillsbury and Crow Wing state forests is needed to acquire key private in-holdings to prevent residential subdivision and development, reduce trespass problems, reduce conflicts between the use of private lands and the management adjacent public lands, and to provide additional and assure continued recreational opportunities.

Both state forests are in the Brainerd region which has a great deal of vacation home/cabin development and is a very popular tourist destination.

The draft DNR Region II Forest Resource Management Plan contains a proposal to acquire 189 acres adjacent to existing state land ownership to create a 700 acre recreation area. The area currently receives heavy, uncontrolled use from Grand Rapids residents, resulting in illegal dumping, drinking, and vandalism. Acquisition of the land would place the entire abandoned Tioga Mine Pit in public ownership, provide the opportunity for an expanded trail system, provide drive-in public access to two lakes, and allow better control of the use of the area.

3. OTHER CONSIDERATIONS (OPTIONAL):

Deferral of this project would result in continued inefficiencies in management, and problems with encroachment, trespass, and conflicting land-use. In state forests closer to population centers, deferral would likely result in increased residential development on private parcels that are not acquired. Residential development on identified parcels would make future acquisition for resource management and recreation virtually impossible.

In addition, the subdivision of private land within blocks of state-owned land undermines the DNR's ability to manage the surrounding state land for the good of the general public (i.e., the owner's of these private in-holdings often have a disproportionately large voice in how surrounding state lands are used and managed).

AGENCY CAPITAL BUDGET REQUEST

Non-Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify): Reduce future land use/management conflicts, trespass, vandalism and wildfire threats

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 3,150 Appropriation Request (1994 Session)
- \$ 3,150 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Dennis Ingvaldson Assistant Director, Forestry 612/296-4495 07/93
Name Title Telephone PAGE B-248 Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$1,100,000 for this project. Also included are preliminary recommendations of \$1,000,000 in 1996 and \$1,000,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	20
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	170

LAND ACQUISITION PRIORITY LIST
CAPITAL BUDGET REQUEST
94 SESSION

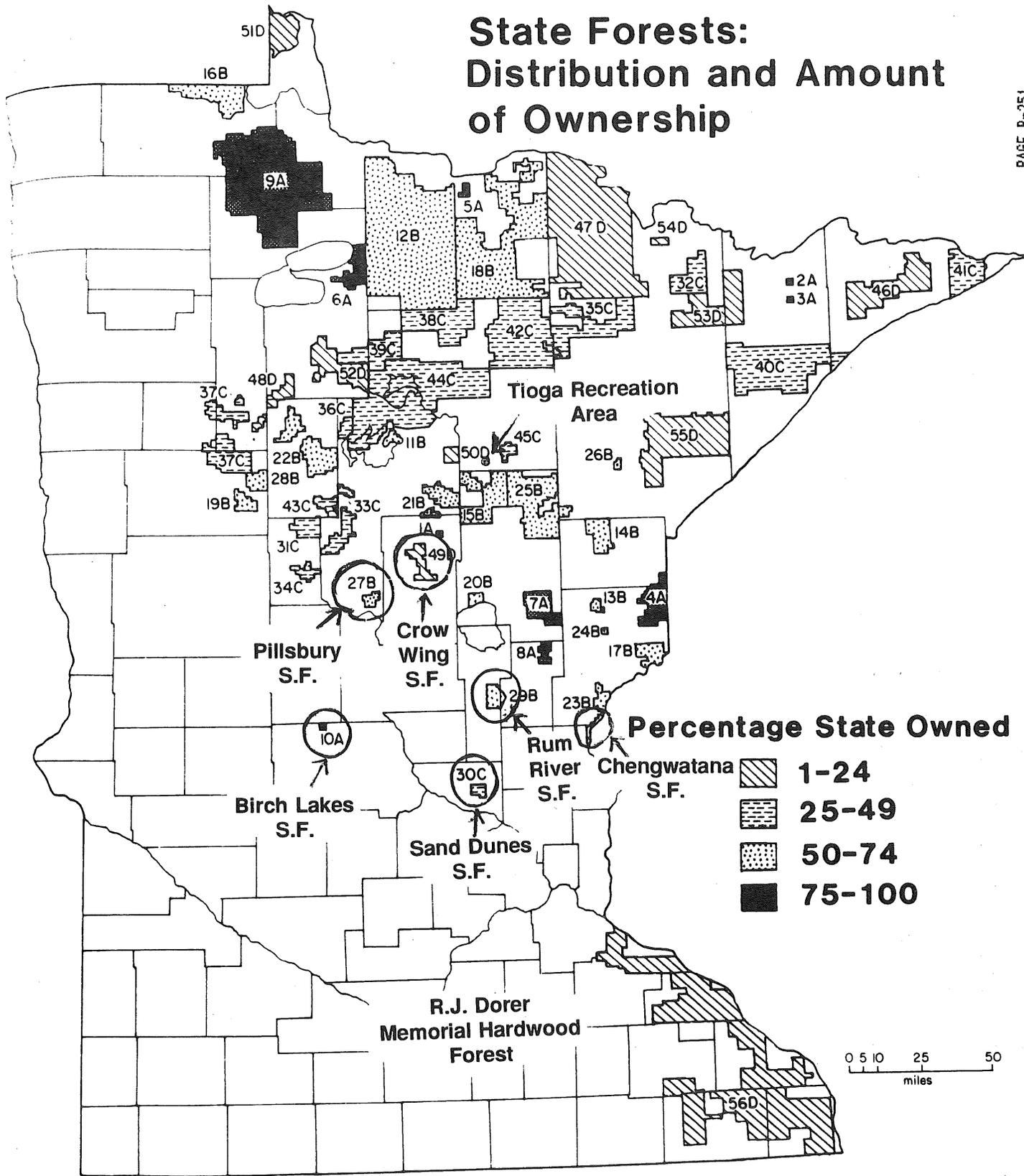
1. RICHARD J. DORER MEMORIAL HARDWOOD STATE FOREST

<u>COUNTY</u>	<u>ACRES</u>
Houston	710
Winona	1830
Fillmore	890
Goodhue	725
<u>Wabasha</u>	<u>407</u>
Total	4562

2. SAND DUNES STATE FOREST

Sherburne County 1400

State Forests: Distribution and Amount of Ownership



Source: MN Statewide Comprehensive Outdoor Recreation Plan 1984-1989

**Table 3-S.06
STATE FORESTS – DISTRIBUTION AND AMOUNT OF OWNERSHIP**

Forest Number	State Forest	County	Total Acres	Amount State Owned	Percent Owned	
1	Emily	Crow Wing	640	640	100.0	
2	Insula Lake	Lake	485	485	100.0	
3	Lake Isabelle	Lake	66	66	100.0	A
4	Nemadji	Pine/Carlton	96,270	90,270	93.7	75-100%
5	Smokey Bear	Koochiching	12,238	10,997	89.8	State Owned
6	Red Lake	Beltrami	66,055	59,257	89.7	
7	Solana	Aitkin	68,176	58,091	85.2	
8	Snake River	Kanabec	9,160	7,758	84.6	
9	Beltrami Island	Belt/L.O.W./Roseau	669,032	505,054	75.6	
10	Birch Lake	Stearns	637	477	74.8	
11	Battleground	Cass	12,868	9,413	73.1	
12	Pine Island	Koochiching	878,039	641,136	73.0	
13	Gen. Andrews	Pine	7,540	5,361	71.1	
14	Fond Du Lac	Carlton/St. L.	62,145	42,400	68.2	
15	Hill River	Aitkin	111,392	24,854	67.1	
16	Lost River	Roseau	97,500	63,400	65.0	
17	St. Croix	Pine	42,105	26,046	61.8	B
18	Koochiching	Koochiching	565,582	345,064	61.0	50-74%
19	Smokey Hills	Becker	23,791	14,429	60.6	State Owned
20	Wealthwood	Aitkin	14,053	8,279	58.9	
21	Land O Lakes	Cass/Crow Wing	50,895	29,971	58.8	
22	Paul Bunyan	Hubbard	102,440	59,931	58.5	
23	Chengwatana	Pine/Chisago	28,004	16,119	57.5	
24	D.A.R.	Pine	640	360	56.2	
25	Savanna	Aitkin/St. Louis	218,451	121,193	55.4	
26	Whiteface	St. Louis	4,480	2,480	55.3	
27	Pillsbury	Cass	14,756	7,883	53.4	
28	Two Inlets	Becker	26,225	13,850	52.8	
29	Rum River	Kanabec/Mille L.	33,180	16,612	50.0	
30	Sand Dunes	Sherburne	10,805	5,366	49.6	
31	Huntersville	Wadena/Hubb.	33,222	14,459	43.5	
32	Burntside	St. Louis	62,782	24,673	39.2	
33	Foothills	Cass	45,125	17,556	38.9	
34	Lyons	Wadena	14,720	5,529	37.5	
35	Sturgeon River	St. Louis	142,868	52,155	37.2	C
36	Welsh Lake	Cass	16,336	6,058	37.0	25-49%
37	White Earth	Mahn/Clearw.	113,338	41,617	36.7	State Owned
38	Big Forks	Itasca	124,270	45,293	36.4	
39	Blackduck	Itasca/Belt	123,116	41,375	33.6	
40	Finland	Lake, Cook	307,648	102,519	33.3	
41	Grand Portage	Cook	98,700	32,661	33.0	
42	George Wash.	Itasca	306,828	95,818	31.2	
43	Badoura	Hubbard	15,224	4,400	28.9	
44	Bowstring	Itasca/Cass	414,090	118,083	28.5	
45	Golden Anniv.	Itasca	6,811	1,811	26.5	
46	Pat Bayle	Cook	170,644	39,716	23.2	
47	Kabetogama	St. Louis	697,363	155,365	22.2	
48	Miss. Headwaters	Belt/Hubb./Clear	44,919	9,170	20.4	D
49	Crow Wing	Crow Wing	31,307	6,266	20.0	1-24%
50	Romer	Cass	12,774	2,440	19.1	State Owned
51	NW Angle	Lake of Woods	79,169	14,399	18.1	
52	Buena Vista	Beltrami	104,073	18,480	17.7	
53	Bear Island	Lake/St. Louis	141,187	24,877	17.6	
54	Lk. Jeanette	St. Louis	10,725	1,357	12.6	
55	Cloquet Valley	St. Louis	316,467	39,628	12.5	
56	R.J. Dorer	Various	1,006,819	42,000	4.2	

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Lake Superior Harbors
PROJECT COSTS: \$16,731
APPROPRIATION REQUEST FOR 1994 SESSION: \$8,532
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$4,284
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$3,915
LOCATION (CITY, COUNTY): Silver Bay, Lake County

AGENCY PRIORITY (for 1994 Session only):

20 of 21 requests

1. PROJECT DESCRIPTION:

In May of 1993, the Governor signed a law that amended Minnesota Statutes, Chapter 86A to establish a safe harbors program for Lake Superior. The law authorizes the Department of Natural Resources (DNR) to develop and operate, in cooperation with the local units of government, small craft harbors in Knife River, Two Harbors, Silver Bay, Grand Marais, and Grand Portage. The DNR is also working to improve public water access in other locations. The \$8.532 million in funds identified in this request would be used to develop a new small craft harbor in Silver Bay (\$3.900 million - \$2,600 million to match federal appropriation) and a new protected public water access at Taconite Harbor (\$1.5 million) and improve conditions for small craft in the existing Knife River Marina (\$3.132 million). The local units of government identified in these three requests have reached agreement on their planning efforts and have asked the DNR for assistance to proceed.

The 1996-97 request is for harbor reconfiguration and improvements in Grand Marais (\$4.0 million) and upgrading the existing public access at Horseshoe Bay (\$270) near Hovland. These two communities are working to finalize a request for assistance to the DNR. The 1998-99 request is for construction of a small boat harbor and related facilities in Agate Bay, Two Harbors (\$3.400 million), and construction of a new public access at

Thompson Beach (\$540). Thompson Beach is located between Two Harbors and Silver Bay. These two projects would follow the same process in which the local units of government initiate the implementation process by appointing a committee that would make recommendations to the DNR. In general, the public access facilities would be 100 percent state funding while the small craft harbors would be a combination of federal, state, and local funding.

The basis for these estimates is the *North Shore Harbors Plan* which was completed in 1990 and approved by all of the local units of government, the DNR, the North Shore Management Board (NSMB), and the Legislative Commission on Minnesota Resources (LCMR) in 1991. The plan recommends a system of harbors and public accesses along the North Shore and suggests that local units of government take the lead with planning.

The Legislative Commission on Minnesota Resources (LCMR) recommended funding for the *North Shore Harbors Plan* in 1989 to study boating safety issues and identify feasible safe harbors and boat accesses along the North Shore. Currently, there are no small craft safe harbors along Minnesota's North Shore of Lake Superior between Knife River and Grand Marais, a distance of about 90 miles. This interval does not meet the recommended safe harbor standards of Wisconsin, Michigan, and the U.S. Army Corps of Engineers. Wisconsin's interval distance is 10 to 15 miles between facilities, while the U.S. Army Corps and Michigan interval standard is 30 miles. The lack of safe harbors and protected launching and retrieval facilities is a major barrier to boating, fishing, and small craft commercial operations on the lake.

A critical issue is the safety of boats and boaters. The North Shore of Lake Superior is the most dangerous coast on the Great Lakes because of its rocky shoreline, frequency of unexpected and violent storms, and extremely cold waters making hypothermia a major concern. Small craft traveling the shore or using the few existing unprotected accesses must look to the few commercial ore boat harbors or the few natural cove areas for protection when needed. Many of these emergency refuge sites, if available, are still dangerous because of high waves within the basin during storms.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

A new program like the Lake Superior Harbors meets many of the DNR's strategic goals related to protecting resources, providing recreation opportunities, sustainable resource development, and safety. Over the years, millions of dollars have been spent on the DNR's Lake Superior fish management program yet many portions of the lake are very remote from any harbors and difficult to access.

The need for the harbor system on Lake Superior is documented by the University of Minnesota 1989 Survey of Minnesota Boat Owners and other surveys done by the NSMB. The 1989 survey showed that 44 percent of Minnesota's boat owners would like to boat or boat more often on Lake Superior. Two of the major barriers to not achieving this goal were safety concerns and access. Other surveys also showed considerable support among the boating, fishing, and tourism communities for additional access and safety. This demand is being driven by a rebound in the fisheries resource and North Shore tourism. With this rebound has come a revival of commercial fishing and charter operations that faded with the resource decades ago. The demand for commercial tour boats focusing on the scenic resource and ship wrecks has also increased.

Harbors can sustain themselves economically after the initial investments in non-revenue producing structures (breakwater and basin construction). They can also encourage economic growth nearby while satisfying the need for safety on the lake. It is estimated that the economic impact of operating the harbor system would average over \$1.2 million per year and sustain the equivalent of 30 full-time jobs after construction is complete. Prior to that, the economic projections for the Silver Bay and Knife River projects indicate that construction and reconstruction is expected to have over \$3.5 million total effect on the local economy and require over 60 full-time employees (FTEs). Estimates of new income generated range from \$3.⁰⁰ to \$6.⁰⁰ for every dollar invested.

Operating expenses for the Silver Bay Harbor and other harbors in the system proposed in the *North Shore Harbors Plan* were estimated in the *Harbors Plan Economic Study*. The following is a summary of the information for the Silver Bay harbor project. The development costs are from more recent engineering estimates.

Silver Bay Harbor Capital Budget Costs

- 6 acre basin (50% match federal appropriation)	\$2,600
- DNR Public water access	600
- Restroom, fish cleaning, roads & trails, launching docks	500
- Planning and engineering	<u>200</u>
TOTAL Capital Budget Costs	\$3,900

Silver Bay Harbor Federal Costs

- 6 acre basin (appropriation to Corps of Engineering requires 50% match)	\$2,600
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<u>Silver Bay Harbor: Other Development Costs</u> (Iron Range Resources and Rehabilitation Board (IRRRB) and Other Local Funds)	\$500
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Silver Bay Harbor Total Development Cost	\$7,000
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Silver Bay Harbor Estimated Operational Cash Flow for Selected Years (\$000s)

	<u>1997</u>	<u>1999</u>	<u>2002</u>	<u>2008</u>
Income	\$107	\$140	\$213	\$420
Expenditures	<u>51</u>	<u>77</u>	<u>109</u>	<u>102</u>
Net Income*	\$56	\$63	\$104	\$298

(*)Net income has been dedicated to the Water Recreation Account by the 1993 amendments to Minnesota Statutes, Chapter 86A to be reappropriated for harbor development and redevelopment.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

The Minnesota Legislature, upon recommendation from LCMR, has appropriated \$1 million for land acquisition and development in Silver Bay. This follows a 1989 appropriation of \$220 for planning and engineering. The LCMR recommendation is contingent on the DNR and communities seeking additional funding sources.

The table below shows anticipated funding for the next biennium.

	<u>Federal*</u>	<u>State**</u>	<u>Local***</u>	<u>WRA****</u>	<u>Total</u>
Previous Appropriations:					
1989 session	-0-	\$ 220	-0-	\$ 250	-0-
1991 session	-0-	-0-	-0-	\$ 250	-0-
1993 session	-0-	\$1,000	\$ 250	\$ 250	\$ 1,250
This Request:					
1994 session	\$2,600	\$8,532	\$ 500	\$ 250	\$11,632

(*)Federal Appropriation to U S Army Corps of Engineering was approved in October 1993.

(**)Previous state appropriations were recommended by the LCMR from the Future Resources Fund.

(***)Local funding sources would vary significantly and may include the IRRRB, local bond sales, public/private partnerships, and others. The \$500 shown represents a small cities grant from the Iron Range Resources and Rehabilitation Board (IRRRB).

(****)Water Recreation Account.

3. OTHER CONSIDERATIONS (OPTIONAL):

Consequences: Use of Lake Superior by small craft has increased significantly in the past decade. During that time, few improvements have been made that enhance the safety of these users. Since the Legislature has recognized the threat to health and safety identified in the *North Shore Harbors Plan* and ensuing legislation, failure to provide safe harbors for small

craft on Lake Superior will increase the state's liability to boaters.

On a more positive note, this program presents an opportunity to influence the land use patterns on the North Shore by concentrating some recreational development in communities. This concept enjoys almost universal approval from all interests. Not moving ahead with this project would likely mean that development would continue to focus on remote areas, further threatening the ecological and aesthetic values so important to the North Shore.

This program also presents the opportunity to diversify the economy in the identified communities many of which rely heavily on the forest and iron mining industries. Harbors are likely to be a catalyst for many other tourist oriented businesses and may weigh heavily in the locating decisions of potential new industry.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 8,532 Total Appropriation Request (1994 Session)
- \$ 8,532 State funding
- \$ 2,600 Federal funding
- \$ 500 Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by:	<u>Dorian Grilley</u>	<u>N. Shore Harbors Coordinator</u>	<u>612/297-3427</u>	<u>07/93</u>
	Name	Title	Telephone	Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

The Governor and the Legislature may wish to consider the Water Recreation Account in the Natural Resources Fund as a source for debt service payment for this project. Another alternative to consider is converting a 1993 session Minnesota Future Resources Fund appropriation for this project into debt service payments in order to accelerate this project.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$6,400,000 for this project.

This recommendation includes \$1,500,000 for the Taconite Harbor project. In addition, \$4,900,000 is recommended for the Silver Bay project, including \$1 million for land acquisition and development, with the debt service to be paid by an existing LCMR appropriation for the project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	36
Strategic Linkage	60
Agency Priority	20
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	176

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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Natural Resources, Department of
PROJECT TITLE: Residential Environmental Learning Center Grants
TOTAL PROJECT COST: \$7,500
APPROPRIATION REQUEST FOR 1994 SESSION: \$7,500
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$-0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$-0-
LOCATION (CITY, COUNTY): Aitkin, Fillmore, Pine, Lake and Cass Counties

AGENCY PRIORITY (for 1994 Session only):

21 of 21 requests

1. PROJECT DESCRIPTION:

This would expand four existing residential environmental learning centers (ELCs) and convert one existing day use center to a residential center. The state investment would be matched by an equal investment of \$7.5 million from the Blandin Foundation. The Blandin effort would commence in the upcoming state fiscal year and end in the calendar year 1998. The four existing centers slated for expansion are the Audubon Center of the Northwood (Pine), Deep Portage Environmental Learning Center/Conservation Reserve (Cass), Wolf Ridge Environmental Learning Center (Lake), Long Lake Conservation Center (Aitkin), and The Forest Resources Center (Fillmore).

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

Tie to strategic plan: This effort addresses the top two strategies in the state's environmental education plan for K-12 (teacher training and out of classroom environmental education experiences; Green Print, page 16) and the top strategy for higher education students (student teacher preparation; Green Print, page 21).

Environmental education is one of DNR's ten major strategies, found in Directions. "We will renew our commitment to providing quality environ-

mental education and interpretive options for all Minnesotans." Delivering this through residential environmental learning centers follows another Directions strategy by integrating the interests of the environmental learning centers, the Department of Education and the DNR. "We will employ integrated resource management approaches to ensure that the unique values of all resources are recognized and protected in our management efforts."

Outcomes: This project, combined with an additional \$2.5 million for programming provided by the Blandin Foundation would double the state's capacity to provide intensive environmental education to K-12 students, post-secondary and adult audiences. It would also create a doubling of the capacity to train primarily K-12 teachers to teach environmental principles in the classroom. The ultimate outcome is environmentally informed citizens who can participate effectively in the management of our environment, reducing costs for regulation and clean-up.

Project Alternatives and Rationale: The major alternative is to confine environmental education to classroom and nearby sites. This alternative includes relying on existing levels of teacher knowledge on environmental subjects and supplementing it with additional curriculum. Surveys of teachers indicate that out of classroom education opportunities is one of two major needs cited by teachers. The other is increased teacher training. This proposal addresses both needs. The alternative addresses neither. In addition, the proposal uses the leadership resources of the environmental learning center directors and staff. This is consistent with the "key leaders" strategy recommended in the "Green Print for Minnesota."

Financing Alternatives: General fund financing is an alternative, raising private match is another, and changing the school aid formula to require school by school support for out of classroom environmental education was considered. Bonding is more appropriate than general funds for this type of capital expenditure, half of the funds necessary are already privately provided, the school aid formula is not open for discussion among the education community. Therefore this proposal was developed.

**AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)**

Form G-1

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

3. OTHER CONSIDERATIONS (OPTIONAL):

Minnesota's Environmental Learning Centers are national models. They are recognized as world class in their effectiveness and draw students from across the United States.

The study entitled E.E.C. 2000: A Study of Environmental Education Centers recommends an investment of \$25.5 million in residential ELCs; \$11.46 million in zoos, museums and special emphasis facilities; and \$46.8 million in day use centers. This program partially addresses those recommendations.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total _____
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 7,500 Appropriation Request (1994 Session)
- \$ 7,500 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ 7,500 Private funding

Agency Data Prepared by: Bill Becker Planning Director/Special Projects 296-3093 10-21-93
Name Title Telephone Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification. Not all environmental burning centers are eligible to receive bond proceeds. The agency will need to ensure that any grants made go to eligible ELC's.

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$7,500,000 for this project to match the Blandin foundation challenge. The DNR is directed to certify that any projects selected for financing are eligible to receive bond proceeds.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	70
Strategic Linkage	60
Agency Priority	20
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	210

Minnesota Strategic Capital Budget Plan 1994-99
Governor's Recommendations
(in \$000)

Project Description	Agency Priority	Strategic Score	Agency Request			Governor's Recommendation	Governor's Planning Estimates	
			FY 94	FY 96	FY 98	FY 94	FY 96	FY 98
Pollution Control Agency								
Combined sewer overflow	1	700	20,076	0	0	20,076	0	0
Solid Waste Capital Assistance Program	3	244	11,475	10,225	8,000	7,500	7,500	7,500
Closed landfill cleanup	2	220	36,000	36,000	36,000	20,000	30,000	30,000
Water Quality Monitoring System	4	130	200	0	0	200	0	0
	Agency Totals		\$67,751	\$46,225	\$44,000	\$47,776	\$37,500	\$37,500

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AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary
Fiscal Years 1994-99

Form A

1. **AGENCY:** Pollution Control Agency

2. **AGENCY MISSION STATEMENT:**

The mission of the Pollution Control Agency (PCA) is to protect and improve Minnesota's air, water and land to secure the quality of life of its citizens. To achieve this mission the agency monitors and assesses the environment; establishes goals and sets protective standards; issues permits and defines management practices; provides technical, educational and financial assistance; takes enforcement actions and resolves complaints; supervises clean up and remediation of contaminated sites; promotes pollution prevention activities; responds to environmental threats such as spills; provides information to raise public awareness and understanding; and provides forums for public discussions on environmental issues.

This capital budget request for Combined Sewer Overflow (CSO) Separation in the Metro Area, for Landfill Cleanup statewide, water quality monitoring system, and Solid Waste Processing Facility Grants to local governments directly supports the agency's primary environmental goal of fishable and swimmable water resources, uncontaminated soil, usable ground water and clean air. Providing funding support at the state level for these important environmental projects ensures environmental results without undue costs placed upon individuals and local units of government.

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

Combined Sewer Overflow:

Improvement in the water quality of the Mississippi River through the Twin Cities Metro Area and downstream is both a State of Minnesota and national goal. The Mississippi River is the primary water resource in the Metro Area. The river is used for transportation, industrial processes, drinking water supply and recreation. Solving the CSO problem leads toward achieving the overall water quality goal of "swimmable and fishable" and expanded uses by the public.

The request for bonding authority for CSO for F.Y. 1995 is the final request of a 10-year program. Successful completion of CSO project for Minneapolis, St. Paul and South St. Paul is a tribute to the policy

developed and implemented by the legislature and the partnership of the state and the 3 cities involved.

Landfill Cleanup:

The agency has identified the need for a cost-effective and efficient closed landfill alternative program outside of the existing Superfund process. The alternative program would perform closure, cleanup and long-term operation and maintenance of closed permitted facilities, rather than pursuing responsible parties for these activities.

Superfund is a program designed to locate, investigate and clean up old waste sites. Currently, 62 of the 134 permitted mixed municipal solid waste landfills are on the State Superfund list. The agency expects over 100 landfills to need cleanup actions for which money has not been set aside; the agency is currently performing assessment activities at 86 of those sites.

Superfund is a "polluter pays" law. The agency, along with cities, counties, businesses, insurers and others have concluded that the state Superfund program does not work efficiently to clean up landfills, which may have accepted solid waste from thousands of individuals or businesses. Contamination at these landfills is a societal problem which is best resolved through broad based funding sources, rather than individual polluters.

The recent actions at Oak Grove Landfill illustrate the potential "transaction" (legal and study) costs and impact on communities, without an alternative landfill cleanup program. At Oak Grove landfill, 55 of Minnesota's largest companies were held liable for the \$6.5 million cleanup of the facility. Those companies formed a trust that, in turn, sent legal notices to an estimated 1,000 businesses that hauled smaller amounts of garbage to the landfill, with a deadline to provide cash settlements or face additional lawsuits. State agencies have also been affected. In 1992, the legislature appropriated over \$2 million to Bemidji State University to pay their share of the cleanup settlement at the Kummer Landfill.

The agency proposes to take over ownership of the closed, permitted facilities, and perform closure, cleanup and long-term operation and

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Conduit.)
Fiscal Years 1994-99

Form A

maintenance of the facilities, rather than pursuing responsible parties for these activities. Adoption of an alternative program is expected to save business, individuals and responsible parties between \$72 and \$405 million over a 10-15 year period. The savings primarily accrues to businesses, local governmental units who deposited waste in the landfills and insurance companies which insured the facility's operation.

If no alternative cleanup program is funded for closed landfills, these facilities will be cleaned up by identifying responsible parties through the Superfund process despite the economic inefficiency to protect the public health and the environment.

Water Quality Monitoring System:

The emphasis in water quality programs is moving in the direction of non-point source pollution abatement. In the past, most attention have been devoted to industrial sources and municipal wastewater treatment systems where pollution can be monitored and regulated as water is discharged from a pipe into a lake, stream or river. Non-point is less well defined since it involves runoff of pollutants to the state's water resources from many sources such as farms, storm water runoff, malfunctioning septic systems and similar sources of pollution which cover large land areas. The Minnesota River is the most polluted river in Minnesota. Governor Carlson has authorized a ten-year plan for cleaning up the Minnesota River.

The recent extensive damage cause by flooding, particularly in the Minnesota River Basin, accentuated the effects of non-point pollution on Minnesota's overall water quality.

The need to assess the water quality impacts of flood conditions, particularly in the Minnesota River Basin but throughout the state, pointed to the need for the agency to develop a long term capability for water quality monitoring at critical points in major flood susceptible river basins by establishing permanent, fixed monitoring facilities. This need is accentuated by the shift in focus to non-point pollution and the steps the agency is taking to evaluate the effects of both point and non-point pollution on specific basins.

Solid Waste Processing Facilities Capital Assistance Program:

Minnesota's waste management goal is to foster an integrated waste management system in a manner appropriate to the characteristics of the

waste stream. The 1980 Waste Management Act (Act) is the primary state policy which guides local decision makers in placing emphasis on landfill abatement and resource recovery. The Act states that all feasible and prudent alternatives to landfilling must be implemented.

The legislature provides guidance in M.S. §115A.02 by identifying waste management practices in the following order of preference.

1. waste reduction and reuse;
2. waste recycling;
3. composting of yard and food waste;
4. resource recovery through mixed municipal solid waste composting or incineration; and
5. land disposal.

The Act, as an incentive for local governments to make the difficult and expensive move away from sole reliance on landfills, establishes financial assistance programs to assist in the development of solid waste programs that include resource recovery.

- **Landfills:** The future role of landfills as a primary disposal method in Minnesota will become more and more limited. The state requires that all new mixed municipal solid waste landfill capacity in Minnesota be limited to only that which is certified by the state to be necessary. If feasible and prudent alternatives to land disposal are not implemented, no additional landfill capacity can be permitted. This policy requires the agency to participate and aid in resource recovery facility development.
- **Construction of large scale facilities:** The agency has identified a trend toward the development of large-scale regional solid waste facilities. Economies of scale make large resource recovery facilities more cost effective. Given the trend toward larger facilities, counties and waste haulers are certain to develop transfer stations to minimize waste hauling costs to either a solid waste processing facility or a landfill.
- **Essential upgrading of existing mixed waste processing facilities:** The agency is in the process of revising rules that regulate large and very large municipal waste combustors in response to changes in the Federal Clean Air Act and Minnesota statutes. The changes will require additional capital investment at these facilities as well as increased operating and maintenance costs. As part of the rule making process, the agency has

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Conduit.)
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identified and projected the costs to the existing facilities to continue operating. The increased costs will multiply the difference between land disposal and processing costs. The agency plans to assist counties in mediating the cost difference and providing incentives to help facilities continue operating properly.

- Ash Management at existing mixed wastes processing facilities: Statute has also identified the reduction of both the toxicity and volume of ash generated at these facilities as a priority. Reducing the toxicity and the volume of ash generated will extend the states policy of reducing the need for and practice of land disposal of wastes. Projects that will decrease the dependence and practice of land disposal of wastes or residuals will be reviewed to assess the benefits of each project to the state or region.

These current trends result in the following four major issues affecting the CAP program and the state's policy of an integrated waste management system:

1. **Regionalization:** Currently, more than half of Minnesota's 87 counties are without access to a solid waste processing facility. As the development of primary solid waste processing facilities is costly, counties are seeing the value of joint ventures. Extensive cooperative efforts among counties could significantly reduce the need for new solid waste processing capacity in the next 20 years; however, multi-county cooperation does not happen overnight. The regionalization of solid waste processing facilities and an integrated waste management approach promises the highest recovery rates and may be implemented so as to utilize existing capacity more efficiently.

Currently, the agency is promoting regionalization by removing the \$2 million grant limit for multi-county projects. Although the agency has given preference to regional projects in previous years and will continue to do so, strong financial incentives are needed for the development of regional projects that reduce reliance on land disposal of solid waste.

The average capital cost of a 100 ton per day solid waste composting facility is \$12 million. Capital costs for an 800 ton per day incinerator with resource recovery is approximately \$80 million

(based on the proposed cost of Dakota County in 1992).

2. **Waste assurance:** Landfill reporting documentation shows that more than 3 million tons of solid waste were being landfilled in Minnesota in 1990. In 1991, only 1.4 million tons of the state's waste were landfilled without processing, reflecting Minnesota's dedication to reducing the amount of waste being landfilled prior to processing. By the year 2000, the agency's goal is to provide capacity to process 100% of the solid waste stream and to landfill only residuals from solid waste processing facilities.

Due to a recent federal court ruling, a county's ability to designate solid waste to a waste processing facility is being questioned. Counties are now even more cautious about embarking on costly solid waste processing projects. Without designation (flow control) or the existence of more practical waste assurance mechanisms, a waste processing facility has to compete economically with landfill tipping fees, often in states without regulations requiring adequate environmental and financial safeguards.

While the average cost per ton for landfilling waste within Minnesota today is \$44, the average cost per ton for solid waste composting is \$80, and \$70 for waste-to-energy facilities. The future of landfill abatement versus landfilling comes down to more than just the environmental benefits; the future of an integrated solid waste management system rests heavily on economics.

The agency is working in cooperation with local governments, the waste industry, and state and federal elected officials to solve the problem of waste assurance and economic disparity between resource recovery and land disposal. The agency supports federal legislation that will clarify state and local governments authority to designate waste to solid waste processing facilities.

3. **Air Quality/Ash Management:** Due to changes in the Federal Clean Air Act and Minnesota Statute, increased air quality standards and decreased ash toxicity and volume generation must be incorporated into existing facilities. The increased air quality standards will result in the need for new air pollution control devices or replacement of older equipment to maintain compliance.

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Conduit.)
Fiscal Years 1994-99

Form A

The statutory changes requiring reduction in both the toxicity and volume of ash generated will require additional processing at the combustion facilities. Many facilities have reviewed the need for either additional up front waste processing or ash processing/utilization or a combination of both to meet the requirements. It is anticipated that the additional waste processing will increase the scope of the existing projects and therefore the projects are eligible under the CAP program. Including these projects as eligible projects will further the states goals of reduction of land disposal.

4. **Financial Assistance (CAP):** From the onset of the legislature's commitment to provide capital assistance to stimulate and encourage the acquisition and betterment of solid waste processing facilities, the capital assistance program has received \$33.2 million in appropriations.

To date, more than half of CAP funding has gone to "primary processing facilities" such as waste-to-energy and solid waste composting facilities. These types of facilities typically handle a large percentage of the waste stream, but also have a higher initial capital cost. As these facilities have a tendency to be more regional, the agency expects that the funding of these "primary" systems will continue to represent the largest component of the requests for the CAP program..

To determine the future need for solid waste processing facilities, the Office of Waste Management prepared a 1993 preliminary assessment of regional waste management capacity, as directed by the state legislature (1992 Minnesota Session Laws, Chapter 593, sec. 49).

For ease in assessing Minnesota's solid waste capacity, the report divides Minnesota's 87 counties and 1 sanitary district into 13 groups (see Map 1). The report estimates Minnesota's 1992 mixed municipal solid waste generation at 4.5 million tons and projects waste generation between 4.6 and 5.3 million tons per year by 2011.

Based on a reasonable projection of future capacity needs, 6 of the 13 capacity groups, totalling 46 counties, would experience significant capacity shortfalls in 2011 (see Map 2 - Groups 1, 6, 7, 8, 9, and 11). These findings underscore the need for development of a minimum of

6 multi-county primary solid waste processing facilities (Groups 1, 6, 7, 8, 9, and 11). The cost to meet the projected processing capacity shortfalls can range from \$87 - \$160 million, dependent on the type of solid waste processing facilities put in place.

As solid waste is separated for management according to individual components of the waste stream, special waste management problems and/or opportunities are accumulated. Household hazardous waste is an example of such a waste stream.

Historically, management of household hazardous waste has been a relatively neglected alternative to landfilling. However, changes in state law in 1988 mandating household hazardous waste planning and programs have led local governments to set up more sophisticated household hazardous waste management strategies. Having been identified as a special waste stream, management of household hazardous waste requires infrastructure.

In an integrated solid waste management system, the agency anticipates increased activity regarding special waste projects. The agency also anticipates increased financial need regarding special waste projects.

Although the 1990 state legislature intended to further promote landfill abatement and regionalization by granting authority for removal of the \$2 million funding limit for multi-county projects, the amount of funding appropriated to the CAP program since has been inadequate. Even so, the agency has scheduled a funding round this year whereby multi-county projects can receive 25 or 50% of eligible capital costs or \$2 million times the number of participating counties, whichever is less. Using a past example of a 5-county project with eligible costs of \$14 million, the project would be eligible for \$7 million (exceeding the agency's current CAP balance of only \$4.2 million).

The 1993 preliminary assessment of regional waste management capacity report states that the uncertainty over effective waste assurance mechanisms hinders the ability to obtain financing for capital costs. Without such financing, public and private developers are unlikely to move forward with the development of new facilities. For counties, The primary source of capital for new solid waste facilities is through the issuance of tax-exempt bonds (county and state).

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Minnesota counties, by law, have a significant level of responsibility for waste management programs within their boundaries. Counties must ensure the development of waste management systems which meet state mandates and promote state policies, but they have a relatively broad degree of latitude concerning when and how they will do that. A county does not have to rise to the challenge of meeting the state's goal of an integrated waste management system appropriate to the characteristics of the waste stream. Counties can, and some do, choose to continue landfilling all of their waste.

Minnesota is at a crucial point in its goal to develop an integrated solid waste management system. Minnesota's goal to move away from sole reliance on landfills is more expensive than landfilling over the short term. Implementing a sustainable integrated system needs sustained legislative support and financial assistance.

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

Combined Sewer Overflow:

Combined Sewer Overflow (CSO) is the excess combined storm water and sewage discharged to the Mississippi River due to overloading of the treatment plant capability. The CSO program seeks to separate the combined storm and sewage sewers to reduce the amount of flow to the treatment plant. Storm water does not require the treatment intensity that sewage requires.

After 8 years of construction, the CSO cleanup is still on schedule. Minneapolis has completed 74.5% of its remaining construction work, taking 3,311.4 acres out of the combined sewer system. St. Paul has finished 86% of its construction, affecting 12,331 acres of former combined sewer areas. South St. Paul has accomplished 76% of its sewer separation, serving 878 areas of the city. The Metropolitan Waste Control Commission (MWCC) has completed 7 interceptor sewer projects.

Landfill Cleanup:

The current Superfund Program is not sufficiently funded nor appropriate to address closed landfills that are public health and environmental threats. The agency and Legislative Commission on Waste Management recommended closed landfills be addressed outside Superfund since

landfill problems are societal in nature. The agency has acquired funds to assess closed landfills and to make recommendations and estimate potential capital expenditures for landfill corrective actions.

The agency and the legislative commission on waste management recommended that closed landfills be addressed outside Superfund since landfill problems are societal in nature. The agency estimates that between \$250 and \$450 million will be needed over the next 10-15 years to close, clean up and provide for the long-term operation and maintenance costs at closed facilities.

The legislature required the evaluation of the adequacy of closed landfill cover systems, to determine the presence and concentration of hazardous pollutants or contaminants and landfill gases, and to determine the boundaries of the fill areas. There are presently 86 landfills in the assessment process and that number is expected to grow as additional permitted sanitary landfills close. To date the field work has included the installation of 66 monitoring systems, the sampling of 132 wells, the completion of 196 soil and solid waste borings, and the survey of 56 landfills. Landfill gas surveys are currently underway at all the closed sites. Analysis of the data collected indicates that 94% of the closed landfills have leached pollutants or contaminants into the ground water. The data assists the agency to decide on appropriate remedies and estimated costs through the use of actual field data and current construction costs occurring at similar sites.

An estimate of costs for potential actions at closed landfills has been developed using initial data from the 86 currently closed facilities. There are 3 phases to manage a facility which has stopped accepting waste, as described below. Each of these phases has associated capital expenditures.

Closure:

Installing cover over the entire filled acreage and additional ground water monitoring wells to complete the monitoring system. The cover portion of closure costs are eligible capital expenses, with an estimate of \$90 million.

Post-Closure:

Installing passive gas systems at all closed facilities without gas control systems; collection and disposal of leachate for those facilities which have

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collection systems; grading and replacing of cover; and collection and analysis of ground water samples are post-closure activities. The passive gas venting systems and slightly over a third of the operation and maintenance costs are eligible capital costs, with an estimate of \$33.0 million.

Contingency Action:

This activity, which can occur at any time in a landfill's life, consists of remedial investigations to determine if there is a ground water problem; who or what is affected, and what remedy is recommended to mitigate the problem; design of the recommended remedy; remedial action (construction of the ground water cleanup remedy i.e. barrier wells, pump and treatment facilities); and additional contingency actions such as additional cover, active gas extraction, and/or operation and maintenance of the ground water remedy system. The remedial design of the remedy and the majority of contingency actions are eligible capital expenditure, with an estimate of \$58 million.

The total capital costs for closed landfill cleanup is estimated at \$181 million. As stated earlier, total costs are expected to range between \$250 to \$450 million.

The mechanism(s) used to fund landfill cleanup should attempt to target all sectors of society. Four broad-based sources of funding have been identified: solid waste generators, the general fund, a tax on products with hazardous constituents and an insurance surcharge or tax.

Waste Generators:

The solid waste assessment fee and the solid waste surcharge both target waste generators, since solid waste is a source of hazardous releases from a facility. The governor signed into law in 1993, a \$2.00 per year assessment on residential and a \$.12/cubic yard assessment on non-residential customers of haulers which is estimated to raise \$3 million dollars per year for cleanup (9% of what is needed). In addition, the governor in the 1994-95 budget recommended a \$2.00/cubic yard surcharge on waste entering disposal facilities and redirecting 2 existing surcharges which would have raised an estimated \$12 million per year (about 36% of what is needed). This recommendation was not enacted by the legislature.

General Fund:

This capital bonding request, supported by general fund dollars, is estimated at \$181 million dollars (around 55% of the dollars needed). Ideally, the cleanup of closed landfills and the preparation of Minnesota's resources would be considered a priority for the general fund, as a societal problem. The capital budget planning assumes a 10-year project period, therefore, the agency is requesting \$18 million for F.Y. 1995 and \$18 million for F.Y. 1996 or a total of \$36 million from the 1994 legislative session.

Other Legislative Options:

The legislature also has considered a tax on products containing chemicals that have hazardous characteristics or cause management problems in the solid waste management system. These products in waste from residential and commercial activities most likely contribute to releases of hazardous substances at mixed municipal landfill sites. The legislature also considered a tax on insurance companies that sell certain lines of insurance. These companies would be relieved of liability under the proposed legislation. The Department of Commerce must report to the legislature by November 1993 identifying a formula for insurance industry contributions to fund an alternative landfill cleanup program.

In Summary:

Assuming a total landfill cleanup cost (not including staffing and administration) of \$330,000 over a 10-year period.

	(Dollars in 000's)		
	<u>Annual</u>	<u>10-Year Period</u>	<u>%</u>
1) Current Solid Waste Waste Cleanup fees	\$3,000	\$30,000	9%
2) Bonding backed by General Fund	18,000	180,000	55%
3) Other Legislative options: other solid waste fees, insurance fees, toxics	12,000	120,000	36%
	\$33,000	\$330,000	100%

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Water Quality Monitoring System:

During the past 4 years the agency has conducted an extensive assessment of the Minnesota River and the streams and tributaries which make up the Minnesota River Basin. This assessment has been prompted by the status of the Minnesota River as arguably the most polluted major river in the state. The effects of non-point source pollution, which cause the Minnesota River to be seriously degraded under normal flow conditions, became even more intense and widespread under the recent flood conditions. The water quality of the river degraded to the point that contact with the highly polluted water was determined to be a public health concern.

For the agency to develop a long term capability for water quality monitoring at critical points in major flood susceptible river basins \$0.2 million would be needed during F.Y. 1995-96 for the construction of 10 fixed point monitoring stations. The agency does not have an adequate monitoring system.

Solid Waste Processing Facilities Capital Assistance Program:

The agency has expended \$26 million to fund 48 facilities - a total of 62 grant awards (see Figure 1): 18 recycling facilities, 9 transfer stations, 8 waste-to-energy facilities, 7 municipal solid waste compost facilities, 4 special waste stream projects, and 2 yard waste compost facilities.

Of the 48 state funded facilities, one has not proceeded to construction. Of the remaining 47 facilities, only 1 is experiencing operational/institutional problems serious enough to cause contemplation of closure. Many of the others are looking toward expansion.

In return for the \$26 million expended by the state for the development of an integrated solid waste management system, local government has provided local financing in excess of \$88 million. For a visual comparison of state versus local government expenditures, refer to Figure 2.

Minnesota is recognized as a leader in protecting the environment and managing its solid waste. Public willingness to recycle, SCORE requirements and funding, CAP funding, and local government commitment have all contributed to a successful partnership for the state and local governments.

Minnesota is known for having more operating municipal solid waste compost facilities and waste-to-energy projects than any other state. These

projects are minimizing the huge liabilities associated with landfills.

This progress has allowed us to process 60% of Minnesota's waste. Unfortunately, 40% continues to be landfilled without treatment or recovery. New projects, and expansion of existing projects, is necessary to give Minnesota the capacity to process this remaining waste.

Existing processing capacity must be preserved in order to achieve the objective of an integrated waste management system that reduces the need for and practice of land disposal. As a result of increased regulatory demands the partnership between local governments and the state will need to be augmented to preserve the existing processing capacity.

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

GOAL: A clean environment with clean, clear odorless air; fishable, swimmable water; usable ground water; and uncontaminated soil.

To achieve this goal, under-regulated pollutants and sources with significant environmental impacts must be brought into compliance with appropriate regulatory standards. Pollution prevention must be integrated into regulatory programs as an incentive to help compliance in more cost-effective ways. Releases of pollutants must be abated to the maximum extent possible by installation of appropriate abatement technology and/or management practice. Existing contaminated sites need to be effectively mitigated or cleaned up. Every effort must be made to reduce obstacles to voluntary compliance and to deter noncompliance with fair, timely enforcement. The agency cannot achieve this goal in isolation: every opportunity must be taken to use and to enhance the delivery of environmental services through the development of effective partnerships with the environmental community, the regulated community, local government, federal government and the state agencies that share our mission to ensure a quality environment for future generations.

Capital Budget Plan: Combined Sewer Overflow

The agency plans to complete the CSO program with a final Capital Budget request in F.Y. 1995. Following the completion of the CSO program the agency plans to continue making requests for Environmental Grant/Loan Program dollars to address ongoing environmental needs which are not being addressed due to the lack of adequate funding by local units of governments. These programs could include grants or loans

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for storm water, non-point water pollution and other types of water quality protection.

Capital Budget Plan: Landfill Cleanup

The legislative appropriations for F.Y. 1994 included completion of closed landfill assessment field work begun in F.Y. 1993 and limited landfill cleanup outside of Superfund. An assessment report will be made to Legislative Commission on Waste Management in January 1995. The report will summarize existing conditions of facilities with respect to cover, landfill gas, ground water and contamination concerns. In addition, the report will prioritize closed landfills according to public health environmental risks and make recommendations and cost estimates for corrective actions. The assessment work will allow the agency to refine the landfill cleanup estimates that were originally made in F.Y. 1992. The limited landfill cleanup activities in F.Y. 1994 (totaling \$1.75 million) include installation of a ground water pump out system at one facility and proper landfill closure at another.

The Capital Budget would fund project design and corrective actions such as construction of leachate collection and treatment systems, permanent landfill covers to eliminate runoff of contaminants, landfill gas collection and mitigation systems and other facilities to protect air, water and land resources. Estimated capital expenditures associated with this alternative program is approximately \$181 million over a 10-year period.

Capital Budget Plan: Water Quality Monitoring System

This program would greatly improve rural water quality and help achieve the swimmable and fishable goals for the states' surface waters.

The construction and operation of a permanent, long term water quality monitoring system would greatly assist the agency in planning non-point source water strategy and in evaluating the success of programs to reduce non-point source water pollution. The water quality monitoring system would directly support the agency's fishable and swimmable goals for the state's surface waters.

Capital Budget Plan: Solid Waste Processing Facilities Capital Assistance Program

The agency's goal is for all of waste to undergo processing and recovery at solid waste processing facilities. The long-range strategic goal for the CAP program is to assist local units of government in establishing an integrated solid waste management system serving all of Minnesota.

The Waste Management Act focused on recovery of materials and energy from waste, thereby minimizing land disposal of solid waste. Many counties have developed or contracted with waste processing facilities to reduce land disposal. The agency has assisted in this effort by providing financial assistance and technical assistance with planning and implementation through the CAP program.

To further the goal of the Waste Management Act, the agency will revise the CAP program rules to offer more than the current \$2 million grant limit for multi-county projects. The agency will also promote the following three recommendations to the state and/or federal legislatures:

1. **Waste Assurance:** The agency supports federal legislation that will clarify state and local governments' authority to designate waste to facilities. Such legislation would insure the development of an integrated waste management system whereby waste is not simply landfilled, but managed in a manner appropriate to the characteristics of the waste stream. Waste assurance mechanisms have played an integral role in the development of Minnesota's solid waste management system. Without some method of assuring waste to a resource recovery facility that is forced to compete with a less costly landfill, a local government or private company will find it difficult to finance such a facility.
2. **Incentives for Regional Cooperation:** The agency CAP program gives funding preference to multi-county projects. The CAP program will now give larger grants to multi-county projects as well.

To further maximize the use of existing resource recovery capacity, the agency will seek legislative amendment of state law to allow the agency to provide the same level of financial assistance to waste-to-energy projects as is allowed for recycling and composting projects (50% of eligible costs). This change would enable the CAP program to provide a greater financial incentive for the expansion of existing waste-to-energy facilities to serve more counties.

To encourage more private involvement in solid waste management, the agency will also encourage the Legislature to provide financial incentives to the private sector for development of resource recovery facilities. The CAP program is a bond-funded program limited to projects that are publicly owned and located on public land. The CAP program itself does not have the ability to further encourage private sector involvement in developing solid waste processing capacity.

AGENCY CAPITAL BUDGET BRIEF
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3. **Upgrading Existing Processing Facilities:** The Agency will seek the development of policy that will preserve existing processing capacity by allowing additional capital costs for certain air quality regulatory requirements to be eligible under the CAP program. Inclusion of the costs as eligible under the CAP program may help to assure the continued safe operation of the processing facilities, thereby, maintaining the states goals of integrated solid waste management.
4. **State Solid Waste Capacity Assurance Plan:** The agency will seek legislation establishing a comprehensive state solid waste management plan for the entire state. A statewide plan would further the goals of the Waste Management Act by enabling the state to 1) identify and direct resources to the appropriate waste management strategies to meet state goals, 2) recommend approaches that reflect the differences among various areas of the state, 3) identify regional partnerships that will meet state goals in a cost-effective manner, and 4) assist counties in optimizing the use of existing solid waste facilities and in developing new facilities through a deliberate and prudent planning process.

6. AGENCY PROCESS USED TO ARRIVE AT THESE CAPITAL REQUESTS:

Combined Sewer Overflow (CSO)

The Minnesota Legislature adopted the accelerated cleanup plan in 1985 with new state CSO funding and a statutory 10 year deadline. The Minnesota Pollution Control Agency and the U.S. Environmental Protection Agency, working through a broad-based CSO Task Force, adopted new State/Federal discharge permits for the scores of CSO outfalls. The permits for the first 5 years set construction schedules and progressively tighter discharge standards for the hundreds of projects needed to eliminate the CSO pollution. These requirements were met. The permits for the remaining 5 years of work were issued on time and without controversy in January 1991.

Landfill Cleanup

The agency is in the second year of a two-year assessment of the pollution problems and cleanup costs of landfills described in this strategic plan. Assessment of closed landfills includes field work which has defined facility size, existing conditions of cover depths and types, and ground water impacts. The report will then make recommendations for corrective actions for each facility and arrive at cost estimates bases on current

construction practices and recent experiences at landfills that have been addressed under Superfund. In addition, the cost estimates will be secondarily reviewed by an independent contractor for accuracy.

Water Quality Monitoring System

The agency has conducted an evaluation of its water quality monitoring needs as they relate to flooding as well as standard flow years in order to support the overall information needs of the non-point source water programs. This request is for 10 permanent monitoring stations which would provide water quality data from large water basin sections. It will not be sufficient to meet all the water monitoring needs of the state, but it will provide very basic measurements for environmental decision making.

Solid Waste Processing Facilities Capital Assistance Program:

To arrive at the current bond request of \$11,475 million for the Solid Waste Management Capital Assistance Program (CAP) for FY 94-95, the agency reviewed the county solid waste management plans, information submitted by local governments developing solid waste facilities, and the Preliminary Assessment of Regional Waste Management Capacity report. Agency staff spoke with numerous county solid waste officers and considered state policy regarding solid waste management in Minnesota as well.

Currently, there are 43 counties not being serviced by a primary solid waste processing facility, and 5 others are only partially served. This fact clearly indicates the need for further infrastructure development. The projects outlined in the request would meet processing needs statewide.

7. AGENCY CAPITAL BUDGET PROJECTS DURING THE LAST SIX YEARS (1988-1993):

Combined Sewer Overflow

The total estimated Combined Sewer Overflow (CSO) cleanup cost was \$250 million in 1984 dollars - \$215 million for sewer separation in the 3 cities and \$35 million for CSO-related interceptor sewer construction by the MWCC. The current cost estimated ranges from \$294.3 to \$309.2 million.

In Minneapolis, the 10-year program involves completion of 458 sewer separation projects to eliminate an estimated annual overflow to the

AGENCY CAPITAL BUDGET BRIEF
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Mississippi River of 900 million gallons of untreated sewage and storm water. The St. Paul program calls for 194 projects to eliminate an estimated annual overflow of 3.7 billion gallons. South St. Paul will require 65 projects to stop its smaller overflow. In addition, the CSO-related interceptor sewer construction program of the MWCC is defined in the overall plan and state/federal permits.

Landfill Cleanup

The agency's Superfund Program has included numerous landfill investigations and cleanups from 1988-1993. Important projects the agency has participated in with the federal government include (bond funding has not been a source of funding for the below projects):

- Supplying drinking water to residences of Northern Township located in Beltrami County who were impacted by Kummer Landfill contamination (cost: \$3+ million).
- Closing the Dakhue Landfill (cost: \$3+ million).
- Investigating and providing technical oversight for the Oak Grove Landfill closure activities (total cost: est. \$6.5 million).
- Providing technical oversight at the Waste Disposal & Engineering Landfill where cleanup actions are currently ongoing (total cost: est. \$6 million).

In addition, the agency has overseen cleanups at numerous state Superfund sites.

However, it deserves noting that while Superfund has provided for cleanup of some landfills, the ultimate cost of cleanup has yet to be paid by businesses and municipalities through anticipated third party lawsuits. These transaction costs may double the cost of landfill cleanups under Superfund.

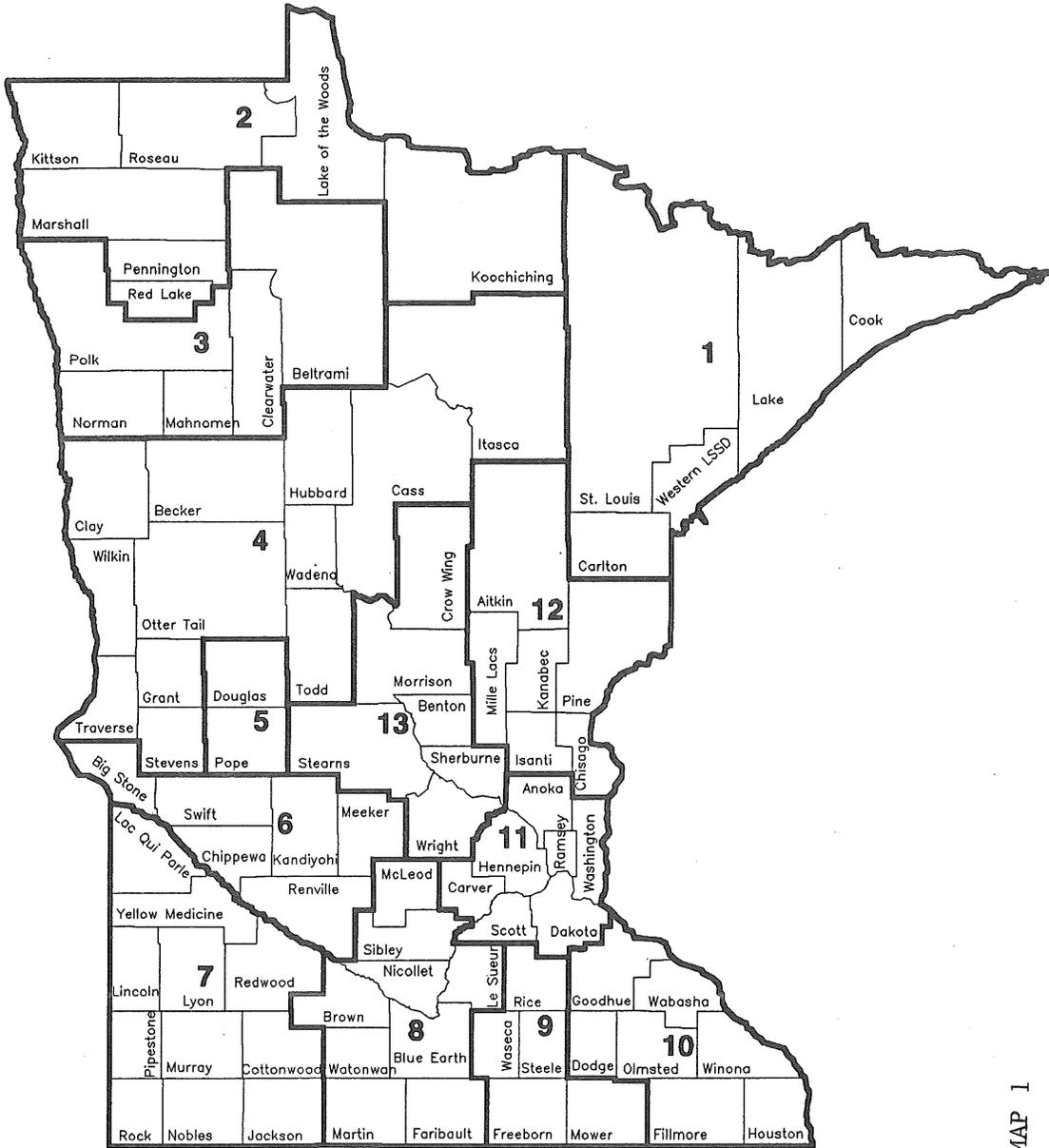
Solid Waste Processing Facilities Capital Assistance Program

To assist local governments with the difficult move from sole reliance on landfills to an integrated waste management system, the state created the DEMO program in 1980. The DEMO program consisted of a grants and loans. Due to overwhelming interest in the grant/loan program, the DEMO program evolved into an all-grant Capital Assistance Program (CAP) in 1985. From 1980 to the present, the program has been appropriated \$33.2 million. Expenditures to date approach \$27 million.

Currently, the agency has \$4.2 million remaining in the CAP Program.

In comparison to the total program expenditures of \$27 million since 1980, the last 6 fiscal years (F.Y. 1988-93) accounted for \$15 million in assistance to local governments. The local governments, in turn, have matched state funds with more than \$39 million in the last 6 fiscal years toward the development of these solid waste processing facilities. Of the 48 state funded facilities, 31 have been funded in the last six years, and all 31 are still in operation.

County Groups



MAP 1

Processing capacity needed in 2011

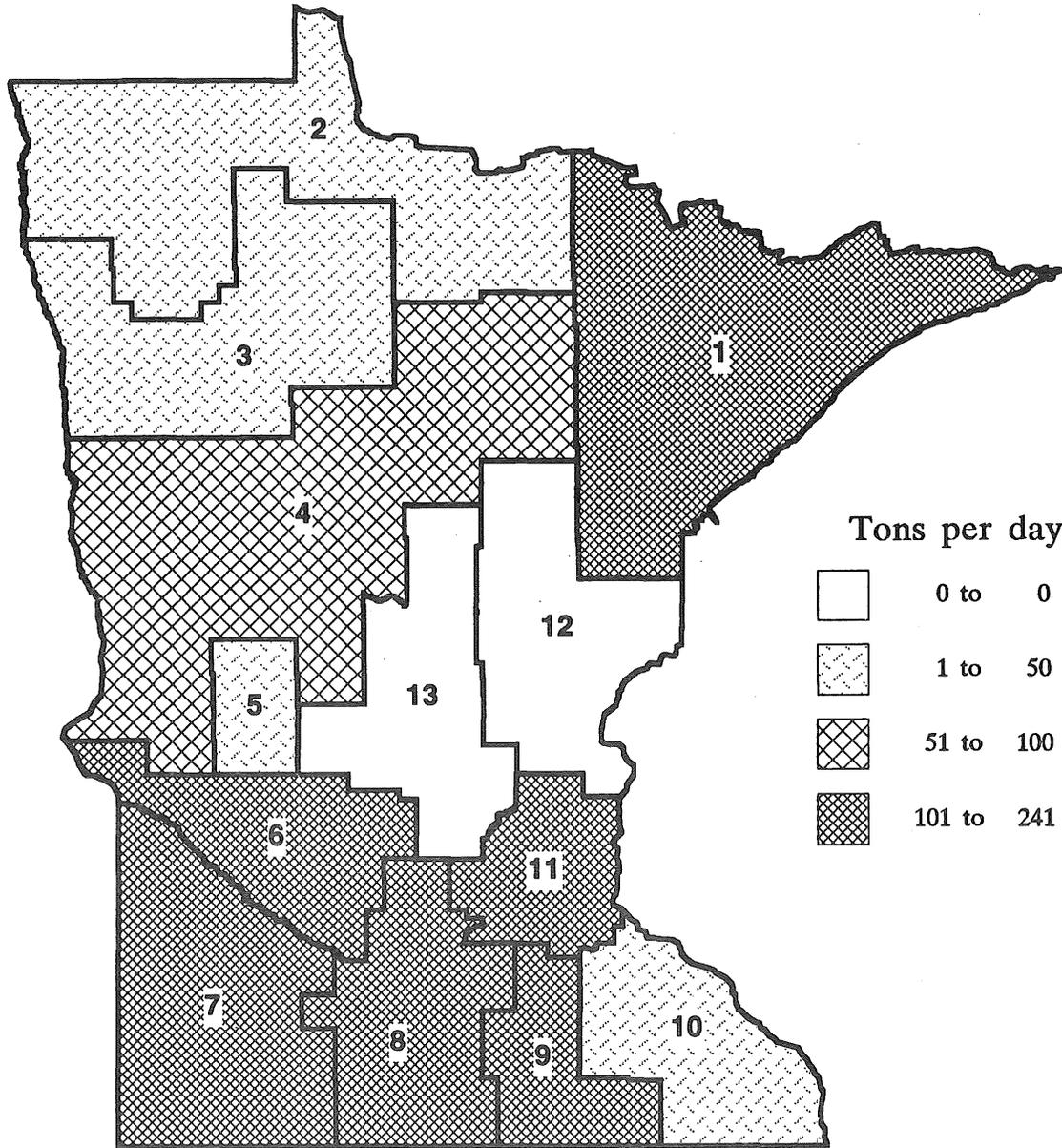
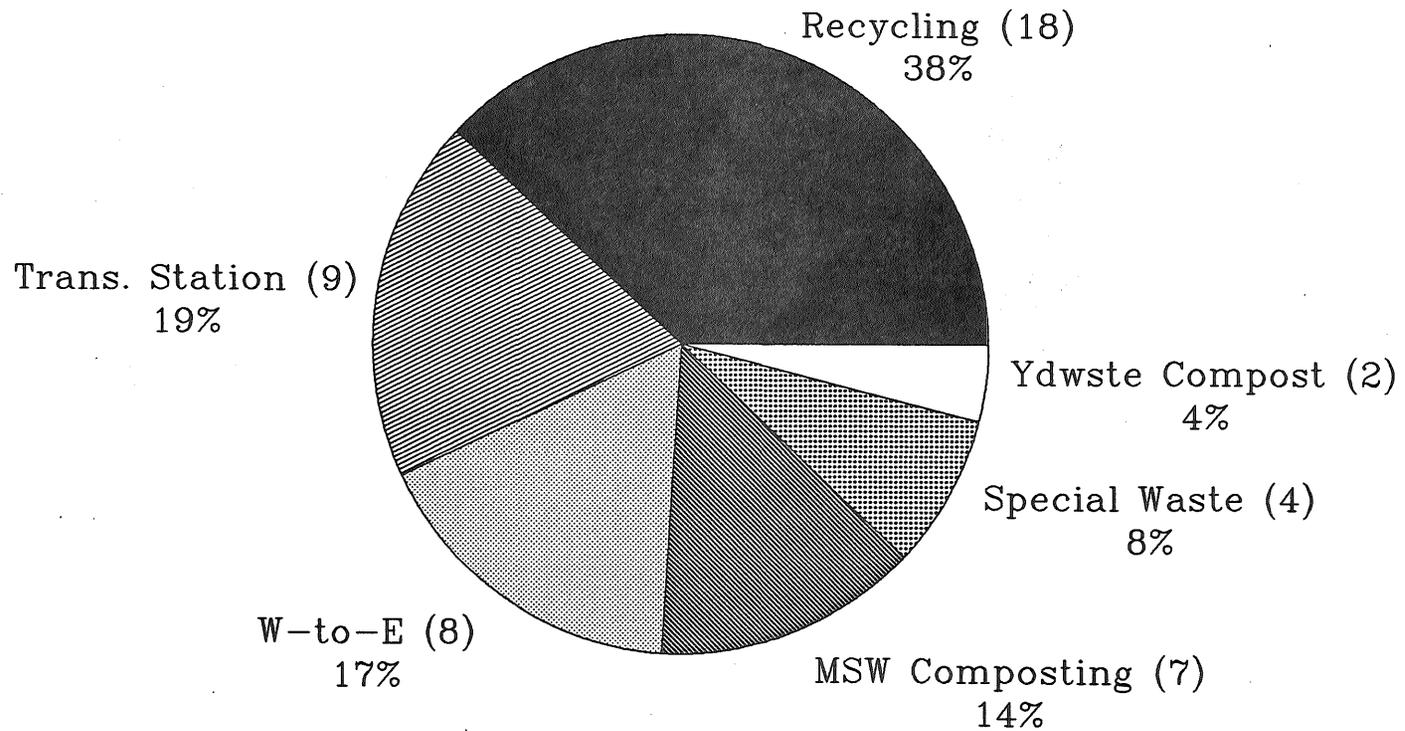


Figure 1

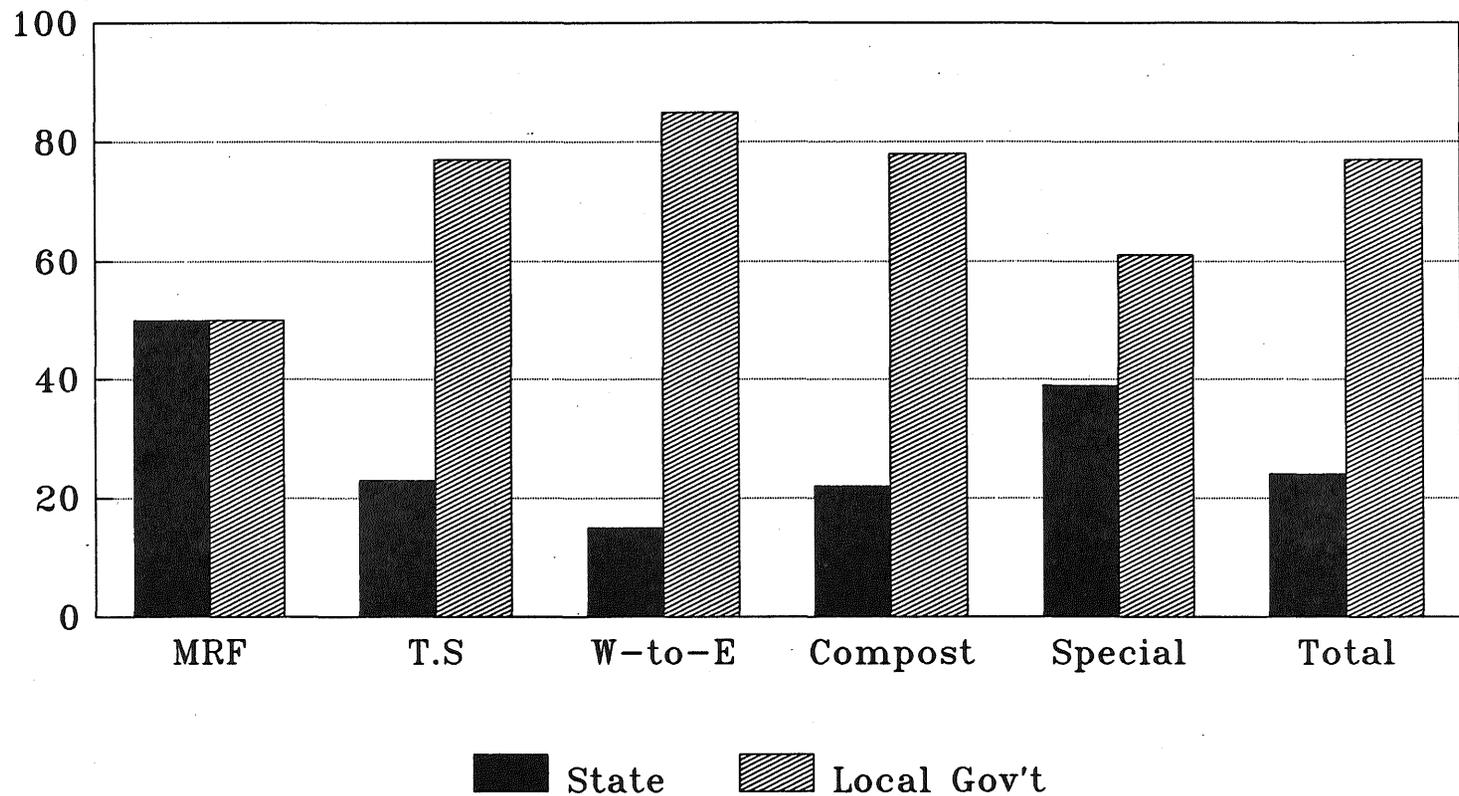
Funded Facilities Technology



48 State Funded Facilities
1980 - 1993

Figure 2

Funded Solid Waste Projects State/Local Cost Share



MRF - Recycling, T.S - Transfer Station,
Compost - Yard & Municipal Solid Waste
Special - Tires & Household Haz Waste

AGENCY CAPITAL BUDGET BRIEF
Projects Summary
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form B

AGENCY: Pollution Control Agency

Project Title	Project Type*	1994 Agency Priority Ranking	Agency Project Requests (\$ by Session)				Strategic Score	Governor's Recommendation (\$ by Session)			
			1994	1996	1998	Agency Total \$		1994	1996	1998	Governor's Total \$
Combined Sewer Overflow	NB	1	20,076			20,076	700	20,076	0	0	20,076
Closed Landfill Cleanup	NB	2	36,000	36,000	36,000	108,000	220	20,000	30,000	30,000	80,000
Solid Waste Capital Assistance	NB	3	11,475	10,225	8,000	29,700	244	7,500	7,500	7,500	22,500
Water Quality Monitoring System	NB	4	200			200	130	200	0	0	200
Total Project Requests:			67,751	46,225	44,000	157,976		\$ 47,776	\$ 37,500	\$ 37,500	\$ 122,776

Project Type*	1994 Session	1996 Session	1998 Session
Construction of a new facility	\$ 0	\$ 0	\$ 0
Adaption of an existing facility for new, expanded or enhanced programs or uses	\$ 0	\$ 0	\$ 0
Adaption of an existing facility for code-required changes or liability purposes	\$ 0	\$ 0	\$ 0
Renewal of existing facilities or assets and CAPRA requests (no program changes)	\$ 0	\$ 0	\$ 0
Non-building projects, grants-in-aids, funds to other government units	\$ 67,751	\$ 46,225	\$ 44,000
Total	\$ 67,751	\$ 46,225	\$ 44,000

* Project Types (choose one for each project or program):

- C = Construction of a new facility for new program/uses or for expanded /enhanced programs/uses or for replacement purposes.
- AP = Adaption of an existing facility for a new program/use or for program expansion/enhancement purposes.
- AC = Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- R = Renewal of existing facilities or assets (no program expansion) and CAPRA requests.
- NB = Non-building projects, grant-in-aid programs, capital project funding to other government jurisdictions.

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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Minnesota Pollution Control Agency
PROJECT TITLE: Combined Sewer Overflow
PROJECT COSTS: \$40,152
APPROPRIATION REQUEST FOR 1994 SESSION: \$20,076
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$-0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$-0-
LOCATION (CITY, COUNTY): Various Statewide

AGENCY PRIORITY (for 1994 Session only):

1 of 4 requests

1. PROJECT DESCRIPTION:

Under M.S., Sec. 116.162, the state Financial Assistance Program for Combined Sewer Overflow was created. The purpose of the program is to financially assist eligible recipients to abate combined sewer overflow into the Mississippi River from its confluence with the Rum River to its confluence with the St. Croix river. A municipality is eligible to receive financial assistance under the program if the city has a permit, stipulation agreement, consent decree, or order issued by the agency requiring construction to abate combined sewer overflow and if the city adopts an approved plan to abate combined sewer overflow.

In 1985, the Combined Sewer Overflow (CSO) Program was established by the legislature to provide financial assistance to the cities of Minneapolis, St. Paul, and South St. Paul for the purpose of separating sanitary and storm water sewers. A 10-year program was created to complete all the work.

Combined sewer overflow from Minneapolis, St. Paul, and South St. Paul is the largest source of untreated wastewater discharge to the waters of the state. During periods of heavy rainfall, the Metropolitan Wastewater Control Commission's treatment facilities do not have the capacity to convey and treat all the combined wastewater and storm water. Because both are conveyed in the same pipe, the overflow, containing raw sewage, is discharged directly in the Mississippi River. The Mississippi River and its

associated environmental community are adversely impacted and public health is potentially threatened.

The CSO program was developed through a broad-based effort involving the 3 cities, the Metropolitan Council, the Minnesota Pollution Control Agency (MPCA), the state of Wisconsin, and the U.S. Environmental Protection Agency. The program calls for sewer separation to be completed over a 10-year period from 1985-1995. The state of Minnesota has placed the 3 cities under enforceable permits in order to ensure meeting the 10-year schedule.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

A clean environment with clean, clear odorless air; fishable, swimable water; usable groundwater; and uncontaminated soil has been the MPCA's goal for the past 25 years. One outcome of this goal was the establishment of the CSO program in 1985. Since the program's establishment, completion of the sewer separation work in the 3 cities has proceeded on schedule. With the completion of the project the discharge of untreated waste water to the Mississippi River, during the period of heavy rainfall, from Minneapolis, St. Paul, and South St. Paul will be eliminated.

The original funding plan consisted of equal participation by the federal, state, and local governments. Construction activity began in F.Y. 1985, with each participant contributing approximately \$6,000,000 per year. In 1990, the federal government eliminated its support from this effort. The 1990 legislature adopted a policy whereby the state of Minnesota and the 3 cities assumed the federal share on a 50-50 basis until completion of the project.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

The table below shows the total anticipated funding for the entire project.

	<u>Federal</u>	<u>Local</u>	<u>State</u>	<u>Total</u>
Previous Appropriations				
1985 Session	\$15,854	\$23,585	\$13,500	\$52,939
1987 Session	11,853	21,470	16,547	49,870
1989 Session	3,477	34,161	18,600	56,238
1991 Session	-0-	35,452	24,900	60,352
1993 Session	-0-	16,024	11,000	27,024
This Request				
1994 Session	-0-	15,047	20,076	35,123
Grand Total	\$31,184	\$145,739	\$104,623	\$281,546

The \$20,076,000 request for F.Y. 1995 includes: a) \$14,400,000 as the states' basic commitment for the 10th year of the CSO project; b) \$2,700,000 for make-up of the shortfall from the capital budget appropriation for 1994. The agency requested \$13,700,000 for 1994, however, the legislature appropriated only \$11,000,000. c) \$2,976,000 is requested for project revisions which have occurred over the past 9 years.

Current Cost Projections from CSO Cities:

	<u>FY 1994</u>	<u>FY 1995</u>
South St. Paul	974	383
St. Paul	17,800	25,900
Minneapolis	<u>8,250</u>	<u>8,840</u>
	\$27,024	\$35,123

3. OTHER CONSIDERATIONS (OPTIONAL):

Consequences: The requirements and dates for the completion of separation are outlined in each city's federal NPDES permit. Failure to comply will subject the cities to enforcement action by the U.S. Environmental Protection Agency, the state of Minnesota and any citizens under provisions of the Clean Water Act. If no funds are appropriated for the CSO

program by the state, the 3 cities would be required to bear the financial burden of meeting the 10-year separation deadline.

In the past the 3 cities of Minneapolis, St. Paul, and South St. Paul were eligible to receive, respectively 24.2%, 71.6%, and 4.2% of state funds allotted. In order to grant the 3 cities 50% of the estimated project costs for 1995 these predetermined percentages are no longer applicable. Therefore, Minneapolis will receive \$5.89 million, St. Paul will receive \$13.97 million, and South St. Paul receive .216 million.

The 3 cities also must meet the following program conditions:

- 1) a recipient of financial assistance under the CSO program shall construct the combined sewer overflow abatement facilities in accordance with the construction schedule contained in the permit, stipulation agreement, consent decree, or order issued by the agency. The agency shall require that, with federal, state, and local funds, the construction schedule would complete abatement of combined sewer overflow within 10-years of the issuance of the permit, agreement, decree, order; and
- 2) a recipient of financial assistance under the CSO program is not eligible to receive a grant to abate combined sewer overflow under the state independent grants program.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 20,076 Appropriation Request (1994 Session)
- \$ 20,076 State funding
- \$ _____ Federal funding
- \$ 20,076 Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Richard J. Sandberg
Name

Manager, Municipal Section
Title

296-7201
Telephone

8-4-93
Date

AGENCY CAPITAL BUDGET REQUEST

Form G-3

Non-Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

This is the 10th and final request of a 10-year program of state financial aid for the combined sewer overflow (CSO) program for the cities of St. Paul, South St. Paul and Minneapolis.

The program began in 1985 with 50% federal funds and the remaining share split 50-50 between the three cities and the state. Federal funding was phased out in 1988, and since then, the cost has been evenly shared between the cities and the state. Since this program is in its final year of funding and the funding formula and precedent established, other funding alternatives have not been considered.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$20,076,000 for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	700
User/Non-State Financing	0
Strategic Linkage	0
Agency Priority	0
Asset Preservation/Deferred Renewal	0
Customer Services Improved	0
Operating Savings/Efficiencies	0
Total Strategic Score	700

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Pollution Control Agency
PROJECT TITLE: Closed Landfill Cleanup Program
PROJECT COSTS: \$330,000
APPROPRIATION REQUEST FOR 1994 SESSION: \$36,000
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$36,000
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$36,000

LOCATION (CITY, COUNTY): Statewide

AGENCY PRIORITY (for 1994 Session only):

2 of 4 requests

1. PROJECT DESCRIPTION:

The closed landfill cleanup program would include additional site investigations, project design, corrective actions and long-term monitoring and operations and maintenance of permanent facility utilities. Estimated capital expenditures associated with this alternatives program is approximately \$181 million over a 10-year period.

Closed landfills have a high potential to cause significant pollution. Ground water including drinking water, is contaminated at sites tested near the 134 permitted landfills. There are also potential dangers to wetlands and surface water due to runoff of contaminants. Production of methane and toxic gases from decomposing wastes have a potential for explosion and adverse health effects. Old sites do not have environmental protection (liners and leachate collection systems), nor have most put aside money to cover closure, post-closure monitoring and care for the next 30 years or to install and operate pollution abatement equipment. By the end of 1993, only 30 of the 134 permitted landfills will be operating. That means cleanup work at over 100 landfills should commence in the near future.

Currently the primary resource and mechanism for cleanup is the Superfund Program. Superfund is a program designed to locate, investigate and clean up old waste sites. The agency attempts to identify all parties responsible

for contributing to the release, or threatened release, of hazardous substances, pollutants or contaminants at a site. Any party found responsible for a site could be liable for the whole cleanup, even though other responsible parties may exist. Particularly at mixed solid waste landfills, responsible parties seek to spread their costs by using all waste generators including local governments, small businesses, restaurants and charities. These third party lawsuits and restudying of the site lead to increased transaction costs (between 20% to 100% more than the actual cleanup costs, according to one national study) and longer time periods before the public health and environmental threats are abated. The agency estimates these "transaction costs" may add \$72 to \$405 million to a cleanup program which is estimated to cost between \$250 to \$450 million. The availability of federal Superfund dollars to fund landfill cleanups is limited by the small number (11) of state landfills included on the federal list and federal government's intention not to add additional landfills to its program.

After studying the issue at the legislature's request, the agency recommended, and the Legislature Commission on Waste Management agreed, that landfills are a societal problem which should be removed from the Superfund program and addressed in a new law and program. In the 1992 and 1993 legislative sessions, the alternative landfill cleanup bill failed due to issues concerning the funding mechanism.

The Closed Landfill Cleanup Program would include additional site investigation, project design, corrective actions, long-term monitoring, and operations and maintenance of permanent facility utilities.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The state needs to establish an alternative program to address the cleanup and long-term maintenance of closed landfills. The current Superfund Program has been found to be ineffective and inadequately funded to address closed landfills and has led to excessive transaction costs. The availability of federal Superfund dollars to fund landfill cleanups is limited by the small number (11) of state landfills included on the federal list and the

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

federal government's intention not to add additional landfills to its program. Without state or federal funding, the closed landfills will remain threats to human health and the environment unless the legislature established and funds a separate program.

The preliminary 1992 cost estimates associated for the total program have ranged from \$250 million to \$450 million based on limited background information available to the agency. The agency's assessment work at closed landfills will further refine the estimates through the use of actual field data and current construction costs occurring at similar sites. The cost estimate will take into account all necessary investigation, design, closure, cleanup, gas venting and post-closure care work for 30 years.

In F.Y. 1994 the legislature appropriated funds to complete the assessment field work and provide for cleanup at a few landfills. The cleanup actions include construction for ground water actions and landfill closure. Projected annual capital expenditure cleanup costs for F.Y. 1995 - F.Y. 2000 are currently estimated at \$108 million (i.e. \$18 million year times 6 years.)

The Minnesota Milestones and the agency's strategic plan contain a similar goal: to improve the quality of the air, water and earth. The Minnesota Milestones have as an indicator, an increasing number of Superfund sites identified and cleaned up expeditiously. The Milestones reflect an increasing percentage of clean ups due to agency efforts to streamline the cleanup process. While Minnesota's Superfund Program has been successful in addressing hazardous waste site cleanups, the use of this program at closed landfills is time consuming, costly and litigious. By providing a portion of the funding for a new program through bonding, landfill cleanup can be separated from the Superfund process to create a streamlined program which reduces the time and money required for investigation and places emphasis on proper closure, monitoring and if necessary, to contain ground water contamination.

The preliminary 1992 cost estimates associated for the total programs have ranged from \$250 million to \$450 million based on the limited background information available to the agency and the type of program that might be used. The legislature has appropriated funds in F.Y. 1993 and F.Y. 1994 to the agency for a statewide assessment of closed landfill cover systems,

to determine the presence and concentration of hazardous pollutants or contaminants and landfill gases, and to determine the boundaries of the fill areas. There are presently 86 landfills in the assessment process and that number is expected to grow as additional permitted sanitary landfills close. Analysis of the data collected indicates that 94% of the closed landfills have leached pollutants or contaminants into the ground water. The data will also assist the agency to decide on appropriate remedies and estimated costs through the use of actual field data and current construction costs occurring at similar sites.

These eligible capital cost estimates are based on data collected through the assessment to date:

<u>Work Type</u>	<u>Thousands \$</u>
Cover	90,320
Remedial Design	4,950
Additional Contingency Action	
- Water	21,910
- Gas	18,790
- Cover	12,520
Passive Gas Venting	3,000
Construction Contingencies	<u>30,000</u>
	\$181,480 Eligible capital costs

3. OTHER CONSIDERATIONS (OPTIONAL):

The cost of landfill cleanup is probably not reasonably within the financial capabilities of the current municipal, county or private owners. Therefore, the agency proposes to assume ownership and liability for the cleanup and post closure operations.

The legislature also has considered a tax on products containing chemicals that have hazardous characteristics or cause management problems in the solid waste management system. These products in waste from residential and commercial activities most likely contribute to releases of hazardous substance at mixed municipal landfill sites. The legislature also considered a tax on insurance companies that sell certain lines of insurance. These

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

companies would be relieved of liability under the proposed legislation. The Department of Commerce must report to the legislature by November 1993 identifying a formula for insurance industry contributions to fund an alternative landfill cleanup program.

In Summary:

Assuming a total landfill cleanup cost (not including staffing and administration) of \$330 million over a 10-year period.

	(Dollars in 000's)		
	<u>Annual</u>	<u>10-Year Period</u>	<u>%</u>
1) Current solid waste cleanup fees	\$3,000	\$30,000	9
2) Bonding backed by general fund	18,000	180,000	55
3) Other legislative options: other solid waste fees, insurance fees, toxics fees	12,000	120,000	36
	\$33,000	\$330,000	100

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify): Capital improvement based on easements to landfills.

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify): Environmental protection to include ground water, surface water, air quality and land

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 36,000 Appropriation Request (1994 Session)
- \$ 36,000 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Art E. Dunn
Name

Manager, Solid Waste Section
Title

296-7340
Telephone

8-4-93
Date

**AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)**

Form G-3

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

Cleaning up contaminated, closed landfills is a chronic, unresolved issue for the legislature and administration as well as for the landfill owners and the people responsible for depositing hazardous materials at the sites.

With few exceptions, the parties agree that the Superfund approach does not work with landfills, mainly because there is no single responsible party to pay for the cleanup. All too often the blame is assigned to numerous potentially responsible parties resulting in years of legal wrangling while the cleanup is on hold.

Still unresolved are the matters of finding a reasonable and equitable funding source for cleanup and whether the state should be ultimately responsible for the cleanup, monitoring and long-term maintenance of the sites. Last session, the Governor proposed an initiative that would have transferred the \$2 Metropolitan Landfill Abatement and Metropolitan Landfill Contingency fees, and \$2 of the Greater Minnesota Landfill Contingency Action Trust Fund to the agency to begin to pay for cleanup of landfills. The legislature rejected the proposal. In this request, the costs and responsibility transfers to the state but the resources do not.

The bond fund supposes that debt service on the bonds be paid by the General Fund. In the final analysis, this becomes a General Fund expenditure. This is the first major landfill cleanup proposal that assigns the costs to the General Fund.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$20,000,000 for this project. Before making expenditures from bond proceeds for landfill cleanup, the agency must ensure that the expenditures are, indeed, eligible capital costs.

Also included are preliminary recommendations of \$30,000,000 in 1996 and \$30,000,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	60
Asset Preservation/Deferred Renewal	50
Customer Services Improved	20
Operating Savings/Efficiencies	0
Total Strategic Score	220

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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Pollution Control
PROJECT TITLE: Solid Waste Processing Facilities Capital Assistance
PROJECT COSTS: \$88,800
APPROPRIATION REQUEST FOR 1994 SESSION: \$11,475
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$10,225
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$ 8,000
LOCATION (CITY, COUNTY): State of Minnesota

AGENCY PRIORITY (for 1994 Session only):

3 of 4 requests

1. PROJECT DESCRIPTION:

The Waste Management Act has advocated integrated waste management and resource recovery since 1980. Since 1984, the state has offered grants to cities, counties and solid waste management districts to help finance the capital costs of constructing solid waste processing facilities. Under the Solid Waste Processing Capital Assistance Program (CAP), the state has helped finance 48 facilities.

Projects eligible for CAP grants are solid waste processing facilities that include resource recovery. Examples of eligible projects include:

- Waste-to-energy facilities
- Recycling facilities
- Composting facilities
- Transfer stations that will serve waste processing facilities
- Waste incineration facilities with resource recovery
- Facilities that will process special waste streams

Examples of eligible capital costs are:

- Final design, engineering and architectural plans
- Land
- Structures
- Waste processing equipment
- On-site roads, parking and landscaping
- Transfer station structures and transportation containers

A state approved county comprehensive solid waste management plan is a

prerequisite to receiving CAP funds (if a metro county, plan must be approved by the Metropolitan Council). The agency refers to the county plan to ensure that a project is consistent with the solid waste activities described in the plan. The project must be publicly owned and located on public land. However, under certain lease arrangements, a county or local unit of government may lease the facility and operations to a private business. The agency encourages public-private cooperation in facility development and operation.

Projects for recycling or composting facilities may receive grants equal to 50% of the eligible costs. Projects for other processing facilities may receive grants equal to 25% of the eligible costs. No project may receive a CAP grant of more than \$2 million, unless it is a multi-county project. Multi-county projects are eligible for 25 or 50% of the eligible costs or \$2 million times the number of participating counties, whichever is less.

The agency encourages applicants to request technical assistance from agency staff before submitting an application. Technical assistance provided by the agency includes public education, public presentations, financial and technical information and referrals to similar projects. The agency helps developers resolve technical, financial, and institutional challenges associated with proposed projects.

The rules governing the CAP program establish a competitive, two-stage application process that allows the agency to identify and assist projects that will be most beneficial in meeting the state solid waste management goals.

The agency announces the availability of CAP grants by publishing a notice in the State Register. The notice is also mailed to all counties in Minnesota. An eligible applicant seeking a CAP grant must submit a preliminary grant application prior to the deadline stated in the notice. Preliminary grant application requirements are outlined in the CAP Procedures Manual, which is available with application forms from the agency.

Preliminary applications are evaluated and prioritized based on the following factors:

1. The consistency of the proposed project with the comprehensive solid waste management plan of each affected county;
2. The consistency of the proposed project with regional solid waste management needs;

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

3. The extent to which the applicant is prepared to implement the proposed project upon receipt of a grant award;
4. For projects serving eligible jurisdictions in only a single county, the extent to which cooperation with jurisdictions in other counties to develop the proposed project is not feasible; and
5. The consistency of the proposed project with the legislative priorities.

The agency also gives special consideration to: 1) areas where natural geologic and soil conditions are especially unsuitable for land disposal of solid waste; 2) areas where the capacity of existing solid waste disposal facilities is determined to be less than five years; and 3) projects serving more than one local unit of government.

After determining which applications will provide the greatest benefit to the state in achieving its goals of resource recovery and landfill abatement, the agency selects finalists and invites the applicants to submit a final application. The final applications are evaluated to determine whether the applications demonstrate the following:

- that the project is conceptually and technically feasible;
- that affected political subdivisions are committed to implementing the project, providing necessary local financing, and accepting and exercising the governmental powers necessary for project implementation and operation;
- that operating revenues for the project, considering the availability and security of resources of solid waste and of markets for recovered resources together with any proposed federal, state, or local financial assistance, will be sufficient to pay all costs over the projected life of the project;
- that the applicant has evaluated the feasible and prudent alternatives to disposal and has compared and evaluated the costs to generators, and the effects of the alternatives on the solid waste management and recycling industry within the project's service area;
- that for projects serving eligible jurisdictions in only a single county, cooperation with jurisdictions in other counties to develop the project is not needed or not feasible; and

- that the project is not financially prudent without state assistance, because of the applicant's financial capacity and the problems inherent in the waste management situation in the area, particularly transportation distances and limited waste supply and markets for resources recovered.

The final applications are reviewed by the agency staff, the agency's Solid Waste Management Advisory Council, the Metropolitan Council, and other appropriate regional development commissions. Based on recommendations by agency staff, the Advisory Council, and others, the director makes the final decision on grant awards.

Recipients must provide the balance of project funding and submit annual written reports to the agency on the project's progress. From these reports, the agency shares the knowledge and experience gained from CAP funded projects with other Minnesota communities.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The agency's long-term strategic goal is to help local units of government establish cost effective and environmentally sound integrated solid waste management systems by maximizing the recovery of materials and energy from waste. These new systems are Minnesota's best protection against financial liabilities and environmental degradation resulting from land disposal of solid waste.

The CAP program serves to encourage counties to accept the responsibilities of managing solid waste and to also work together. By doing this, the CAP program serves to develop an integrated solid waste management system in Minnesota whereby all counties have access to a solid waste processing facility.

The agency's solid waste processing facility CAP program has been and will continue to evolve in response to changing local solid waste management needs. In response to a request from the state legislature, the OWM has prepared a Preliminary Assessment of Regional Waste Management Capacity report to determine the future need for solid waste processing capacity.

**AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)**

Form G-1

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

The report grouped Minnesota's 87 counties and 1 sanitary district into 13 groups. Minnesota's current solid waste generation is estimated at 4.5 million tons per year. Based on a projected waste generation of about 5 million tons per year by the year 2011, the report forecasted that 6 of the 13 groups (a total of 46 counties) would experience significant capacity shortfalls in 2011. This means that a minimum of 6 additional multi-county primary solid waste processing facilities need to be in place before the year 2011.

The trend of moving away from landfilling and to environmentally sound management facilities has and will continue to lead to great demands for CAP grants.

3. OTHER CONSIDERATIONS (OPTIONAL):

Without the CAP program's offering of technical and financial assistance, many local governments would have less incentive to be moving forward in addressing the solid waste management issue. For many counties, developing an integrated solid waste management system is a complex, controversial, and expensive endeavor. Counties have little or no experience with the process. CAP is an incentive to proceed and an opportunity for the state of Minnesota to become involved in the project development process. OWM's involvement is helpful to developing good projects which are institutionally, financially, and technically sound.

The CAP program is strictly voluntary, with participation driven by the goals established in the Waste Management Act and based on solid waste management needs, capacity, environmental protection, and cost. For those reasons, the projected project needs have been categorized by project type rather than by actual names of applicants.

The projected project needs are based on current county solid waste management plans, information submitted by local governments developing solid waste facilities, and discussions with local decision makers. In addition the staff spoke with numerous solid waste administrators and considered state policy and recent studies regarding solid waste management in Minnesota.

A funding round is held annually based on the availability of funds. For moneys previously awarded a grantee has two years to spend the money provided by the agency.

The staff has initiated a funding round which is in progress now. The available funds are \$4.2 million, which has been subtracted from the projected project needs.

Projected Project Needs

	Agency Request	Local Match	Total Project
Household Hazardous Waste	\$1,000	\$1,000	\$2,000
Materials Recovery	800	800	1,600
Resource Recovery	11,000	21,000	32,000
Yard Waste	50	50	100
Special Waste	2,775	8,325	11,100
Transfer Station	50	150	200
Subtotal	15,675	31,325	47,000
FY 94 Funds (minus)	4,200		
Total	11,475		

FYs 97 '98 (1996 Session)

Household Hazardous Waste	450	450	900
Materials Recovery	600	600	1,200
Resource Recovery	8,000	8,000	16,000
Special Waste	1,175	3,525	4,700
Total	10,225	12,575	22,800

FYs '99, '00 (1998 Session)

Resource Recovery	8,000	11,000	19,000
Total	8,000	11,000	19,000

The federal Clean Air Act requires that incinerators be brought into compliance with air standards. These requirements are likely to provide a hardship to some or all of the county owned incinerators in the state which process municipal mixed solid waste. (There are also two privately owned mixed solid waste incinerators.) The agency is considering the ramifications of implementing the air quality standards on incinerators, and the agency will likely be proposing legislation which would provide assistance to operators during the next biennial process.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

Environmental
Resource Recovery

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 11,475 Appropriation Request (1994 Session)
- \$ 11,475 State funding
- \$ _____ Federal funding
- \$ 31,325 Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: <u>Sigurd Scheurle</u>	Supervisor, LGA Unit	612 297-5233	8-5-93
Name	Title	Telephone	Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

Minnesota's solid waste management goal, as outlined in M.S. 115.02 is to foster an integrated waste management system appropriate to the characteristics of the waste stream. The Waste Management Act also established a hierarchy of waste management practices in order of preference:

1. waste reduction and reuse,
2. waste recycling;
3. composting of yard waste and food waste;
4. resource recovery through mixed municipal waste composting of incineration; and
5. land disposal.

This capital budget request supports the state's solid waste goals and policies through a financial partnership with local units of government to construct facilities that will reduce the amount of material that is land disposed.

The agency's request identifies several barriers that discourage the development and use of landfill alternatives. These impediments include high capital and operating costs, waste assurance issues, available financing, and an adequate and stable source of revenue to pay the capital and operating costs.

PCA, through rule changes, will encourage regionalization of facilities as one means of addressing the barriers. The agency is also considering legislative changes to the formula for funding waste-to-energy facilities so recipients can receive funding on the same formula basis as composting facilities. PCA should also consider statutory changes that allow the agency to apply a means test and financing alternatives, such as low-interest loans or interest buy-downs, in lieu of direct grants.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$7,500,000 for the Capital Assistance Program.

Also included are preliminary recommendations of \$7,500,000 in 1996 and \$7,500,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	94
Strategic Linkage	90
Agency Priority	40
Asset Preservation/Deferred Renewal	0
Customer Services Improved	20
Operating Savings/Efficiencies	0
Total Strategic Score	244

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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Pollution Control Agency
PROJECT TITLE: Water Quality Monitoring System
PROJECT COSTS: \$200
APPROPRIATION REQUEST FOR 1994 SESSION: \$200
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$-0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$-0-
LOCATION (CITY, COUNTY): Statewide, Minnesota River Basin

AGENCY PRIORITY (for 1994 Session only):

4 of 4 requests

1. PROJECT DESCRIPTION:

Under this proposal, the agency would purchase and install 10 permanent monitoring stations to provide continuous, water quality data and conditions at major basin locations throughout the state.

By establishing automatic continuous monitoring systems at the mouths of watersheds the agency would be able to measure loadings and concentrations for biological oxygen demand, chemical oxygen demand, nutrients, and solids under a variety of flow regimes. This would also allow the agency to describe the relationship between water flow and water quality measures. During the 1993 flooding it became very apparent that having the type of data this monitoring provides would have been very valuable. The agency has identified 10 priority auto-monitoring station sites located throughout the state. The agency is requesting \$200 thousand as a one-time request to build this system. Two stations would be in the Minnesota River Basin and these would be constructed first.

Proposed Monitoring Station Sites:

Reference:	Site:
SL-9	St. Louis River at Fond du Lac
BE-0	Blue Earth River at Mankato
RWR-1	Redwood River at North Redwood
UM-698	Mississippi River at LaCrosse
UM-815	Mississippi River At Lock and Dam 2 at Hastings
UM-859	Mississippi River at Minneapolis water intake at Fridley
RUM-0.6	Rum River at Anoka
CR-0.2	Crow River at Dayton
RE-452	Red River at Moorhead
RL-0.2	Red Lake River at Grand Forks

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

A clean environment with fishable and swimmable surface waters and safe drinking water are long term goals of the agency. A permanent water quality monitoring system would support these goals by:

- Providing water quality data necessary to improve the understanding of ambient water conditions and trends to develop the most effective strategies for improving water quality;
- Providing water quality data to measure the effectiveness of environmental programs; and
- Providing water quality data for improved environmental decision making by local governments, business and state agencies.

This proposed monitoring system would be primarily targeted at determining the needs and assessing the programs of non-point source water pollution in both standard water flow years and years in which there are flood conditions.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

The agency needs a permanent water quality monitoring system to plan and evaluate many individual water programs as well as the total non-point source program. Non-point source water issues include:

- On-site individual septic systems. Nearly 500,000 households are not connected to a public sewer. The agency estimates that 70% of individual on-site septic systems are failing to provide adequate wastewater treatment. These failing or marginal systems cause degrading of the environment with potentially harmful effects to human health.
- Feedlots: It is estimated that there are 45,000 feedlots in Minnesota of which 9,000 are estimated to be located in shoreland areas with a strong potential to pollute the state's waters.
- Urban and agricultural land runoff. Runoff of pollutants from streets and agricultural chemicals and fertilizer contribute to the degrading of the state's water resources.
- Solutions to non-point source water pollution require partnerships of state, federal, and local governments, business, citizens, and citizen groups. Accurate base level water quality data is necessary to define the scope of non-point source problems and to provide information to the partnerships regarding solutions and program evaluations.

3. OTHER CONSIDERATIONS (OPTIONAL):

Operational costs of this monitoring system will be addressed in the 1996-97 Biennial Budget. Operating costs are estimated to be \$200,000 annually.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 200 Appropriation Request (1994 Session)
- \$ 200 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Linda D. Prail
Name

Supervisor, Program Support
Title

296-7231
Telephone

8-13-93
Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

Having data about ambient water quality and baseline data is important for developing and implementing strategies for improving water quality. Monitoring stations should provide the agency with baseline data and trends with which to measure the success of water quality programs.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$200,000 for 10 monitoring stations.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	20
Asset Preservation/Deferred Renewal	0
Customer Services Improved	20
Operating Savings/Efficiencies	0
Total Strategic Score	130

Minnesota Strategic Capital Budget Plan 1994-99
Governor's Recommendations
(in \$000)

Project Description	Agency Priority	Strategic Score	Agency Request			Governor's Recommendation	Governor's Planning Estimates	
			FY 94	FY 96	FY 98	FY 94	FY 96	FY 98
Trade and Economic Development								
State match to SRF	1	306	14,740	14,740	14,740	14,740	14,740	14,740
State match for Drinking Water	2	256	17,200	13,200	13,200	4,000	13,200	13,200
Mpls Convention Center Expansion (Pre-Design)	3	90	14,800	99,700	0	0	0	0
	Agency Totals		\$46,740	\$127,640	\$27,940	\$18,740	\$27,940	\$27,940

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AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary
Fiscal Years 1994-99

Form A

1. **AGENCY:** Trade and Economic Development, Department of

2. **AGENCY MISSION STATEMENT:**

To employ all of the available state government resources to facilitate an economic environment that produces net new job growth in excess of the national average and to increase nonresident tourism revenues.

Primary clients of the department are businesses and communities.

The department consists of the following divisions:

Business and Community Development Division: The Business and Community Development Division provides comprehensive planning, technical and financial assistance to communities and businesses. Technical assistance and analysis is provided directly to businesses and communities to promote economic development, growth and healthy, self-sustaining communities through marketing, publications and information services, training assistance and partnership activities. Financial assistance is provided by the Division using the following programs: the Public Facilities Authority; the Rural Development Board and Urban Development Board (Challenge Grants Program); the Agriculture and Economic Development Board; and the Federal Small Cities Block Grant program.

Office of Tourism: The Office of Tourism markets Minnesota's products and services that relate to travel, provides joint venture marketing partnerships with local and regional organizations and delivers tourism information through a statewide network of travel information centers and telecommunication systems. Clients are travel related organizations, tourism businesses and tourists.

Minnesota Trade Office: The Minnesota Trade Office assists small and medium sized businesses and those new to exporting through general export and market specific education programs, a network of public/private supported individualized foreign trade offices, foreign export counseling, export financing, trade shows, foreign trade delegations, targeted market research and selected reverse investment strategies to identify and expand export markets for Minnesota products.

The department also has an administrative services unit that provides financial and management support to department operating divisions through policy development, management assistance, fiscal services, personnel and the department's communications office. This unit includes the commissioner's office.

The department began soliciting ideas from the public and private sector for appropriate economic goals for the state. This process has become known as the "Economic Blueprint" and establishes the following seven goals for Minnesota's economy through the year 2000:

- Above average sustained economic growth consistent with environmental protection
- Internationally competitive levels of productivity growth
- Personal incomes adequate to provide a quality standard of living
- Capital investment in the state sufficient to ensure economic renewal and competitiveness
- A business' environment that stimulates new business creation and innovation
- Improved employment and economic opportunities for all citizens in all Regions
- A diversified industry mix to insulate the state economy from surprises, shocks and national business cycles

With shrinking state funds available for increasing demands on government services, and low public tolerance for raising taxes, the only option is to look to expanding the state's economic base. Minnesota currently ranks 44th in the nation for new business startups, and the department will focus on helping the state's home-based industries to expand and grow. Minnesota's economic development programs are based on the philosophy of empowering local units of government to develop their own economic base. This concept must evolve to a regional level, realizing that every community is interdependent on the economic vitality of other communities in its region.

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

The Public Facilities Authority (Authority) work is critical to improving the state's waters and providing the infrastructure vital to support a healthy economy that can encourage expansion of industries within the state.

The sound financial capability of the Water Pollution Control Revolving Fund Loan Program addresses both the environmental priorities of the Pollution Control Agency (PCA) as well as enabling communities to plan for and finance new or expanded wastewater treatment facilities to accommodate residential and industrial growth.

The department also recognizes the need for a similar program that will provide low interest loans for drinking water projects of communities. The department intends to seek legislation authorizing the Authority, in conjunction with the Department of Health, to make loans for drinking water projects.

The department will continue to coordinate PFA funding with other programs within the division and federal funding agencies. The authority encourages thoughtful planning of infrastructure construction projects at the local level to minimize the overall costs of improvements. This is accomplished by using the department's Single Application Process that provides easy access to programs by local units of government while emphasizing comprehensive assessment of community needs.

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

1. PFA

For F.F.Y. 1995-97 the Clinton administration recommends \$2 billion annually for environmental infrastructure State Revolving Funds. The estimated federal grant to Minnesota for each year is \$36,850,000, which would require a twenty percent state match of \$7,370,000 annually for three years for a total of \$22,110,000.

Due to the tremendous success of the State Revolving Funds nationally under Title VI of the Clean Water Act, considerable discussion has occurred and proposals have been drafted to create similar programs to address other infrastructure needs, including drinking water and non-point

source pollution. The expansion of the State Revolving Fund to finance non-point source pollution projects is becoming a reality both at the federal and state level. The department, working with the MPCA, is committed to developing a cost-effective non-point source financing program within the current Water Pollution Control Revolving Fund Loan Program. The department will recommend to the 1994 legislature modifications to M.S. 446A to allow the Authority to finance drinking water and non-point source projects.

One of the new programs being proposed is a State Revolving Loan Program for drinking water projects. The current budget proposal before Congress calls for \$599 million to be appropriated in 1994 and \$1 Billion annually for F.F.Y. 1995-97. Minnesota's share of that proposed program would be \$20 million in F.F.Y. 1994 and \$33 million for F.F.Y. 1995-97. This new program being proposed would also need to be matched with a 20% state match estimated at \$4 million in F.F.Y. 1994 and \$6.6 million in subsequent years.

The federal government has placed a tremendous financial burden on water systems throughout the nation by imposing high water quality and testing standards for drinking water. State and local governments have been seeking financial assistance for the last four years, and Minnesota is no exception. The number of small systems is overwhelming and the costs of operation have become excessive. Currently Minnesota has 1,688 water systems of the following size and type:

<u>Population</u>	<u>Municipal</u>	<u>Non-municipal</u>
0-500	258	888
501-3,300	313	96
3,301-10,000	67	2
greater than 10,000	<u>64</u>	<u>0</u>
Total	702	986

In response to requests for data on water system needs, the Department of Health identified the following types of projects and costs that would be ready to proceed in the next 12 months if funding were available:

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

Form A

<u>Type</u>	<u>Number</u>	<u>Cost (in 000's)</u>
Treatment plant upgrade	2	\$4,869
Comprehensive treatment work	10	65,000
Distribution system	29	29,160
Water source needs	19	8,170
Water storage	<u>10</u>	<u>11,000</u>
Total	70	\$118,199

The Wastewater Infrastructure Fund Program (WIF), addresses eligibility for grant and loan monies based on a community's ability to pay although it is not part of the current capital budget request this year. No new funds are projected to be needed in 1995 as the Authority is using the funds transferred to it by MPCA from the old state match to the federal construction grants program and state independent grant program.

An estimated five million annually will be needed for years F.Y. 1996 through 1999. The program is just beginning and, at present, we do not know whether the Authority can continue to be successful in addressing all wastewater financing needs of small communities by leveraging other grant in aid programs. The program may be expanded, if the need exists, to provide supplemental assistance to other eligible revolving loan fund activities by 1996.

2. City of Minneapolis, Minneapolis Convention Center

The study completed by Tradeshow Week of the exposition industry indicates that the current growth of individual exposition events will increase an average of 37% to 117,000 net square feet of exhibition space per show by the year 1996; and increase by an average of 50% to 132,000 net square feet by the year 2001. Nationally, new events will add at least 60 million net square feet of new exposition space annually by the year 2001.

This confirms what the sales staff for both the Greater Minneapolis Convention and Visitors Association (GMCVA) and the Minneapolis Convention Center (MCC) have been experiencing. Both organizations are

experiencing great difficulty accommodating new exposition groups due to the limited and diminishing availability for dates and space at the Minneapolis Convention Center.

A study completed in November, 1992 by Coopers & Lybrand indicated that utilization of the Convention Center is operating at 104% of the practical booking potential of our exhibit halls. There is a current full marketing study underway which will be available in January 1994 to validate requests for expansion.

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

Water Pollution Control Revolving Fund:

The Minnesota State Revolving Loan Fund (SRF), which is administered by the Authority, has been heralded as a national model and has leveraged grants through 5 revenue bond sales for a total of \$238 million. The program continues to maintain its AA+ bond rating, which minimizes the cost of borrowing to communities for these expensive but critical facilities.

The Authority has a current statutory bonding limit of \$250 million which will need to be raised to accommodate future wastewater, non-point source and drinking water financing needs. For F.Y. 1994, the statutory bonding limit will not impede the current program nor disallow any Minnesota community from receiving funding for building or upgrading its wastewater treatment or collection facilities. However, it is anticipated that an estimated \$100 million in additional bonding authority will be necessary to address the needs in F.Y. 1995, even without new program uses.

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

<u>Actual</u> YEAR	EPA GRANT	STATE MATCH	BONDS ISSUED
1989	\$17,336	\$3,647	\$46,698
1990	17,976	4,253	71,030
1991	37,721	7,554	64,055
1992	35,712	8,056	55,549
1993	35,327	7,066	-0-
1994	<u>22,323</u>	<u>4,464</u>	<u>-0-</u>
Totals	\$166,395	\$35,040	\$237,332

<u>Projections</u>			
1994			\$45,000
1995	\$36,850	\$7,370	55,000
1996	36,850	7,370	55,000
1997	36,850	7,370	55,000
1998	36,850	7,370	55,000
1999	36,850	7,370	55,000
2000	<u>36,850</u>	<u>7,370</u>	<u>55,000</u>
Grand Totals	\$387,495	\$79,260	\$612,332

(Actual & Projected)

Drinking Water Revolving Fund:

The Department of Health estimates, depending on the level at which EPA drinking water standards are set, that approximately 25% of the 1688 public water systems in the state would need to upgrade their systems. This translates into 450 affected systems. A further breakdown indicates approximately 150 systems will have to upgrade for elevated arsenic levels, 100 systems for sulfates and 200 systems for radon. The vast majority of affected systems will be very small ones that lack the financial resources to provide the necessary remediation. Remedial activities would vary from construction of new wells to construction of full-scale water treatment plants.

The total (EPA) estimated costs of just upgrading those systems would be \$250 to \$405 million over the next 5-7 years.

The total cost of possible new drinking water systems that may be needed to replace out-of-code individual wells in the state is unknown at this time.

City of Minneapolis Convention Center:

The current Minneapolis Convention Center facility is in excellent operating condition. The City of Minneapolis has developed a process to ensure funding for maintenance, repair, renovation and operating costs of the present Convention Center.

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

- Agency long-range strategic operating plans and capital budget goals (F.Y. 1994-1999)

Since the Water Pollution Control Revolving Fund (SRF) has proven to be effective and more efficient than old grant programs, the SRF can serve as a model for using state and federal funds to finance construction of needed infrastructure vital to the state's economy. As programs become available at the federal level to assist communities maintain and upgrade infrastructure, the department will be ready to implement them in an efficient, accessible, and coordinated fashion. After the federal government provides capitalization grant funding the only foreseeable capital budget requests would be the need to provide supplemental assistance to high cost projects for communities that cannot afford low interest loans and are unable to obtain the appropriate level of grant funding from other sources to keep the projects affordable.

Additional staff will be needed to implement the drinking water revolving fund program when congress and the legislature finally approve the funding.

With the scheduled end of the federal capitalization grants for both programs ending in the foreseeable future dollars for administrative costs will also end. The total cost of administering the program will be transferred to the state when these federal funds expire. The department will seek to minimize the need for more general fund appropriations through the use of fees to recover the Authority's expenses of administering these programs.

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

Form A

- City of Minneapolis, Minneapolis Convention Center strategic operating plans and capitol budget goals (F.Y. 1994-1999)

Copies of the Coopers & Lybrand marketing study will be made available in January 1994 relating to the long range strategy goals and plans.

6. AGENCY PROCESS USED TO ARRIVE AT THESE CAPITAL REQUESTS:

- Internal agency management process

The Public Facility Authority's draft Capital budget is based on the projected grant amounts to be received from the federal government. The request for state matching requirements addresses the proposed funding levels sought by the President from Congress. The actual requests will be modified based on congressional actions. The request for \$5 million per year for WIF is an estimate of the potential need for a gap financing grant program to complement the Authority's loan program. The estimates were developed in discussions with the MPCA which certifies projects technically before the Authority can consider for funding.

7. AGENCY CAPITAL BUDGET PROJECTS DURING THE LAST SIX YEARS (1988-1993):

- Identify significant capital projects or programs completed or underway

The Authority made its first loan in July of 1989 and has been successful in demonstrating that the state can minimize the amount of grant funds needed and still continue an aggressive level of construction activity with average expenditures of more than \$60 million per year.

Rules for the WIF program were written during F.Y. 1993 to replace the State Independent Grant Program. The WIF program will only be used to assist communities that would not otherwise be able to afford wastewater treatment systems due to the severe fiscal hardship.

With the creation of the Authority and the SRF Loan Program, Capital budget appropriations were primarily made to address prior grant

commitments. Funding appropriated for the State Independent Grant program was spent to address continuation and reimbursement projects and very little was spent on new construction. However, the following set-aside programs were created under the State Independent Grants program when the Authority was created in F.Y. 1988:

- The Capital Cost Component Grants program was created with a \$1.5 million set-aside to finance two privately owned and operated wastewater treatment systems. After lengthy delays, the program was deemed of limited value and funds were never requested to continue it.
- The Corrective Action Grant program received a \$1 million set-aside and was designed to be a revolving grant program. Its intent was to provide construction financing to correct construction or design flaws while communities sought restitution through the legal system. The current view is that the Authority can loan the funds to accomplish this task and that a loan will encourage communities to be more aggressive in pursuing a settlement to recover their costs. \$700 thousand remains from the original appropriation and these funds will be transferred to the WIF program.
- The individual on-site program received \$1 million in 1988. Currently, the Authority and MPCA are in the process of awarding the last of these funds and additional funding has been provided through general fund appropriations. The need to upgrade on-site systems is tremendous. Both the Authority and MPCA are examining how to best deliver a financing program to address these needs and if the SRF loan program is a more rational approach.

AGENCY CAPITAL BUDGET BRIEF
Projects Summary
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form B

AGENCY: Trade and Economic Development, Department of

Project Title	Project Type*	1994 Agency Priority Ranking	Agency Project Requests (\$ by Session)				Strategic Score	Governor's Recommendation (\$ by Session)			
			1994	1996	1998	Agency Total \$		1994	1996	1998	Governor's Total \$
State Match to SRF	NB	1	\$14,740	\$14,740	\$14,740	\$44,220	306	14,740	14,740	14,740	44,220
State Match to Drinking Water	NB	2	17,200	13,200	13,200	43,600	256	4,000	13,200	13,200	30,400
City of Minneapolis, Minneapolis Convention Center Expansion	NB	3	14,800	99,700	0	114,500	90	0	0	0	0
Total Project Requests:			\$ 46,740	\$ 127,640	\$ 27,940	\$202,320		\$ 18,740	\$ 27,940	\$ 27,940	\$ 74,620

Project Type*	1994 Session	1996 Session	1998 Session
Construction of a new facility	\$	\$	\$
Adaption of an existing facility for new, expanded or enhanced programs or uses	\$	\$	\$
Adaption of an existing facility for code-required changes or liability purposes	\$	\$	\$
Renewal of existing facilities or assets and CAPRA requests (no program changes)	\$	\$	\$
Non-building projects, grants-in-aids, funds to other government units	\$ 46,740	\$ 127,640	\$ 27,940
Total	\$ 46,740	\$ 127,640	\$ 27,940

* Project Types (choose one for each project or program):

- C = Construction of a new facility for new program/uses or for expanded/enhanced programs/uses or for replacement purposes.
- AP = Adaption of an existing facility for a new program/use or for program expansion/enhancement purposes.
- AC = Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- R = Renewal of existing facilities or assets (no program expansion) and CAPRA requests.
- NB = Non-building projects, grant-in-aid programs, capital project funding to other government jurisdictions.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Trade and Economic Development, Department of
PROJECT TITLE: Water Pollution Control Revolving Fund/State Match
PROJECT COSTS: \$265,320
APPROPRIATION REQUEST FOR 1994 SESSION: \$14,740
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$14,740
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$14,740
LOCATION (CITY, COUNTY): Statewide

AGENCY PRIORITY (for 1994 Session only):

1 of 3 requests

1. PROJECT DESCRIPTION:

The state is required to match the EPA capitalization grant \$1 for every \$5 federal. Historically, the fund has only been used for wastewater projects, and the Authority continues to assume that \$50-60 million will be spent on wastewater projects annually. To maintain current levels of wastewater treatment capacity, \$60 million per year will need to be spent for replacement. Any new standards or expansions of systems will increase the amount needed. A major purpose behind establishment of the program at the federal level is compliance maintenance. The Authority will also be looking at using the fund's significant financial capability to address non-point source projects which have limited eligibility under title VI of the Clean Water Act. It is anticipated that rules will be drafted during F.Y. 1994 to begin implementing non-point source pollution project financing from the Authority's SRF Program.

A very rough estimate of non-point source pollution activity is in the \$1 billion range. The problems to be addressed include: individual-on-site treatment systems; storm water run-off; feed lots, and agricultural run-off. A preliminary examination of the non-point source needs identified that a critical element will be local coordination and implementation of programs, preferably at the county level. The Authority will assist counties financially to build the administrative services to coordinate financing from the PFA as well as other state and federal programs. The Authority would address

storm water very similarly to that of the wastewater SRF in financing the local units of government directly.

It is important to note that most systems are in compliance with state and federal laws (with billions having been spent doing so). Now the state needs to assure: systems are maintained; expansions to address growth and development are financed; and financing is affordable to keep the systems that exist in Minnesota affordable and competitive.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

Wastewater capacity is one of the important factors in providing growth and expansion opportunities in communities across the state. The Economic Blue Print goal of "above average sustained economic growth consistent with environmental protection" recognizes that the environmental infrastructure must be built to address expansion needs while preserving environmental quality. The natural resource of clean water throughout the state is a critical economic factor in the tourism trade.

3. OTHER CONSIDERATIONS (OPTIONAL):

The state must remain economically competitive while using tax dollars wisely. Low-cost financing under the Authority is an important element in helping communities contain costs of wastewater services.

If the state does not match the federal funds, they are redistributed to other states.

Federal funding is expected to end in Federal Fiscal Year 2000. No additional request would be anticipate after that date, unless the federal government expands the program.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify): creates quality construction jobs, generates tax revenues

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

General Fund % of total 100

User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

\$ 14,740 Appropriation Request (1994 Session)
\$ 14,740 State funding
\$ 73,700 Federal funding
\$ _____ Local gov't funding
\$ _____ Private funding

* \$7,370 for F.Y. 1995
7,370 for F.Y. 1996

**100% paid back to the Authority

Agency Data Prepared by: <u>Terry Kuhlman</u>	Executive Director MPFA	296-4704	6-5-93
Name	Title	Telephone	Date

**AGENCY CAPITAL BUDGET REQUEST
 Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)**

DEPARTMENT OF FINANCE ANALYSIS:

To be eligible to receive matching federal funds, the state is required to match the EPA capitalization grant \$1 for every \$5 of federal funds. From the outset of the capitalization program, the PFA has been appropriated sufficient matching funds to secure the maximum amount of federal funds available to Minnesota. There are good reasons that the funding has been provided. One reason is the 1:5 ratio of state to federal dollars it brings to the program. Secondly, the federal capitalization program is scheduled to sunset in 1994 but the program is expected to be extended out through Federal Fiscal Year 2000 which will end the federal participation.

The amount of this request is based on a current projection that \$73.7 million in federal funds will be allocated to Minnesota over the next two years. If the projection for federal funds changes, the request will be modified to reflect the latest information. Only an amount sufficient to maximize the available federal funds should be appropriated.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$14,740,000 to provide a 20% match for the EPA capitalization grant. This recommendation is based on receiving \$73,700,000 in federal funds over the next two years. Legislation will be introduced to expand the use of this fund from wastewater treatment facility loans to non-point source projects. This expanded authority will provide loans for varied, comprehensive non-point source and watershed management projects such as individual sewage treatment (septic) systems and feedlots.

Based on current estimates of federal capitalization funds, also included are preliminary recommendations of \$14,740,000 in 1996 and \$14,740,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	116
Strategic Linkage	90
Agency Priority	80
Asset Preservation/Deferred Renewal	0
Customer Services Improved	20
Operating Savings/Efficiencies	0
Total Strategic Score	306

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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Trade and Economic Development, Department of/Public Facilities Authority

PROJECT TITLE: Drinking Water Revolving Fund/State Match

PROJECT COSTS: \$309,600

APPROPRIATION REQUEST FOR 1994 SESSION: \$17,200

APPROPRIATION ESTIMATE FOR 1996 SESSION: \$13,200

APPROPRIATION ESTIMATE FOR 1998 SESSION: \$13,200

LOCATION (CITY, COUNTY): 1994 request will address federal fiscal years 1994, 1995 and 1996

AGENCY PRIORITY (for 1994 Session only):

2 of 3 requests

1. PROJECT DESCRIPTION:

The state will be expected to match the federal drinking water capitalization grant \$1 for every \$5 of federal funding. This new fund would be used to address drinking water improvements state wide with emphasis on addressing drinking water standards first. Minnesota is projected to receive close to \$119 million between F.F.Y. 1994 (beginning October 1993) and F.F.Y. 1997 requiring a state match of \$23.8 million. The program may be extended beyond 1997.

- The Drinking Water Revolving Fund (DWRF) will be structured similarly to the Wastewater SRF by providing interest rate subsidies based on financial need.
- The Authority will be responsible for the financial management of the fund, soliciting applications and addressing federal (non-technical) compliance issues (Davis Bacon, MBEWBE, etc.)
- The Authority will prepare the intended used plan (IUP) of eligible projects in conjunction with the Department of Health.
- The Department of Health, like MPCA, will review and certify projects that appear to be technically feasible to the Authority for financing.
- The Department of Health will classify and prioritize projects based on need.

In response to requests for data on water system needs, the Department of

Health identified the following types of projects and costs that are ready to proceed in the next 12 months if funding were available:

<u>Type</u>	<u>Number</u>	<u>Cost</u>
Treatment plant upgrade	2	\$ 4,869
Comprehensive treatment work	10	65,000
Distribution system	29	29,160
Water source needs	19	8,170
Water Storage	<u>10</u>	<u>11,000</u>
Total	70	\$118,199

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

Drinking Water Revolving Fund:

The Department of Health estimates, depending on the level at which EPA Drinking Water Standards are set, that approximately 25% of the 1688 public water systems in the state would need to upgrade their systems. This translates into 450 affected systems. A further breakdown indicates approximately 150 systems will have to upgrade for elevated arsenic levels, 100 systems for sulfates, and 200 systems for radon. The vast majority of affected systems will be very small ones that lack the financial resources to provide the necessary remediation. Remedial activities would vary from construction of new wells to construction of full-scale water treatment plants.

Drinking water is essential for growth. The costs must be kept affordable in order for businesses to remain competitive. Drinking water was largely ignored by state and federal government until the drinking water standards became too complex and expensive to be addressed adequately by smaller communities without help. The need for a drinking water financing program is long over due. The Department of Health has identified more than \$118 million worth of projects ready to proceed this year. The Department of Trade and Economic Development's Single Application Process continues to receive requests for funding of water related projects in one out of three applications received.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

3. OTHER CONSIDERATIONS (OPTIONAL):

If this program is created and established at the federal level the state will need to provide the match or funds will be re-distributed to other states.

The Authority, working with other community development infrastructure programs within the Department of Trade and Economic Development can continue to work with communities to address their needs in a comprehensive and coordinated manner. The authority intends that this program mirror the SRF and these funds will be used to leverage revenue bonds at a minimum of 2:1.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100%
- User Financing % of total _____
- Source of funds _____

FUNDING SOURCE:

- \$ 17,200 Appropriation Request (1994 Session) *
- \$ 17,200 State funding
- \$ 86,000 Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

* (F.F.Y. 1994, 1995 and 1996 appropriations estimates requiring a State Match.)

Agency Data Prepared by: Terry Kuhlman
Name

Executive Director, MPFA
Title

296-4704
Telephone

6-5-93
Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

The state match request for the Drinking Water Revolving Fund is a new request. The Clinton administration is proposing the drinking water program, but Congress has not yet authorized it. Legislation will also have to be passed by the state to implement the state program.

Like the capitalization grant for the waste water treatment facilities, this program requires \$1 of state funding for every \$5 of federal funds. The demand for drinking water facilities and the availability of federal funds suggests that the state match the maximum amount of federal funds available to Minnesota.

Consideration should be given to funding the debt service in the early years of this program from the service connection fee. The rationale for considering this source for debt service is that through this program the state will provide a low-cost source of financing to local communities for upgrading their drinking water systems to comply with the more stringent federal health standards. The connection fee is a relatively new source of revenue to the state, and in the first years of the new monitoring requirements, the expenditures are projected to be below the level of revenue collected from the new fee. Thus, until the program grows to the point where expenditures and revenues converge, the additional revenue should be earmarked to pay the debt service.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$4,000,000 for the first year's match of the federal drinking water capitalization grant. The \$4,000,000 will match \$20,000,000 of federal funds if Congress passes the enabling federal legislation. Because of the uncertainty of the program, only one year of match is recommended at this time.

It is further recommended that the first \$2,000,000 of debt service for this appropriation be paid from the \$5.21 service connection fee. Currently, program costs are less than the revenues the fee produces and the Drinking Water Revolving Fund will benefit communities statewide by providing a source of low-cost capital to upgrade drinking water systems. If resources allow, the fee revenue should continue to make the debt services payments after paying the initial \$2,000,000.

Based on the assumption of passage of federal legislation, also included are preliminary recommendations of \$13,200,000 in 1996 and \$13,200,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	116
Strategic Linkage	60
Agency Priority	60
Asset Preservation/Deferred Renewal	0
Customer Services Improved	20
Operating Savings/Efficiencies	0
Total Strategic Score	256

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Trade and Economic Development, Department of
PROJECT TITLE: City of Minneapolis Convention Center Expansion
TOTAL PROJECT COST: \$114,500
APPROPRIATION REQUEST FOR 1994 SESSION: \$14,800
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$99,700
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$-0-
LOCATION (CITY, COUNTY): Minneapolis, Hennepin

AGENCY PRIORITY (for 1994 Session only):

3 of 3 requests

1. **PROJECT DESCRIPTION:** Addition of 580,000 sq. ft. of convention facilities; approximately 200,000 sq. ft. of exhibition space with additional meeting rooms, general session area and support space.

\$14.8 million would be used for Phase I, preliminary items. These items would include:

Architectural fee	\$ 3.3 million
Land acquisition	\$ 7.0 million
Off site utilities	\$ 2.0 million
Construction Management Fee	\$.8 million
Testing fees	\$.4 million
Project insurance	\$ <u>1.3 million</u>
	\$ 14.8 million

\$99.7 million would be used for Phase II. This money would be needed for the actual construction of the facility.

Architectural fee	\$ 3.1 million
Construction contracts	\$ 86.0 million
Fixtures, furniture, equipment	\$ 3.0 million
Construction management fee	\$ 2.9 million
Testing fees	\$.9 million
Project insurance	\$ 2.6 million
Project administration	\$ <u>1.3 million</u>
	\$ 99.7 million

The current Minneapolis Convention Center has 359,000 square feet of rentable space. This includes 277,000 square feet of exhibition hall, 54,000 square feet of meeting rooms, and a 28,000 square foot ballroom. The proposed expansion will include 200,000 square feet of exhibit space and approximately 40,000 square feet for meeting rooms.

A market study, to be completed in January, 1994 will illustrate what size center the market commands. The study will also document how much revenue the state has made off the Center and how much the state could make or forego if the expansion is not built. Therefore at this writing \$114.5 million is the estimate dollar figure the City is working with until the market study is complete.

The Convention Center is landlocked. In order to get the space needed to expand, it is required to go below ground. This does cause the cost to go up.

The current facility is already operating at capacity which was illustrated through a utilization study completed in 1993. New business is being turned away on a regular basis.

2. **PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:**

The original Convention Center Project was based upon three fundamental objectives that tie directly into the Minnesota Department of Trade and Economic Development strategy.

- New tax revenues
- New dollar investments
- New jobs at more than minimum wage

To remain viable in the current market, expansion is necessary to continue holding and increasing the national market share of conventions and trade shows for Minnesota. Expansion of the Minneapolis Convention Center directly ties into the strategic goals as follows:

- The Minneapolis Convention Center generates the largest direct new non-resident dollars in the State of Minnesota.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

- The Minneapolis Convention Center generates new non-dedicated state sales tax revenues.
- The current Minneapolis Convention Center has created over 1,000 jobs at more than minimum wage for Minnesota citizens.
- The Minneapolis Convention Center is the Minnesota showcase for international and national trade center for Minnesota high tech, medical and agri-business community.
- The Minneapolis Convention Center generates new hospitality industry investments for small and convention service businesses.
- This is an investment in an environmentally friendly industry.
- This industry creates new entry level business for hospitality and service industry components.
- The Convention Center is a primary showcase for Minnesota as a potential business/expansion site.
- The Minneapolis Convention Center has achieved and exceeded projections established by the 1985 Governor's Commission on Minnesota's Convention and Trade Facilities. Currently, the Center is turning national and international business away.
- The Convention and Trade Show industry is buffered by regional economic surprises and cycles.
- Hosting events in the Minneapolis Convention Center creates "home field advantage and opportunity" for Minnesota business to exhibit their goods and services on an international and national level.
- The City of Minneapolis has committed over \$200 million to the construction of the Convention Center facility through local tax revenues. This does not include the hotel and 2 parking ramps that the state required the City to build.

Anticipated outcomes of expansion will double current national convention activity resulting in direct increased sales tax revenues, new dollars spent in state, and increased businesses which, in turn, will create multiplication effect. (Marketing study to be completed January, 1994 to verify information).

3. OTHER CONSIDERATIONS (OPTIONAL):

The Minneapolis Convention Center has proven to be an international trade venue, particularly for medical, high technology and agri-business conventions.

Construction of the Minneapolis Convention Center allowed Minnesota to have an international showcase, increasing business and trade opportunities provided by the globalization of economies.

Negative consequences for failure to respond to our customer/market demands are the following:

- Minnesota will lose the opportunity to showcase goods and services.
- No increases in jobs, sales tax and new dollars into the economy of the State of Minnesota.
- Lose of exposure to national and international companies that could establish and do business in the state of Minnesota.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____
- Source of funds _____

NON-STATE PARTICIPATION:

- \$ 114,500 Total Project Cost
- \$ 114,500 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Andrea Hart Kaier
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11/22/93
Date

**AGENCY CAPITAL BUDGET REQUEST
 Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)**

DEPARTMENT OF FINANCE ANALYSIS:

This project meets all Department of Finance criteria for project qualification.

Cost estimates for the Minneapolis Convention Center Expansion are tentative. Additional information is expected to be available through a marketing study to be completed in January, 1994.

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend capital funds for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	30
Agency Priority	40
Asset Preservation/Deferred Renewal	0
Customer Services Improved	20
Operating Savings/Efficiencies	0
Total Strategic Score	90

Minnesota Strategic Capital Budget Plan 1994-99
Governor's Recommendations
(in \$000)

Project Description	Agency Priority	Strategic Score	Agency Request			Governor's Recommendation	Governor's Planning Estimates	
			FY 94	FY 96	FY 98	FY 94	FY 96	FY 98
Water & Soil Resources Board								
Area II Minnesota River Basin	3	269	1,900	2,300	2,450	1,900	1,000	1,000
Reinvest in Minnesota Reserve	1	255	14,240	20,049	18,010	10,000	10,000	10,000
Abandoned well sealing	4	195	250	250	250	0	0	0
Erosion Control Cost - Share	2	180	1,200	1,500	1,200	0	0	0
Permanent Wetland Preserves	5	170	5,530	3,960	1,190	2,000	2,500	2,500
	Agency Totals		\$23,120	\$28,059	\$23,100	\$13,900	\$13,500	\$13,500

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AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary
Fiscal Years 1994-99

Form A

1. **AGENCY:** Water and Soil Resources, Board of

2. **AGENCY MISSION STATEMENT:**

The mission of the Board of Water and Soil Resources (BWSR) is to provide leadership enabling local governments to properly manage water and soil resources and to help all citizens be stewards of our irreplaceable natural resources.

Although other agencies are involved in resource management, the BWSR is unique in that it is the only agency that accomplishes its goals through increasing the capabilities of local government units. This approach makes sense for a number of reasons.

First, local ownership of natural resource management activities is an important component of the success of such efforts. Rather than resentment at a state mandate that local personnel perceive they are being forced to carry out, a state-local partnership fosters feelings of pride and local responsibility.

Second, since resource management is primarily a land use issue, and local government is the land use authority in Minnesota, it makes sense to focus resource management assistance at the local level. Local governments, through their widespread planning and zoning authorities, make the vast majority of land use decisions. Sound land use management at the local level will protect soil, lakes, rivers, and streams, and sustain agriculture, forestry and development.

Finally, we enter a time of increased environmental awareness-but dwindling resources to address these concerns. Partnerships and strong working relationships are an effective way of leveraging our talents, resources, and finances to achieve the greatest results.

Recognizing the advantages of local resource management, the legislature in 1987 created the BWSR to facilitate local government effort and to ensure coordination of state, local, federal and private resource management initiatives. To accomplish this, the membership of the BWSR

includes representatives from local government, citizens, 4 state agencies and the University of Minnesota Extension. This composition provides a unique opportunity for communication of issues and concerns, policy discussions on resource management, and generally enhancing state/local/private partnerships.

To reach these objectives, the BWSR:

- promotes communication and partnerships among state, local, and federal governments, as well as private organizations;
- administers a number of grant programs providing funding to local governments for resource management;
- conducts training sessions and provides technical assistance to local units of government; and
- coordinates state government activities as they affect local governments.

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

The following trends are shaping the development of policies and programs at the BWSR:

1. *Reduced state and federal government funding for local governments, and increased expectations of local responsibilities.* As more of the financial and administrative burdens of resource management fall on local governments, they need to increase their capability to handle the myriad demands of those responsibilities, and be supported by capital programs such as those administered by BWSR.
2. *Increased awareness among the general public, including landowners, of resource problems, and increased willingness to make reasonable efforts to accomplish resource conservation.* More Minnesotans are becoming concerned about our environment, particularly water quality-many people have noticed deteriorating conditions in their favorite lakes or fishing streams. As these concerns surface, more people are willing to make reasonable efforts and contributions to protect and improve their environment.

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

Form A

3. *Movement from planning to implementation phase of non-point source pollution prevention strategy.* As Minnesota moves from the planning to the implementation stage of its non-point source strategy, BWSR's local government network increases in importance as a means of disseminating financial and technical aid to local governments. The BWSR has the structure and the relationships needed to address non-point concerns at the local level.

4. *Federal Actions.* Federal actions continue to affect BWSR local government programs in a wide variety of ways. Some examples of this are the recent funding cuts to the Conservation Reserve Program and the Wetland Reserve Program. Decreasing federal participation in flood control and related efforts has also resulted in a greater need for state participation. The BWSR must take this into consideration as it anticipates funding, programmatic and staffing needs, as well as an increased demand for state set-aside dollars, over the next bienniums.

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

Since the inception of the RIM Reserve program in 1986, landowner interest in enrolling acreage into conservation easements has consistently exceeded appropriations. As of May, 1993, approximately \$62 million of applications have been received in consideration of approximately \$30 million appropriated. The board anticipates that this level of landowner interest in the program will be sustained for the foreseeable future.

The Area II Minnesota River grant-in-aid program administered and technically supported by the BWSR has proven to be an effective partnership for flood control, floodplain management and related erosion control and water quality improvements. The member counties of the Area II joint powers board remain focussed on their mission and have the desire and capability to support an expanded local/state partnership in a large portion of the Minnesota River basin. Existing studies by the Soil Conservation Service, Corps of Engineers and local governments have identified numerous potential project sites.

In the past, the Streambank, Lakeshore and Roadside (SLR) and Abandoned Well Sealing programs have not been directly funded by bonding. In recent years, demand for these programs has exceeded available funding by more than 2:1.

To date, the capital funds appropriated for the permanent wetland preserve program have been adequate to meet landowner interest in the program (\$7 million appropriated).

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

The BWSR intends to use bonding to the extent possible to fund projects on public property or projects on private land with a long term public benefit; to protect the public interest, projects on private land will be done through easement acquisition.

The BWSR Strategic Plan (attachment A) identifies resource management strategies and related goals of the agency. The resource management strategies specified are education, incentives and regulation. The plan also identifies a number of goals (by resource area such as water quality management) that focus on assisting local governments and landowners in solving and preventing natural resource management problems. The projects outlined in this capital budget request utilize the "incentive strategy" as tools available to local government to enhance local program delivery. Incentives should provide opportunities to dissuade harmful and encourage beneficial land and water use activities. Incentives should also encompass urban as well as rural values, and loans as well as grants.

Some of the goals identified in the Strategic Plan that are achieved through the capital projects include:

- Protecting or retiring existing marginal agricultural lands and highly sensitive lands.
- Targeting land retirement programs to the highest priority marginal agricultural lands and sensitive lands.
- Retiring marginal agricultural lands and highly sensitive lands to permit

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

Form A

land managers to focus their stewardship efforts on more productive lands.

- Creating and protecting natural retention systems to aid in the management of surface water runoff and enhance groundwater recharge.
- Striving towards a "net gain" of wetland resources.
- Installing best management practices on Minnesota lands.
- Targeting land treatment cost-share programs to erosion-prone productive lands.
- Reducing soil loss at or below the soil loss tolerance level by the year 2000.
- Managing runoff to minimize property loss and environmental damage.
- Reducing groundwater contamination by sealing abandoned wells.

The requests included in this capital budget are a reflection of programs that have been successful in achieving the objectives outlined above. Wetland restoration, erosion control projects, well sealing and RIM have been specifically identified in local comprehensive water management programs as key incentives to realizing state and local water resource objectives.

6. AGENCY PROCESS USED TO ARRIVE AT THESE CAPITAL REQUESTS:

Budget requests were based on historic requests from local governments for financial assistance.

To determine the capital budget request for the RIM Reserve program goal acreage was extrapolated from the program's Five Year Plan (attachment B). The acreage was derived through a collaborative effort of LGU representatives and the BWSR RIM Reserve Strategic Planning Committee which considered the amount of eligible land for the program and forecasted landowner interest.

Information was provided by the Washington County Soil and Water Conservation District for the St. Croix River SLR request.

Area II requests were based on short and long range work plans which reflect project priorities and available capabilities. Abandoned wells information was derived from local water plans.

Internal agency estimates were used to arrive at the amount requested for the permanent wetland preserve program.

- All requests are a reflection of demands for service or assistance of local government and citizens.
- The county water plans, work plans of SWCDs, watershed districts, and watershed management organizations were key sources for these requests.

7. AGENCY CAPITAL BUDGET PROJECTS DURING THE LAST SIX YEARS (1988-1993):

RIM Reserve received \$29.9 million from bonding between 1986 and the most recent appropriation in 1993, of these funds, 95% have been committed to specific easements. Please refer to the RIM Reserve, and Permanent Wetland Preserve project details for funding history by year.

The Wellner-Hageman multiple purpose reservoir received \$1,645,000 from bonding in 1990. This reservoir was completed in 1992.

Permanent wetland preserves has received \$7 million in FY 1993-94. One million has been reserved for permit denial compensation, with \$2.8 million committed to easements in FY 1993 and \$3.2 million available to fund easement applications in FY 1994.

AGENCY CAPITAL BUDGET BRIEF
Projects Summary
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form B

AGENCY: Water and Soil Resources, Board of

Project Title	Project Type*	1994-95 Agency Priority Ranking	Agency Project Request (\$ by Session)				Strategic Score	Governor's Recommendation (\$ by Session)			
			1994	1996	1998	Agency Total \$		1994	1996	1998	Governor's Total \$
Reinvest In Minnesota Reserve	NB	1	\$14,240	\$20,049	\$18,010	\$52,299	255	10,000	10,000	10,000	30,000
Erosion Control Cost Share	NB	2	\$1,200	\$1,500	\$1,200	\$3,900	180	0	0	0	0
Area II Minnesota River Basin	NB	3	\$1,900	\$2,300	\$2,450	\$6,650	269	1,900	1,000	1,000	3,900
Abandoned Well Sealing	NB	4	\$250	\$250	\$250	\$750	195	0	0	0	0
Permanent Wetland Preserves	NB	5	\$5,530	\$3,960	\$1,190	\$10,680	170	2,000	2,500	2,500	7,000
Total Project Requests:			\$ 23,120	\$ 28,059	\$ 23,100	\$ 74,279		\$ 13,900	\$ 13,500	\$ 13,500	\$ 40,900

Project Type*	1994 Session	1996 Session	1998 Session
Construction of a new facility	\$	\$	\$
Adaption of an existing facility for new, expanded or enhanced programs or uses	\$	\$	\$
Adaption of an existing facility for code-required changes or liability purposes	\$	\$	\$
Renewal of existing facilities or assets and CAPRA requests (no program changes)	\$	\$	\$
Non-building projects, grants-in-aids, funds to other government units	\$ 23,120	\$ 28,059	\$ 23,100
Total	\$ 23,120	\$ 28,059	\$ 23,100

* Project Types (choose one for each project or program):

- C = Construction of a new facility for new program/uses or for expanded /enhanced programs/uses or for replacement purposes.
- AP = Adaption of an existing facility for a new program/use or for program expansion/enhancement purposes.
- AC = Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- R = Renewal of existing facilities or assets (no program expansion) and CAPRA requests.
- NB = Non-building projects, grant-in-aid programs, capital project funding to other government jurisdictions.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Water and Soil Resources, Board of
PROJECT TITLE: Reinvest In Minnesota (RIM) Reserve Program
PROJECT COSTS: \$52,299
APPROPRIATION REQUEST FOR 1994 SESSION: \$14,240
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$20,049
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$18,010
LOCATION (CITY, COUNTY): Statewide

AGENCY PRIORITY (for 1994 Session only):

1 of 5 requests

1. PROJECT DESCRIPTION:

RIM Reserve was established in 1986 (M.S. 103F.505 to 103F.531, as amended) "to keep certain marginal agricultural land out of crop production to protect soil and water quality and support fish and wildlife habitat." The requested funds will be utilized to acquire conservation easements from private landowners on marginal lands to restore wetlands and to establish permanent vegetative cover. Marginal lands targeted for acquisition include sensitive groundwater areas, riparian lands, drained restorable wetlands, and marginal agricultural croplands. In addition, the total dollar amount requested includes professional service costs associated with acquiring easements and conducting related engineering functions (12% for wetland easements and 10% for non-wetland easements).

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The RIM Reserve program conforms with the Board of Water and Soil Resources' (BWSR's) long-range plan by providing an incentive tool for local resource managers to utilize to protect and improve their water and soil resources. RIM Reserve is implemented at the local level by soil and water conservation districts (SWCDs).

RIM promotes the retirement of marginal intensive-use lands by reimbursing

landowners to cease cropping and grazing, and establish conservation practices. This conserving use reduces runoff, erosion and sedimentation, and benefits land, water, fish and wildlife resources. Specific benefits to the public include:

- prevention of groundwater contamination to surficial and bedrock aquifers through the retirement of cropland overlying wellhead protection areas or in the immediate proximity of sinkholes;
- prevention of further surface water quality degradation resulting from sedimentation through the retirement of riparian land and marginal agricultural cropland;
- enhancement of fish habitat due to reductions in sediment loadings through the retirement of riparian lands; and
- enhancement of upland game and nongame wildlife habitat due to increased permanent vegetative cover.

The Five-Year Program Plan 1993-1997 (see attachment B) sets forth both long-term and short-term goals and objectives. Long-term goals estimate resource protection needs based on an approximation of the acreage that meets land eligibility criteria. These acres have been factored by a percentage estimated to reflect the lands most in need of protection. Achievement of the long-term goals and objectives, as well as the time-frame, will be dependent on:

1. The state's financial commitment to the program.
2. The economic appeal of the program in relation to a landowner's management decisions.
3. The degree to which other conservation agencies and organizations contribute to the protection of the identified acres.

Short term goals (1993-1997) identified in the program plan represent the progress toward the long-term goals that the BWSR believes is realistic considering the past program activity and present program staff capability.

AGENCY CAPITAL BUDGET REQUEST

Non-Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Target enrollments are identified for marginal lands (including groundwater sensitive lands, riparian lands and highly erodible lands) and wetland restorations. The short-term goals also identify the need to sustain land presently in conserving-use but slated to expire from Conservation Reserve Program (CRP) contracts and RIM Reserve limited-duration easements. Conversion of these contacts to perpetual RIM Reserve easements is efficient because the land is already in conserving use, negating the need to expend dollars for the establishment of conservation practices. Only the most environmentally sensitive lands will be targeted for conversion, which can be defined as those lands that significantly contribute to the degradation of ground and surface water resources. Some counties have included these resource sensitive areas as priorities in their local water plans. Typically these lands are prone to erosive forces that detach sediment (often latent with nutrients and pesticides), and a direct transportation route between the land and a water body exists.

Acres scheduled for release from CRP and RIM limited-duration easements:

YEAR	CRP Acres	RIM Acres	Total Acres
1994	-0-	-0-	-0-
1995	-0-	-0-	-0-
1996	136,000	110	136,110
1997	1,007,000	8,120	1,015,120
1998	341,000	100	341,100
1999	221,000	100	221,100
TOTAL	1,705,000	8,430	1,713,430

Program plan acreage enrollment goals:

YEAR	MARGINAL LAND ACRES	WETLAND ACRES	CRP ACRES	RIM ACRES	TOTAL ACRES
1994	6,000	2,000	-0-	-0-	8,000
1995	6,000	2,000	-0-	-0-	8,000
1996	6,000	2,000	720	55	8,775
1997	6,000	2,000	4,085	4,060	16,145
1998	6,000	2,000	2,845	50	10,895
1999	6,000	2,000	2,845	50	10,895
TOTAL	36,000	12,000	10,495	4,215	62,710

Average cost per acre:

<u>Land Type</u>	<u>Cost/Acre</u>
Marginal Land	\$791.00
Wetland	\$1,186.00
CRP/RIM	\$652.00

While maintaining these acres in conserving use requires a significant investment, it is important to recognize that lands reverting to intensive use, such as cropping and grazing, will undoubtedly result in costly off-site impacts such as sedimentation and water quality degradation.

The BWSR acknowledges that alternative resource management techniques should be employed in conjunction with RIM Reserve to protect environmentally sensitive lands slated to expire from conservation programs. Comprehensive resource management techniques should include local adoption and enforcement of an ordinance to reduce erosion and sedimentation, and to promote maintenance of flood plain hardwood forests. An advisory committee is currently drafting a model *Agricultural Erosion control Ordinance* for counties to voluntarily adopt. The BWSR believes that regulatory approaches, such as ordinances, are only successful if imple-

**AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)**

Form G-1

mented in conjunction with educational efforts and incentive programs. In addition, SWCDs and counties must possess the base-capability of adequate numbers of properly trained technical staff to execute these resource management strategies.

Since its inception in 1986, RIM's funding source has largely been from the sale of bonds with limited support funding appropriated from the Environmental Trust fund for RIM. The BWSR submitted a \$12 million request for FYs 1992-93 and received \$1,000,000. For FYs 1994-95 \$10 million was requested, of which \$823,000 (Legislative Commission on Minnesota Resources) was appropriated. In addition, the BWSR has solicited and received matching funds \$850,000 for wetland restoration in the Minnesota River Basin from the North American Wetlands Conservation Act (NAWCA). The BWSR continues to seek grants from NAWCA to fund conservation easements within priority watersheds. This matching program requires a 2.5:1 match to be competitive nationally.

It is anticipated that conservation groups, such as Pheasants Forever, Ducks Unlimited, Isaac Walton League, Minnesota Waterfowl Association, Trout Unlimited and the U.S. Fish and Wildlife Service will continue to leverage dollars towards the establishment of conservation practices on RIM easements. During FYs 1992-93 these organizations directly contributed approximately \$186,000 to the program, with more dollars donated in the form of grass seed and in-kind services. The BWSR continues to actively seek funding from these groups.

3. OTHER CONSIDERATIONS (OPTIONAL):

RIM Reserve has been a popular program stemming from the 1984 Citizens Commission report on the Governor to Promote Hunting and Fishing in Minnesota. Many individuals and organizations praised the report for its insightful recommendations, and as a result created a coalition to promote the passage of the landmark legislation that created RIM. The demise of this program would eliminate a vital incentive tool utilized in promoting good land and water stewardship. In addition, a growing partnerships with other public and private organizations would be greatly diminished.

Program accomplishments and trends:

LAWS OF:	APPROPRIATIONS (millions)	LANDOWNER INTEREST 4 (MILLIONS)	
		1986	1987
1987	9.0 Bonding	25.5	5.5
1988	-0-	5.0	6.3
1989	1.5 Bonding	4.2	7.8
1990	0.75 Bonding	1992	3.7
1991	6.9 Bonding	1993	4.2*
1991	1.0 Env. Trust Fund	1993	5.0**
1992	1.25 Bonding		
1993	0.82 Env. & Future Resources Trust Funds		
	0.50 Bonding		
	0.85 NAWCA (federal grant)		

* A fall sign-up for 1993 is scheduled.

** The recent flooding in the southern half of the state will place substantially more pressure on the RIM Reserve Program. It is the only program that can focus on the floodplain riparian lands and flooded farmlands (wetland restoration) and put funding in the hands of economically stressed farmers at a critical time and at the same time achieve significant resource protection and enhancement.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 14,240 Appropriation Request (1994 Session)
- \$ 14,240 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: <u>Marybeth Block</u>	Easement Coordinator	297-7965	7-23-93
Name	Title	Telephone	Date

**AGENCY CAPITAL BUDGET REQUEST
 Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)**

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$10,000,000 for the RIM Reserve Program. Also included are preliminary recommendations of \$10,000,000 in 1996 and \$10,000,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	80
Asset Preservation/Deferred Renewal	25
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	255

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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Water and Soil Resources, Board of
PROJECT TITLE: Erosion Control Cost-Share
PROJECT COSTS: \$3,900
APPROPRIATION REQUEST FOR 1994 SESSION: \$1,200
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$1,500
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$1,200
LOCATION (CITY, COUNTY): Statewide

AGENCY PRIORITY (for 1994 Session only):

2 of 5 requests

1. PROJECT DESCRIPTION:

Eligible projects under the BWSR's cost-share programs include eroding sites on streambank, lakeshore and roadside areas. The program has statewide applicability with focus on lakes and rivers. Sites on public property are eligible, sites on private land are eligible if access--for maintenance--and use of the sites are restricted by easement.

The amount requested above for each of the next three bienniums is intended as grants to soil and water conservation districts (SWCDs) for cost-sharing with landowners at a 75%/25% (state/local private share) rate. The Board of Water and Soil Resources (BWSR) proposes that up to 20% of bond proceeds be used for the technical assistance necessary to survey and design the projects. This percentage is consistent with M.S. 103C.5-01, Cost-Sharing Contracts.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The BWSR strategic plan states that programs should be available to assist local units of government in correcting problems on lakes and rivers. The sites that would be addressed by this proposal are locally identified by SWCDs as priority areas. The BWSR and its predecessor agency the Soil and Water Conservation Board (SWCB) has provided grants to SWCDs for

streambank, lakeshore and roadside projects since the late 1970's. The LCMR provided the initial funding to the SWCB of \$150,000 and \$250,000 per year, respectively, over two biennia. Since then, annual funding has averaged about \$159,000. The BWSR allocates funds to SWCDs on a request basis. For fiscal year 1994, SWCDs requested \$573,000 for 29 projects. The BWSR funded 12 requests for \$159,000. This trend of requests exceeding funding by a 3.5:1 ratio has existed for several years and the basis for part of this proposal. An additional \$400,000 per year is needed to fund requests.

The other component of this proposal regards the St. Croix River south of Stillwater. Estimates provided by local government personnel suggest that there are about 100 sites that need stabilization at an average cost of \$10,000 per site including cost of easements for access and restricted use. One million dollars is needed to complete these projects over the next 6 years.

The recent flooding in the state has contributed to significant erosion of streambanks and lakeshores, resulting in sedimentation of lakes and streams and diminished water quality and recreational capacity of the resources. Although the majority of the impact is on private land, significant public lands have been destroyed or severely damaged requiring repair and maintenance. Increased resources are necessary to restore lands to pre-flood conditions.

3. OTHER CONSIDERATIONS (OPTIONAL):

Local governments and BWSR have used other funds to augment this effort (e.g., local water planning and federal erosion control cost-share dollars). Lake Superior and Coastal Management funds are also leveraged by these requests. Shifting monies from other cost-share components is viable, however would detract from equally or higher priority areas.

AGENCY CAPITAL BUDGET REQUEST

Form G-2

Non-Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 2,200 Appropriation Request (1994 Session)
- \$ 2,200 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Greg Larson
Name

Head, Water and Land Section
Title

296-0882
Telephone

7-23-93
Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend capital funds for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	60
Agency Priority	80
Asset Preservation/Deferred Renewal	0
Customer Services Improved	40
Operating Savings/Efficiencies	0
Total Strategic Score	180

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AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Water and Soil Resources, Board of
PROJECT TITLE: Area II Minnesota River Basin Grant-in-Aid Program
PROJECT COSTS: \$9,240
APPROPRIATION REQUEST FOR 1994 SESSION: \$1,900
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$2,300
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$2,450
LOCATION (CITY, COUNTY): Five major subbasins of the Minnesota River between Ortonville and Mankato, Minnesota

AGENCY PRIORITY (for 1994 Session only):

3 of 5 requests

1. PROJECT DESCRIPTION:

In 1978, the legislature created a pilot grant-in-aid program to cost-share with local units of government for floodwater retarding and retention structures within five major subbasins of the Minnesota River. The current authorizing statutes are M.S. 103F.171 - 103F.187. The project area is characterized by: broad upland and lowland plains connected by a steep transition known as the Coteau des Prairie; fertile soils; frequent flooding, including many interbasin floodwater overflows; and substantial erosion. These five subbasins were referred to as Study Area II in the Minnesota River Basin Study conducted by the U.S. Soil Conservation Service. A ten-county joint powers board "Area II Minnesota River Basin Projects, Inc." was established in 1978 to coordinate local implementation and cost sharing for the program, which is administered by the Board of Water and Soil Resources (BWSR).

The projects for which funds are being requested include: reservoirs, both with and without permanent pools; "road retention structures" involving temporary floodwater storage upstream from public road crossings, typically constructed during bridge or culvert replacements; and other potential floodwater and sediment retarding measures such as buffer strips and wetland restorations.

The projects funded through this program are components of a general plan for flood control and floodplain management. The Minnesota River Basin Study identified 81 major floodwater retention sites within the project area. That study, together with a subsequent joint study conducted by the SCS and U.S. Army Corps of Engineers provided technical, environmental and economic analyses of all of these sites and a basis for project prioritization. Road retention structure sites are identified in cooperation with county and state highway departments and selected based on the costs and benefits of the sites. Specific projects and programs for which funding is requested include:

Redwood-22 Reservoir, upstream of Marshall, MN	\$1,625,000
Lac Qui Parle-40 Reservoir	\$ 200,000
Lazarus Creek Reservoir	\$1,125,000
Lac Qui Parle-3 Reservoir	\$1,900,000
Numerous Road Retention Projects	\$1,800,000

The joint SCS/COE study documented recurring severe flood damage and soil loss within the five major Area II watersheds. The average direct flood damages were estimated to total \$8,000,000 annually. An average of 346,000 tons of soil per year were estimated to erode from these watersheds, washing into the Minnesota River. This soil loss was estimated to result in up to \$20,000,000 in annual productivity losses.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The severe flooding in the Minnesota River basin in 1993 has highlighted the need to reduce flood damage to roads and bridges, public and private structures, farm fields, river banks and urban centers within the project area. An interagency hazard mitigation team led by the Federal Emergency Management Agency prepared a recent report for Minnesota, including the project area, which identified floodwater retention at roads, flood control reservoirs and wetland restorations as appropriate mitigation measures to reduce flood damage in the future. The reservoirs and road retention structures constructed under this program retard floodwaters, reduce flooding and allow sediments to settle out. Reduced flood peaks result in

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

reduced direct flood damages to roads, bridges, structures and fields, as well as reduced downstream sedimentation. The sediment trapping efficiencies of these floodwater retarding measures are approximately 50 - 90%, providing significant water quality improvement benefits.

The BWSR strategic plan states: "Runoff should be managed to minimize property loss and environmental damage by moderating high flows and maintaining low flows of streams." Both state and federal floodplain management and flood control programs rely upon local partners and local implementation. The Area II partnerships between local, state and federal governments have resulted in the construction of eight flood control reservoirs and a number of road retention projects, to date. These partnerships have capitalized on the efficiencies of local implementation through focussed efforts, mutual commitment and streamlined processes. Numerous additional road retention projects and reservoirs are planned within Area II.

The basic strategy of the BWSR, as capsulized in its mission statement and outlined in its strategic plan, is to empower local governments and private citizens to be effective resource managers. The state-wide local water planning efforts during the past several years have been very successful in this regard. On a watershed basis, this requires joint efforts among local units of government. The Area II joint powers board and state grant-in-aid program have provided opportunities to achieve local government cooperation for flood control and floodplain management in a priority area. The Area II grant-in-aid program has also provided opportunities for partnerships associated with erosion and sedimentation control, river and reservoir water quality monitoring, streamflow data collection and technical assistance.

The strategic plans for Area II include increased ties to comprehensive local water plans, as well as expanded partnerships under the state's Minnesota River improvement initiative. The board of directors for the Area II joint powers corporation has expressed to the Governor and area legislators, its interest in an expanded role under the Minnesota River improvement initiative.

The requested funding is necessary for continued commitment to the flood control, floodplain management and associated erosion control and water

quality partnerships within the project area. Substantial successes have been achieved through these partnerships. Opportunities remain for similar successes and for expanded partnerships with broader successes. The strategic plans for Area II envision more comprehensive projects involving multiple resource management measures and partners.

3. OTHER CONSIDERATIONS (OPTIONAL):

The requested funding would involve a maximum state cost-share of 75% for a specific project, if federal funding *is not* utilized, and maximum 50% state share of the local sponsor cost-share, if federal funding *is* utilized. If no action is taken to fund this project, the viability of the existing successful local and state partnership will be in jeopardy and opportunities for effective flood control and floodplain management in this priority project area will be greatly reduced or completely foregone. In all instances local government and BWSR have leveraged the optimum availability of federal funds.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 1,900 Appropriation Request (1994 Session)
- \$ 1,900 State funding
- \$ 300 Federal funding
- \$ 532 Local gov't funding
- \$ 0 Private funding

Agency Data Prepared by: Al Kean
Name

Chief Engineer
Title

297-2907
Telephone

7-23-93
Date

**AGENCY CAPITAL BUDGET REQUEST
 Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)**

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$1,900,000 for the Area II Grant-in-Aid Program. Furthermore, the Governor recommends that only the Redwood-22 Reservoir project (RW-22) be funded under the current matching formula (75% State/25% local) because of a prior commitment. Other Area II projects should be funded at 50%, the match formula for all other areas of the state.

This formula change will provide statewide uniformity. A statutory amendment affecting M.S. 103F.175 will be drafted to implement the Governor's recommendation. An appropriation rider is recommended to continue funding RW-22 at the 75% rate.

Also included are preliminary recommendations of \$1,000,000 in 1996 and \$1,000,000 in 1998.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	39
Strategic Linkage	60
Agency Priority	60
Asset Preservation/Deferred Renewal	50
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	269

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Water and Soil Resources, Board of

PROJECT TITLE: Abandoned Well Sealing

PROJECT COSTS: \$1,500

APPROPRIATION REQUEST FOR 1994 SESSION: \$ 250

APPROPRIATION ESTIMATE FOR 1996 SESSION: \$ 250

APPROPRIATION ESTIMATE FOR 1998 SESSION: \$ 250

LOCATION (CITY, COUNTY): Statewide

AGENCY PRIORITY (for 1994 Session only):

4 of 5 requests

1. PROJECT DESCRIPTION:

The requested funds will be used to share the cost of sealing high-priority abandoned wells on public land (excluding state land) under Minnesota Statutes 103C.501. The state share of well-sealing costs will be up to 75%. Well sealing costs can range from several hundred to many thousand dollars, so the exact numbers of wells that will be sealed is not known, but using the statewide average of \$500 per well sealed, the requested funds will seal approximately 2,000 priority wells.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

Abandoned wells are wells that are no longer used on a regular basis, or are in such a state of disrepair that continued use is impractical or a health hazard. Unsealed abandoned wells are a potential source of ground-water degradation, and can pose a safety hazard. They can act as conduits or channels for contamination to reach ground water. Water from a contaminated aquifer may move through an unsealed abandoned well to contaminate another aquifer that is normally protected by an impermeable layer. The Minnesota Department of Health (MDH) has estimated that there are approximately one million unsealed abandoned wells present throughout the state. Some counties are estimated to have as few as 1000 abandoned wells, while others may have many tens of thousands.

The Ground-water Protection Act of 1989 provided limited state funding to establish a cost-share program to seal abandoned wells. This program was administered by the Board of Water and Soil Resources (BWSR). To date 1.1 million dollars have been allocated in grants to 39 counties to share the cost with landowners of sealing high priority abandoned wells. Over 1500 wells have been sealed to date with these cost-share funds, with an additional 2000 projected to be sealed as part of the cost-share grant allocation. Program results have been summarized in a "Status Report on Abandoned Well Programs" submitted jointly to the Minnesota legislature in January, 1993 by BWSR and MDH.

The well-sealing cost-share program has not been able to address the problem of abandoned wells on publicly owned land. The Department of Natural Resources has been charged with conducting inventories of abandoned wells on state land, and is separately seeking funding to seal priority wells on state land.

These requested funds will begin to address the problem of abandoned wells on publicly owned land other than state land. The requested funds will compliment the existing regulatory program which requires disclosure and sealing of unused wells at the time of property transfer.

The BWSR strategic plan identifies reducing ground-water contamination by cost-sharing on sealing abandoned wells as a goal. The BWSR, in cooperation with other agencies, has developed the capabilities and procedures to successfully implement well-sealing cost-share programs.

3. OTHER CONSIDERATIONS (OPTIONAL):

A concern in this type of program is setting priorities to insure that the highest priority wells (those with the greatest potential to contaminate ground water) are sealed with available funds. Setting priorities insures that the most effective use is made of state funds and that the state gets the most ground-water protection for its money. In 1990, BWSR led an interagency advisory group with representation from BWSR, MDH, DNR, MPCA, and several counties which developed a system for prioritizing wells for sealing.

AGENCY CAPITAL BUDGET REQUEST

Non-Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 250 Appropriation Request (1994 Session)
- \$ 250 State funding
- \$ _____ Federal funding
- \$ 83 Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Greg Larson
Name

Head, Water and Land Management
Title

296-0882
Telephone

7-23-93
Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

Priority wells are wells which, by virtue of their construction, depth, condition, location, aquifer characteristics, or proximity to contamination sources and other wells provide increased potential for ground water contamination and contamination of drinking water. Examples include wells receiving surface drainage, wells penetrating confining layers, multi-aquifer wells, wells near public water supply wells and in the same aquifer, wells near a zone of surface contamination, and wells in an aquifer for which unsealed abandoned wells are the main potential contamination source.

A great deal of experience has already been gained in setting priorities for well sealing. The prioritization criteria developed as a part of the current well-sealing cost-share program will be used to prioritize requests from public entities for well-sealing funds so that the allocations will achieve the most ground-water protection per state dollar spent.

It is recommended that the BWSR be allowed for certain high priority wells, upon request from a local government unit and with approval of the interagency advisory group, to remove the \$2,000 cost-share cap that currently exists in MN Statutes 103C.501. The determination of these high priority wells will be made by the interagency group.

**AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)**

Form G-3

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend capital funds for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	35
Strategic Linkage	60
Agency Priority	40
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	195

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Water and Soil Resource, Board of
PROJECT TITLE: Permanent Wetlands Preserves
PROJECT COSTS: \$10,680
APPROPRIATION REQUEST FOR 1994 SESSION: \$5,530
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$3,960
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$1,190
LOCATION (CITY, COUNTY): Statewide

AGENCY PRIORITY (for 1994 Session only):

5 of 5 requests

1. PROJECT DESCRIPTION:

The permanent wetland preserve program was enacted under the Laws of 1991, c. 354, Article 3, subpart 1. The requested funds will be utilized to acquire perpetual conservation easements on existing type 1 (seasonally flooded basin or flat), 2 (inland wet meadow) and 3 (cattail) wetlands, adjacent lands, and for the establishment of permanent cover on the adjacent lands. The dollar amount requested includes 10% for professional service costs associated with acquiring easements.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The permanent wetland preserve program was enacted during the same legislative session that the Wetland Conservation Act 1991 (WCA) was passed. Both programs strive to protect the state's remaining wetland resources. The permanent wetland preserve program discourages the conversion of wetlands that are exempt from the regulatory restrictions of the WCA, and offsets the financial burden that may result when individuals are denied a permit exemption from WCA rules. When the permanent wetland preserve program was created, the state waterbank program which compensated landowners when a DNR protected wetlands permit to drain for agricultural purposes was denied was sunsetted. Even though the two programs are not identical, the permanent wetland preserves program was intended largely to replace the state waterbank program.

The BWSR's strategic plan (1990) states that "wetlands can provide significant public benefits by storing water, controlling erosion, purifying runoff by nutrient uptake, recharging groundwater, and by providing open space, landscape diversity, wildlife habitat and recreational opportunities." The permanent wetland preserve program provides county soil and water conservation districts (SWCDs) with an incentive tool to persuade landowners to alter present land use practices by refraining from cropping, grazing, draining or filling qualifying wetland basins. The strategic plan also identifies the BWSR's position that "a 'net gain' wetland management goal should be adopted in Minnesota." This position was formally adopted by the State via the wetland conservation act and is supported by the passage of the permanent wetland preserve program.

The BWSR received 7 million dollars from general bond funds in the 1991 Wetland Conservation Act for conservation easements and permit denials. The funds requested for FYs 1994-99 (\$10,680,000.00) are anticipated to secure an additional 13,500 acres.

SIGN-UP PERIOD	FUNDS AVAILABLE (in thousands)	FUNDS APPLIED FOR
October 1992	3,500	2,083
February 1993	3,500	741
October 1994	4,176*	N/A

* 1,000 will be reserved to fund permit denials.

3. OTHER CONSIDERATIONS (OPTIONAL):

One intent of the permanent wetland preserve program was to ease the implementation of the WCA that now restricts activities taking place in certain defined wetlands. However, it is important to recognize protection of our valuable wetland resources was also a prominent objective of the program. The BWSR intends to implement the program to obtain maximum resource benefits. Priority will be placed on applications that are presently in agricultural use. In addition, type 1 and 2 wetlands will be targeted as they are likely to be in ag use, and are also liable to be exempt from current laws.

AGENCY CAPITAL BUDGET REQUEST

Form G-2

Non-Building Project Detail (Cont'd.)

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

FUNDING SOURCE:

- \$ 5,530 Appropriation Request (1994 Session)
- \$ 5,530 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by: Marybeth Block
Name

Easement Coordinator
Title

297-7965
Telephone

7-23-93
Date

**AGENCY CAPITAL BUDGET REQUEST
 Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)**

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$2,000,000 for the Permanent Wetlands Preserves Program. Also included are preliminary recommendations of \$2,500,000 in 1996 and \$2,500,000 in 1998.

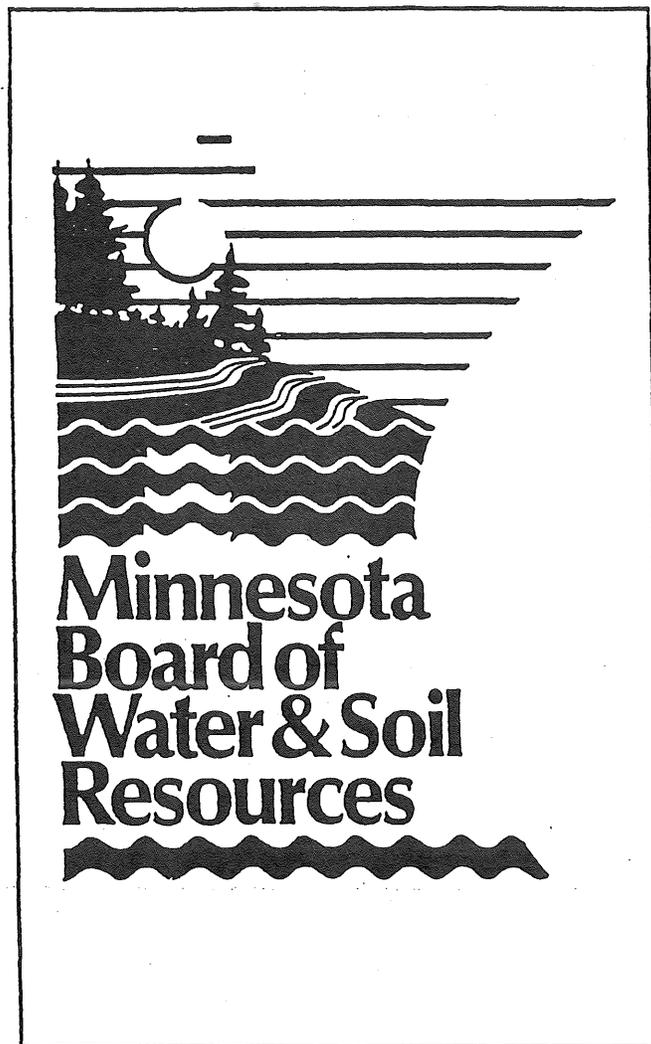
STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	90
Agency Priority	20
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	170

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STRATEGIC PLAN

BOARD OF WATER AND SOIL RESOURCES

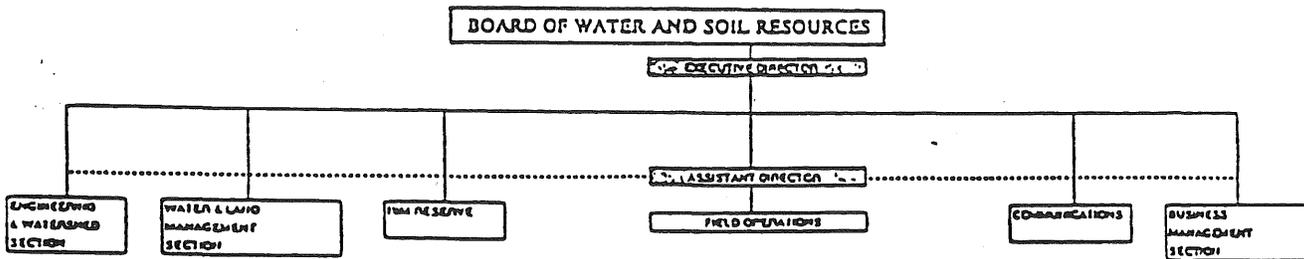
September 1990



ABOUT THE BOARD

The Board of Water and Soil Resources is a Minnesota state agency. The BWSR membership comprises twelve voting and five nonvoting members. The voting members include three county commissioners, three soil and water conservation district supervisors, three watershed district representatives, and three unaffiliated public members. Voting members are appointed by the Governor to staggered four-year terms. The Governor designates the Chair from among the voting members. The five nonvoting members represent the Department of Natural Resources, Pollution Control Agency, Department of Health, Department of Agriculture, and University of Minnesota.

The BWSR staff is headed by an Executive Director who serves at the pleasure of the Board. The central staff is located in St. Paul, and field staff are located in regional offices in Bemidji, Brainerd, Duluth, Marshall, New Ulm, and Rochester.



MISSION STATEMENT:

The mission of the Board of Water and Soil Resources is to provide leadership enabling local governments to properly manage water and soil resources and to help all citizens to be stewards of our irreplaceable natural resources.

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I INTRODUCTION: MINNESOTA'S WATER AND SOIL RESOURCES

Minnesota is endowed with an abundance of natural resources. The "land of 10,000 lakes" and "sky blue waters" contains nearly 12,000 lake basins; about 95,000 miles of watercourses; major ground water resources; more than 16 million acres of forest lands; and over 23 million acres of agricultural lands. Although our endowment is rich, we have learned that it is not limitless. Only a small fraction of the area of Minnesota has not been directly altered by man's activities. Millions of acres of our original prairie lands, forests, wetlands, and shallow lake basins have been converted to agricultural, commercial, industrial, residential, and other intensive land uses. Only one-half of Minnesota's original forested lands remain. Land use conversion has had major impacts on our water and soil resources.

Combined wind and water erosion on our 23 million acres of cultivated cropland generates an estimated 150 million tons of eroded soil per year. Significant erosion also can result from development activities and forest harvesting practices. This eroded soil carries nutrients and pollutants that degrade our water quality and productivity of our soils. Eroded soil also settles out in our lakes, waterways, and wetlands destroying habitat and reducing flow capacities. Loss of natural water retention basins due to drainage and filling has degraded water quality, diminished wildlife habitat, and exacerbated flooding problems. Construction of buildings, roads, parking lots and other impervious surfaces in urban areas has caused erosion and has increased stormwater runoff and flood damages to stream channels and adjoining properties. We have begun to detect chemical pesticides and nutrients in our ground water.

To understand the importance of managing and protecting our limited water and soil resources, we need to appreciate our reliance on them and how our actions affect their integrity.

A. WATER RESOURCES

Minnesota's rivers, lakes, and wetlands cover nearly 5% of the state's area. Alaska is the only state with more lakes than Minnesota. This abundance of surface water features has significantly influenced our economic development, "outdoors" heritage, and quality of life.

Minnesota's major rivers are the Mississippi, Minnesota, Red River of the North, Rainy, and St. Croix. Many of our cities developed along these and other rivers in our state because of river transportation and water supply. Minnesota includes a portion of Lake Superior, which has the largest area of any freshwater lake in the world - 31,800 square miles.

Surface water resources play a big part in Minnesotans' love of the outdoors. Our lakes are dotted with seasonal cabins, resorts, and year-round residences. Our rivers and lakes are heavily used for recreation and relaxation. In some counties, shoreland property is the largest component of the local property tax base. Water-related recreation and tourism is an important part of Minnesota's economy.

Sound management of our water resources is vital to our quality of life. We are drawn to our rivers and lakes for fishing, swimming, boating, and other outdoor activities. Our wetlands provide valuable habitat for both game and non-game wildlife species. We place a high value on being able to spend leisure time near surface water amenities.

Minnesota is also fortunate in having a major groundwater resource. The United States Geological Survey has defined 14 major aquifer types in the state. They all fall into the two broad categories of "glacial drift" and "bedrock". Southeastern Minnesota is underlain by major sandstone and limestone bedrock formations that contain the largest quantities of groundwater found in the state. The highest yielding glacial drift aquifers are located in central Minnesota and along the Mississippi and Minnesota Rivers where there

are major sand and gravel deposits. In western Minnesota the glacial drift is predominantly composed of tight clay soils that yield little water, although significant supplies can be found in scattered buried drift aquifers.

Groundwater resources provide water supply for domestic, agricultural, commercial, and industrial uses. The quality of these resources is critical because two out of three Minnesotans rely on wells for their drinking water.

The importance of wisely managing our water resources is heightened by the fact that less than 1% of the water on earth is freshwater. This small freshwater fraction is distributed in the atmosphere; in our lakes, rivers, and wetlands; and in the ground. Ground water represents over 90% of our limited freshwater supply.

B. SOIL RESOURCES

Soil is one of Minnesota's most valuable resources. Our fertile topsoil and favorable climate make Minnesota one of the outstanding food and forest products producing regions in the world. About one-half (more than 20 million acres) of Minnesota is covered by soils capable of supporting agricultural uses. This large base of productive soils has made it possible for Minnesota to develop the sixth largest agricultural industry in the nation. Minnesota's agricultural production of corn, soybeans, many small grains, sunflowers, hay, potatoes, sugarbeets, processed sweet corn and peas, and livestock and poultry and their products consistently rank in the top ten nationally. Minnesota's forest products industry is about one-fourth the size of agriculture and generates nearly \$5 billion annually.

Because our population and standard of living are increasing, demand for agricultural and forest products is expanding. It is important that this demand be translated into careful conservation and management of soil and not into exploitation. Soil, because of its extremely slow development process, is essentially non-renewable. Minnesota's soil must be maintained as a permanent, useful resource because future needs for productive soil will be even greater

than those of the present. Soil is, and is likely to remain, the major source of human sustenance far into the future.

Soil is formed by the complex interaction of several natural elements. These elements include the parent geologic material, climatic conditions, the plants and animals living on or in the material, and time. Soil scientists estimate that it takes 30 or more years for one inch of topsoil to be formed from subsoil by natural processes. Conversion of parent geologic material to one inch of topsoil, however, may take between 100 and 250 years. Consequently, our soil resources are largely non-renewable and, without proper management, the amount of subsoil could actually decrease over time. Over 600 different soil types have been identified in Minnesota, each having unique characteristics and management requirements for various land uses.

II. THE BWSR' MISSION

The mission of the Board of Water and Soil Resources is to provide leadership enabling local governments to properly manage water and soil resources and to help all citizens be stewards of our irreplaceable natural resources.

The BWSR's activities are focused on encouraging proper water and soil resource management. The planned management of these precious natural resources is required to ensure their wise use and prevent their degradation.

The BWSR has a unique role in water and soil resource management because of its direct ties to local government. The board members include representatives of soil and water conservation districts, watershed districts, and counties. Virtually all of the BWSR's statutory responsibilities relate to local water and soil management planning and implementation. The BWSR's primary role is to guide and support the water and soil management activities carried out by local governments.

The BWSR's mission is accomplished in several ways:

Policy Development: The BWSR seeks, through legislative initiative, policies supportive of water and soil resources management. The BWSR serves as a forum for policy development relating to water and soil resources management and encourages implementation through local units of government. The BWSR participates on the Environmental Quality Board and its Water Resources Committee in developing and coordinating state water policy development and implementation. The BWSR also serves as a forum for resolving inconsistencies in statutory water policy.

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Service to Local Units of Government: The BWSR provides local governments with guidelines, training, and technical assistance in developing, implementing, and administering water and soil resource management plans. It offers leadership training to local officials and provides local government with educational materials on resource management issues.

Coordination: The BWSR uses its members, local planning guidelines, rules, and staff assistance to foster communication, understanding, exchange of information and ideas, and working partnerships among Minnesota counties, soil and water conservation districts, watershed districts, other units of local government, regional development commissions, the Metropolitan Council, state and federal agencies involved in water and soil resources management, and also with neighboring states and Canada.

Education: The BWSR develops information and education material designed to increase awareness and knowledge of local water and soil resources problems and provides training opportunities in skills necessary for citizen action and local government involvement in solutions and prevention. The BWSR's information and education program emphasizes and supports effective educational practice and creative problem solving.

Funding: The BWSR advocates funding for water and soil resources management activities carried out by local government. It administers state grants and incentive programs to local governments to help them accomplish their resource management goals.

Conflict Resolution: The BWSR can act as both mediator and adjudicator in resolving resource management conflicts between people, local governments, and agencies; and recommends procedures to avoid future conflict.

III. RESOURCE MANAGEMENT ISSUES

The BWSR's conservation mission will be accomplished primarily by enabling local governments to effectively address four key resource management issues: land use alteration, nonpoint source pollution, soil conservation, and water quantity management.

A. LAND USE ALTERATION

Land use alteration, regardless of whether it occurs in a rural or an urban area, impacts water and soil resources. Although each situation is unique, converting land to a more intensive use generally has negative effects on water and soil resources. This type of land use alteration can result in: increased runoff, erosion, and sedimentation; higher downstream flood flows due to loss of natural storage or changes in the timing of subwatershed discharges; reduced rates of groundwater recharge due to creation of impervious surfaces; increased generation of water pollutants due to loss of natural filtering mechanisms; and decreases in wildlife populations due to destruction of habitat. On the other hand, converting land to a less intensive use, such as restoration of drained wetlands or conversion of marginal agricultural land to permanent vegetation, generally will have positive water, soil, and wildlife impacts. Altering the use of wetlands, marginal agricultural lands and sensitive lands, and forest lands are of primary concern.

1. Wetlands

Wetlands are lands where water is the dominant factor determining the nature of soil development and the types of plant and animal communities living in the soil and on its surface. Wetlands can provide significant public benefits by storing water, controlling erosion, purifying runoff by nutrient uptake, recharging groundwater, and by providing open space, landscape diversity, wildlife habitat, and recreational opportunities. Wetlands protection, restoration and management are critical because there is continued pressure to fill wetlands for land development purposes and to drain wetlands for agricultural and other uses. Various local, state and federal regulatory programs discourage wetland degradation, but they are fragmented. No comprehensive wetland management program is in place.

It is the BWSR's position that:

1. A "net gain" wetland management goal should be adopted in Minnesota.
2. Wetland regulation must be accompanied by strong education, incentive, and compensation programs.
3. Wetlands that are restored, enhanced or created for mitigation purposes should be located in the same watershed as the impacted wetland and as near to the impacted wetland as practical.
4. Wetlands restored, enhanced or created under state and federal programs designed to increase our wetland base should not be used for mitigation purposes.
5. Local adoption of wetland protection programs should be promoted and supported.

The BWSR will serve a major role in furthering wetland management efforts by fostering strong local wetland protection and restoration programs through such activities as local water planning; providing financial incentives; encouraging and supporting research; creating opportunities for education, including forums for local-state-federal communication on wetland issues; and seeking progressive changes in wetland management laws, programs, and policies.

2. Marginal and Sensitive Lands

Marginal lands are either highly erodible, inherently unproductive, or highly susceptible to drought or flooding problems. Sensitive lands are areas where ground water is at significant risk of contamination from activities conducted at or near the land surface. An area of land can be both marginal land and sensitive land. Considerable public benefits can be gained by taking marginal and sensitive agricultural lands out of crop production. These benefits include erosion and sediment control, surface and ground water quality protection, and enhanced wildlife habitat and recreational opportunities. As of July 1990, the BWSR had acquired conservation easements on about 34,000 acres of privately owned marginal and sensitive land under the Reinvest in Minnesota Reserve Program. About one-half of these lands are permanently retired under perpetual easements. Under the wetlands restoration portion of the Reinvest in Minnesota Reserve Program applications have been received to permanently restore 196 wetland basins comprising 1,900 acres of wetlands and 3,400 acres of adjacent upland cover.

The federal government has temporarily retired over 1.8 million acres in Minnesota under the Conservation Reserve Program at a cost of approximately one billion dollars. The Conservation Reserve Program contracts are for a ten-year duration. The earliest enrolled lands will be due to come out of retirement starting in 1997. Most of the lands protected under the federal "soil bank" programs of the sixties came back into production.

It is the BWSR's position that:

1. Marginal agricultural lands now under temporary retirement should not be brought back into production, unless they are effectively protected under a comprehensive water and soil conservation plan.
2. Programs should be available to protect or retire all existing marginal agricultural lands and highly sensitive lands.
3. Local governments should be encouraged to use their planning and regulatory authorities to encourage proper management of marginal and highly sensitive lands.

4. Retirement of marginal agricultural lands and highly sensitive lands will permit land managers to focus their stewardship efforts on more productive lands.

The BWSR will actively support local, state, and federal programs designed to protect marginal lands and highly sensitive lands on a long-term basis.

3. Urbanizing Lands

The process of converting undeveloped lands or agricultural lands to residential, commercial, or industrial uses is called urbanization. This process takes place around all expanding urban centers. Urbanization is occurring rapidly in the Twin Cities Metropolitan Area, Rochester, and St. Cloud. Poorly planned or managed urbanization can create serious water and soil resource problems, including erosion, water quality degradation, and flooding. Urbanization of prime agricultural land also raises the vital issue of adequate future food supply. Currently the Metropolitan Area and many other urban centers in Minnesota are involved in local water planning. Sound local planning and adoption of effective regulations can prevent many of the harmful water and soil resource impacts of urbanization. Current methods of planning and zoning to control urban sprawl, which limit conversion of agricultural land and encroachment on wetlands and other natural resources, need to be continually re-evaluated. Certain zoning approaches, such as minimum lot sizes and clustering of development, may not be the best approach in all areas. For example, some sand plain areas may have low productivity for dryland farming but high urban development potential, while certain glacial till areas may have high agricultural productivity but low urban development potential.

Because of its composition the BWSR offers counties, soil and water conservation districts, and watershed districts ample opportunities for input into policy development and program implementation. Municipalities and townships are key local governments in planning and zoning and are invited to be advisors to the BWSR. The current BWSR structure and lack of specific opportunities for direct input, however, may be limiting the participation, cooperation, and coordination of municipalities and townships with the BWSR.

In the Twin Cities Metropolitan Area the Metropolitan Council administers the comprehensive land use planning act, which requires adoption of local comprehensive land use plans. Also in the Metropolitan Area the BWSR administers the metropolitan water management act, which requires local governments to prepare watershed plans and local water plans. Metropolitan watershed plans can dictate amendments to local comprehensive land use plans. Because of the close interrelationships between local land use planning and local water planning, it is important for the BWSR and the Metropolitan Council to closely coordinate their planning guidelines and policies.

The Minnesota Department of Agriculture administers the State Agricultural Land Preservation program, which provides assistance to counties outside the metropolitan area in developing plans and ordinances that guide non-farm growth and preserve agricultural land. The program also provides tax credits to farmers who place agricultural and forest use restrictive covenants on their land. Participating farmers are required to conform to the state model soil loss limits ordinance. The Metropolitan Agricultural Preserves program applies within the metropolitan area. It is similar to the State program, but is administered by local land use authorities. Since these programs are so closely related to the BWSR Soil Loss Limits program, close coordination is necessary.

It is the BWSR's position that:

1. Governmental units with planning and zoning authority should develop and adopt long term comprehensive land use plans and official controls based on sound scientific principles to ensure proper land use and land use management practices to effectively protect soil and water resources and promote a healthy, sustainable, and economically viable environment.
2. Policies adopted by state and regional agencies that impact local land use planning should be consistent and coordinated.
3. Opportunities to increase participation and input of municipalities and townships into BWSR policy development and program implementation should be pursued.

The BWSR will serve to minimize the potential water and soil resources problems associated with urbanization by assisting local governments in developing and implementing effective local water management plans and coordinating with other state agencies and the Metropolitan Council in establishing water planning and management policies.

4. Forest Lands

The proper use and management of forest lands is imperative to maintain and improve water quality, the forestry economy, wildlife habitat, and the recreation and tourism industries. Forty-three percent of Minnesota's forest resources are found on small tracts or private lands. The Department of Natural Resources Division of Forestry is the lead state agency in forest management. The Division of Forestry annually provides guidance to about one-fifth of the state's individual private forest landowners with professional advice or technical assistance. Soil and water conservation districts could deliver guidance to additional private forest landowners, but presently they lack technical expertise in forestry.

It is the BWSR's position that:

1. Expertise in forestry management techniques needs to be delivered to a greater number of private owners of small forest tracts.
2. Incentive programs should be available to private owners of small forest tracts to encourage sound forest management practices.

The BWSR will serve an important role in forest management by facilitating, coordinating, and promoting DNR and SWCD activities so that Minnesota forest landowners receive sound guidance on managing for multiple uses and environmental protection.

B. NONPOINT SOURCE POLLUTION

Nonpoint sources of pollution are defined as land management or land use activities that contribute to water pollution as a result of runoff into surface waters or seepage into groundwater. Nonpoint sources are distinguished from point sources in that they can be

generated by a variety of land use practices over broad areas of land. Examples of potential sources of nonpoint pollutants include agricultural runoff, wind erosion, feedlot runoff, urban runoff, runoff from forestry and mining activities, and leachate from septic systems. The primary pollutants contained in the runoff from these sources are soil particles, nutrients, and pesticides. Despite significant efforts and expenditures to address point sources, Minnesota's surface water quality still has not attained the federal Clean Water Act's "fishable and swimmable" goal. Nonpoint sources are the most significant sources of water pollution and the major contributors to eutrophication and degradation of water quality in our lakes and streams.

The Minnesota Pollution Control Agency is the state agency responsible for developing Minnesota's nonpoint source pollution management program in accordance with requirements of the federal Environmental Protection Agency. Minnesota agencies have developed handbooks describing various land management practices that can help reduce nonpoint source pollution in urban, agricultural, and forested areas. These practices are called "best management practices" or "BMPs". The Minnesota Department of Agriculture has specific responsibilities under state and federal law for regulating agricultural pesticides and nutrients. Local units of government are authorized to foster proper land use management through information and education, cost-sharing and other incentives, and land use controls.

It is the BWSR's position that:

1. Best management practices should be used on all Minnesota lands.
2. Minimum use of pesticide and fertilizer should be encouraged, consistent with good production practices.
3. Concepts such as "sustainable agriculture" and "watershed-based management" should be promoted and supported through incentive programs.
4. Local government development and delivery of educational programs on nonpoint source pollution and adoption and enforcement of land use controls to prevent nonpoint source pollution should be encouraged and supported.

The BWSR will work to provide local governments with the tools to carry out effective nonpoint source pollution control programs.

C. SOIL CONSERVATION

Close to one-half of Minnesota's total land area is used for growing crops. Agricultural use dominates the western and southern portions of the state, comprising over 90% of the land area in some counties. Cultivation makes the land surface more susceptible to erosion from the forces of water and wind. Total soil erosion in Minnesota is estimated to be in excess of 150 million tons per year with over 96 percent attributed to cropland. Although the effect of this soil loss on crop production varies, it usually increases costs and makes the soils less productive. Soil disturbing activities also take place on the over 13 million acres of public and private commercial forests in Minnesota. In addition, intensive land development and rapid urbanization is occurring in the Twin Cities Metropolitan Area, Rochester and St. Cloud, and in the areas between these cities. The way these agricultural, forested, and urbanizing lands are managed has significant effects on both water quality and quantity.

The erosion rate at which a particular soil can sustain its productivity is called the soil loss tolerance or "T". Values of T range from 1 to 5 tons per acre per year, depending on the soil type. In 1982 the USDA Soil Conservation Service estimated that over one-half of Minnesota's cropland was eroding at a rate in excess of the tolerable level. In 1987 the Soil Conservation Service estimated that our cultivated lands had an average annual soil loss of over 7 tons per acre, or over twice the soil loss tolerance rate. Excessive soil losses not only reduce or destroy the productivity of the land as well as unprotected crops, but cause several other harmful off-site environmental effects. These off-site impacts include siltation of streams, drainageways, lakes, and reservoirs; impairment of fish and wildlife habitat; air pollution from wind eroded soil particles; and degradation of water quality. Although government programs to control excessive soil loss have been in place since the 1930's, excessive soil erosion continues. Conservation farming practices such as conservation tillage,

crop rotation, contour farming, strip cropping, terracing, and the use of field windbreaks can reduce erosion and its associated harmful impacts.

Controlling soil erosion rates below that which can, over the long term, sustain the productive capacity of agricultural soils does not necessarily eliminate water quality problems caused by sediment. Water quality problems, due to sedimentation, can still occur even when soil losses are controlled to rates less than soil loss tolerance levels for maintenance of long term soil productivity. Thus, the single greatest threat to of the state's surface water quality is soil erosion. Sediment is, by volume, the greatest pollutant of our surface water. Recent estimates indicate that off-site damages from erosion and sedimentation actually exceed soil productivity losses by a large margin. Soil erosion by water and wind are naturally occurring events. However, increasing demands from agricultural, forestry, mining, and urban development have accelerated the erosion process. Effective soil conservation practices have been developed for both agricultural and non-agricultural land uses.

Local governmental units with planning and zoning authority can adopt ordinances requiring landowners to control soil erosion. Special "soil loss limits" legislation was enacted in 1984 that established procedures for implementing local soil loss ordinances and specified a technical role for soil and water conservation districts. As of July 1, 1990, three counties have enacted ordinances directed at soil erosion control using their general planning and zoning authority rather than the soil loss limits law.

The 1985 federal farm bill included a provision called "conservation compliance" that requires persons farming certain highly erodible lands to fully implement a conservation farm plan by January 1, 1995 to remain eligible for federal farm program benefits including price and income supports. Because most farmers participate in the farm program, conservation compliance should have significant agricultural soil erosion control benefits.

It is the BWSR's position that

1. Land retirement programs should be targeted to the highest priority marginal agricultural lands and sensitive lands.
2. Land treatment cost-share programs should be targeted to productive lands that are erosion-prone.
3. Retired marginal agricultural lands with severe erosion potential should not be brought back into agricultural production unless they are effectively managed to prevent excessive soil loss.
4. Soil loss on all lands should be controlled or reduced to levels at or below soil loss tolerances by the year 2000.
5. Local adoption of erosion and sediment control ordinances should be promoted and supported in both rural and urban areas as part of the local water planning process, and local units of government that take the initiative to adopt and enforce erosion and sediment control ordinances should be rewarded.
6. Local governments and state agencies should be authorized to assess owners of severely-eroding lands for the public costs of removing the landowners' eroded soils from adjoining public property and right-of-way in cases where owners refuse to take reasonable steps to prevent excessive soil loss.

D. WATER QUANTITY MANAGEMENT

Water quantity management deals with actions that affect water runoff, detention, retention, diversion, appropriation, and use. Issues involving water quantity management are most apparent when precipitation varies greatly from normal. In times when precipitation greatly exceeds normal we experience flooding; in times when precipitation is greatly below normal we experience drought. The economic impacts of both flooding and drought can be great. Flood damages alone are estimated at \$130 million annually in Minnesota. Water supply problems in times of drought can have even greater economic impacts because of lost agricultural income. Water supply problems can also be caused by contamination of surface or ground water. The true costs of finding adequate supplies of good quality drinking water

or trying to clean up contaminated supplies are significant and are an incentive to promote the wise use and conservation of water resources.

The water quantity management issue is particularly significant for the BWSR because local government plays a major role in regulating activities directly affecting water quantity. Both state and federal floodplain management and flood control programs rely upon local implementation. Land use regulations that control runoff rates and volumes, and urban water use restrictions are implemented primarily by local government. Water supply, through municipal systems, is also a local responsibility; both federal and state regulations require the local water supplier to develop water conservation plans. The Department of Natural Resources Division of Waters has the responsibility for state regulation of water appropriations.

It is the BWSR's position that:

1. Every owner of land has a responsibility for the runoff from their property.
2. Runoff should be managed to minimize property loss and environmental damage by moderating high flows and maintaining low flows of streams.
3. Natural retention systems should be preserved and properly used to the maximum practical extent in managing surface water runoff and ground water recharge.
4. Water conservation policies and programs should be strengthened and drought planning should be undertaken at both local and state levels.

IV. RESOURCE MANAGEMENT STRATEGIES

The BWSR achieves its resource management goals primarily through the actions of local governments. The basic strategy of the BWSR is to empower local governments to be effective resource managers.

Successful implementation of comprehensive local programs for the protection and management of water and soil resources will require the use of several management

strategies with emphasis on a local/state partnership and interlocal governmental cooperation. Comprehensive local water plans establish policy direction for protection and management actions at the local level. The BWSR will encourage joint efforts among local units of government when necessary to properly protect and manage resources within river basins and aquifer systems. The strategies the BWSR intends to use to accomplish its resource management mission can be broadly categorized as education, incentives, and regulation.

A. EDUCATION

Education includes providing information, guidance, technical assistance, and support for water and soil resource management initiatives. Education should be the principal component of any program which attempts to change human activities. Sound management and protection of water and soil resources will require that some land use activities be changed, and some prohibited. Therefore, education will play a key role in serving as a change agent in the modification of land use activities. Modification of a number of existing land use activities must occur before any significant progress can be achieved in addressing our priority resource management issues. Education initiatives must encompass holistic as well as targeted approaches, innovative concepts as well as dissemination of existing information, and advocacy of intergovernmental communication and cooperation. Education must also meet the needs of children as well as adults, urban as well as rural residents, and advocate regulatory compliance as well as voluntary adoption of best management practices.

It is the BWSR's position that its educational activities should include:

1. Disseminating resource management information in the most effective ways possible, including K-12 curriculum and the use of print, radio, television, video, and other communication methods.
2. Developing and maintaining local technical assistance and educational services capabilities.

3. Directly communicating with targeted audiences, including cooperating agencies and land occupiers affected by water and soil resources policies and programs.
4. Advocating proper management of our resources and strengthened cooperation and coordination among units of government and resource management agencies.
5. Instilling a sense of personal responsibility for stewardship of our natural resources.

BWSR education-related management strategies include:

*Providing local governments with the capabilities to develop and implement information and education programs through technical and financial assistance.

*Facilitating communication and cooperation among local, state, and federal agencies, and private resource organizations and educational institutions through informational mailings, sharing of information on successful local programs and projects, local tours, special meetings, local planning guidance, and related methods.

*Identifying the needs of local government to successfully implement water and soil management programs and communicating those needs to other agencies and the legislature.

*Supporting the educational efforts of other agencies and educational institutions.

*Providing the public and local governments with educational and informational research materials on water and soil resources management issues.

*Providing local government officials and staff with special training regarding water and soil resources management, program administration and operation, personnel management, governmental accounting and reporting, leadership, and related topics.

*Developing and making available planning guidelines, model ordinances, conservation easements and trusts, technical guidelines and policies, and other guidance materials to

assist local governments in designing and implementing effective and coordinated water and soil management programs.

*Utilizing BWSR monthly meetings to provide a forum at the state level for presentation and discussion of important local resource management issues.

*Publicizing and promoting the use of effective local, state, federal, and private programs designed to manage and protect water and soil resources.

*Supporting legislative initiatives for the gathering of resource information and implementation of broad-based public education and information programs, as well as innovative approaches to reaching specific target groups.

B. INCENTIVES

Incentives can be successfully used to accelerate acceptance of desired values and attitudes. Incentives include those which reward compliance with desired values and attitudes as well as those which attempt to discourage undesirable values and attitudes. Proper management and protection of water and soil resources will require that desirable activities be rewarded and that undesirable activities be actively discouraged. It is important that state policies affecting land use decisions, such as property tax policy, create incentives to conserve water and soil resources. Incentives must encompass urban as well as rural values, loans as well as grants, and reward desired behavior as well as discourage undesirable behavior.

All citizens who benefit from the goods and commodities produced from the natural wealth of our lands and waters should share the cost of maintaining their integrity. Incentive programs must recognize that all land occupiers should practice good stewardship, and that the marketplace may not always totally compensate them for conserving our water and soil resources.

It is the BWSR's position that incentives should:

1. Be a tool available to local government to enhance local program delivery.
2. Be offered to potentially affected land occupiers to create positive attitudes about proper land management practices.
3. Provide opportunities to dissuade harmful and encourage beneficial land and water use activities.
4. Be provided to landowners who practice good stewardship and create economic disincentives for those who do not.
5. Be coordinated at the state level through (though not necessarily administered by) the BWSR, and at the local level through comprehensive local water plans.

BWSR incentive-related management strategies include:

- *Providing direct guidance and financial assistance to counties and other local governments involved in the preparation or implementation of comprehensive local water plans.
- *Providing direct guidance and assistance to soil and water conservation districts and watershed districts in the preparation and implementation of annual and comprehensive plans.
- *Advocating expanded state and local financing opportunities for implementing elements of approved comprehensive local water management plans and other vital water and soil protection programs.
- *Advocating a role for the BWSR in serving as an informational clearinghouse for local governments seeking state grants for local water and soil resources management programs.
- *Making available awards programs to ensure public recognition of individuals and local units of government practicing exceptional water and soil stewardship.
- *Assisting local governments in developing local incentive programs.

C. REGULATION

Regulation is often viewed as a "last resort" for dealing with resource management problems, rather than an important element of a comprehensive approach to resource management. To be effective, the need for a regulation must be understood by the public, the regulation itself must be known, and the regulation must be enforceable. Many resource management issues are not yet well understood by the general public. However, the public is beginning to recognize the connections between land use activities and nonpoint source pollution and other resources management problems. For example, in some areas the public is beginning to demand adoption of local land use regulations to address nonpoint pollution. To be equitable, regulations must encompass urban as well as rural activities, the sources as well as the effects of resource problems, and a philosophy of progressive as well as ultimate penalties.

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It is the BWSR's position that local governments with regulatory authorities should:

1. Be provided the governmental powers necessary to address water and soil management issues proactively and be encouraged to use these authorities.
2. Be able to obtain the resources needed to properly administer and enforce local rules and official controls.
3. Couple local regulations with active efforts to educate residents and provide incentives to land occupiers to properly manage water and soil resources.
4. Be encouraged to adopt and enforce local regulations to meet their unique needs.

BWSR's regulation-related management strategies will include:

*Providing general guidance and assistance to local governments seeking to adopt official controls or rules addressing surface water runoff, erosion and sediment control, water quality, and other aspects of water and soil resources management.

*Collecting, developing, and making available model ordinances and rules for water and soil resources management, and supporting needed improvements in the statutory powers of local governments to regulate activities impacting water and soil resources.

*Encouraging local governments to make use of their regulatory authorities in addressing water and soil resources management issues, and to maximize their roles in achieving compliance with state and federal laws and rules.

*Making use of the BWSR's local plan approval authorities to ensure communication and facilitate cooperation among local governments and state agencies regarding local water and soil resources management programs and projects.

V. THE BWSR'S FUTURE

The BWSR believes that its unique structure and role provide an unprecedented opportunity for local governments to greatly expand their roles in water and soil resources management and state policy development.

The BWSR envisions its future to include:

*Creating a more unified voice for local government at the state and federal levels on water and soil resources management issues.

*Acting as a catalyst for creation of coalitions among local government associations, state and federal resource agencies, and private resource organizations on emerging water and soil resources management issues.

*Serving as an effective participant in state and federal water and soil resources policy development and implementation in partnership with other resource management agencies.

*Continuing to provide guidance and service to local governments involved in water and soil protection and management activities.

*Reviewing its strategic plan annually to ensure that it effectively communicates the BWSR's mission, policies, and management strategies.

ATTACHMENT B

Reinvesting in Minnesota's Water and Soil Resources:
A Five-Year Program Plan for RIM Reserve (1993-1997)

- I. PURPOSE
- A. Legislative Authority
1. Laws of 1986, Chapter 383, sections 2 through 6 created the Reinvest in Minnesota (RIM) Resources Act to "keep certain marginal agricultural land out of crop production or pasture to protect soil and water quality and support fish and wildlife habitat."
 2. Minnesota Statutes (1991) Sections 103F.501 - 103F.531 provides enabling legislative intent and specifies state policy "to encourage the retirement of marginal, highly erodible land, particularly land adjacent to public waters and drainage systems, from crop production and to reestablish a cover of perennial vegetation."
- B. Administrative Authority
1. Minnesota Code of Administrative Rules (MCAR) Parts 8400.3000 - 8400.3930 were initially promulgated as emergency rules in 1986 and later as permanent rules in 1988 and most recently revised in January 1990. Substantive revisions are likely during this five-year period to reflect the long-term goals described herein.
 2. Board of Water and Soil Resources has statewide coordination and administrative responsibilities and oversees the local administration of the program by soil and water conservation districts (SWCDs).
- C. Guiding Strategies [from BWSR Strategic Plan]
1. Incentives should be a tool available to local government to enhance local program delivery.
 2. Incentives should be offered to potentially affected land occupiers to create positive attitudes about proper land management practices.
 3. Incentives should provide opportunities to dissuade harmful and encourage beneficial land and water use activities.
 4. Incentives should be coordinated at the state level through the BWSR, and at the local level through comprehensive local water plans.
 5. Programs should be available to protect or retire all existing marginal agricultural lands and highly sensitive lands.
 6. Land retirement programs should be targeted to the highest priority marginal agricultural lands and sensitive lands.
 7. Retired marginal agricultural lands with severe erosion potential should not be brought back into agricultural production unless they are effectively managed to prevent excessive soil loss.
 8. Concepts such as "sustainable agriculture" and "watershed-based management" should be promoted and supported through incentive programs.
 9. Retirement of marginal agricultural lands and highly sensitive lands will permit land managers to focus their stewardship efforts on more productive lands.
 10. Every owner of land has a responsibility for the runoff from their property.
 11. Runoff should be managed to minimize property loss and environmental damage by moderating high flows and maintaining low flows of streams.
 12. Natural retention systems should be preserved and properly used to the maximum practical extent in managing surface water runoff and ground water recharge.
 13. A "net gain" wetland management goal should be adopted in Minnesota.
 14. Wetlands restored, enhanced or created under state and federal programs designed to increase our wetland base should not be used for mitigation purposes.

II. GOALS AND OBJECTIVES

A. Long-term Goals

1. Water Quality Protection and Improvements

Protection of ground water quality shall be given priority over the improvement of state and locally-designated surface water resources.

(a) Ground Water

Only the following lands shall be considered:

- lands immediately adjacent and contributing to sinkholes,
- lands immediately adjacent and contributing to exposed and fractured bedrock, or
- lands lying within designated wellhead protection areas.

Enrollment goal = 20% of highest priority acres within wellhead protection areas (20% = 59,250 acres) and 75% of highest priority acres adjacent to known sinkholes and fractured bedrock outcroppings (75% = 15,000 acres)

Prioritized parameters limited to:

- 1) nutrient retention
- 2) pesticide retention
- 3) recharge potential

(b) Surface Water

- Lakes: Only lands immediately adjacent to the riparian source shall be considered.

Enrollment goal = 25% of highest priority acres within shoreland areas (25% = 358,850 acres)

Prioritized parameters limited to:

- 1) nutrient retention
- 2) sediment reduction
- 3) manure reduction

- Rivers and Streams:

Only lands immediately adjacent to the riparian source shall be considered.

Enrollment goal = 50% of highest priority acres within shoreland areas (50% = 418,180 acres)

Prioritized parameters limited to:

- 1) sediment reduction
- 2) manure reduction
- 3) nutrient retention

- Wetlands: [Only restorations, not protection of existing basins.]

Only legally drained wetlands shall be considered for restoration. Highest priority shall be given to:

- wetlands which have been completely drained,
- wetland basins which will be completely restored,
- wetlands with a cropping history, and
- wetlands of types 1 through 4.

Enrollment (restoration) goal = 65% of highest priority drained wetlands (65% = 1,082,250 acres)

- b) Prioritized parameters limited to:

- 1) runoff retention
- 2) nutrient retention
- 3) sediment retention from adjacent surface waters

2. Soil Erosion Reductions

1982 NRI (county level basis) indicated 5 million cropland acres eroding at rates exceeding 2xT. One half of those acres are inherently unproductive and should be retired from agricultural production. Only marginal lands shall be considered. Highest priority shall be for those lands in land capability classes V through VIII, followed by capability class IV, followed by other specifically designated classes and subclasses. Except for allowing reasonable boundaries of easement areas, land capability classes I and II shall not be considered. Enrollment goal = 30% of inherently unproductive agricultural lands, including enrollment of highest priority acres from expiring CRP contracts and limited duration RIM Reserve easements (30% = 750,000 ac)

3. Fish and Wildlife Habitat Enhancements

Each parcel enrolled shall have a conservation plan developed to ensure adequate habitat enhancements for all wildlife species, but particularly with a priority for endangered or threatened flora or fauna species where the land has such capability, and generally followed by fish species, and lastly generally followed by any game species of wildlife.
Enrollment goal = sum of above enrollment goals

B. Five-year Objectives

FY93:

1. (a) Enroll and restore 2,000 wetland acres plus adjacent uplands.
(\$1000/acre average total costs, which is approximately 90% of average total costs¹)
- (b) Enroll 1,750 acres of riparian areas. (\$750/acre average total costs²)
- (c) Enroll 250 acres for ground water protection purposes. (\$750/acre average total costs²)
2. 50% of enrolled acres must be located within priority area(s) designated by the Board.

FY94:

1. (a) Enroll and restore 2,000 wetland acres plus adjacent uplands.
(\$1000/acre average total costs, which is approximately 90% of average total costs¹)
- (b) Enroll 3,000 acres of riparian areas. (\$750/acre average total costs²)
- (c) Enroll 2,500 acres of highly erosive marginal lands. (\$750/acre average total costs²)
- (d) Enroll 500 acres for ground water protection purposes. (\$750/acre average total costs²)
2. 50% of enrolled acres must be located within priority area(s) designated by the Board.

FY95:

1. (a) Enroll and restore 2,000 wetland acres plus adjacent uplands.
(\$1000/acre average total costs, which is approximately 90% of average total costs¹)
- (b) Enroll 3,000 acres of riparian areas. (\$750/acre average total costs²)
- (c) Enroll 2,000 acres of highly erosive marginal lands. (\$750/acre average total costs²)
- (d) Enroll 1,000 acres for ground water protection purposes. (\$750/acre average total costs²)
2. 50% of enrolled acres must be located within priority area(s) designated by the Board.

FY96:

1. (a) Enroll 25% of most fragile CRP acres from expiring contracts under perpetual easements.
(\$750/acre average total costs²) [25% = 10,200 acres]
- (b) Enroll 50% of most fragile RIM Reserve acres from expiring 10-year easements under perpetual easements. (\$750/acre average total costs²) [50% objective = 55 acres]
- (c) Enroll and restore 2,000 acres of wetland basins.
(\$1000/acre average total costs, which is approximately 90% of average total costs¹)
- (d) Enroll 3,000 acres of riparian areas. (\$750/acre average total costs²)
- (e) Enroll 1,500 acres for ground water protection purposes. (\$750/acre average total costs²)
2. 50% of enrolled acres must be located within priority area(s) designated by the Board.

FY97:

1. (a) Enroll 25% of most fragile CRP acres from expiring contracts under perpetual easements. (\$750/acre average total costs²) [25% = 75,500 acres]
- (b) Enroll 50% of most fragile RIM Reserve acres from expiring 10-year easements under perpetual easements. (\$750/acre average total costs²) [50% objective = 4,060 acres]
- (c) Enroll and restore 2,000 acres of wetland basins. (\$1000/acre average total costs, which is approximately 90% of average total costs¹)
- (d) Enroll 3,000 acres of riparian areas. (\$750/acre average total costs²)
- (e) Enroll 2,000 acres for ground water protection purposes. (\$750/acre average total costs²)
2. 50% of enrolled acres must be located within priority area(s) designated by the Board.

¹ Average total costs of wetland restoration projects include easement payment for acquisition of land rights, practice payment for restoration of wetland and establishing permanent vegetative cover (grasses, trees, and/or shrubs) on adjacent uplands, and administrative costs estimated to be approximately 20% of the total project costs.

² Average total costs include easement payment for acquisition of land rights, practice payment for establishing permanent vegetative cover (grasses, trees, and/or shrubs), and administrative costs estimated to be approximately 20% of the total project costs.

III. EVALUATION

A. Cumulative Accomplishments [Totals through 1990]

1. Water Quality Improvement
 - (a) Ground Water:
 - Lands adjacent to sinkholes = 0.0 acres
 - Lands adjacent to exposed, fractured bedrock = N/A acres
 - Lands within wellhead protection areas = 0.0 acres
 - (b) Surface Water:
 - 1) Riparian areas:
 - a) Riparian cropland = 977.9 acres
 - b) Riparian pastures = 0.0 acres
 - 2) Restored wetland areas = 2,053.1 acres
2. Soil Erosion Reductions
 - (a) Expiring CRP contract enrollments = 0.0 acres
 - (b) Expiring RIM Reserve limited easement conversions = 0.0 acres
 - (c) TOTAL Marginal Agricultural Lands = 29,804.1 acres
3. Fish and Wildlife Habitat Enhancements
 - (a) Wildlife Habitat:
 - 1) Lands with grasses/legumes = 32,466.2 acres
 - 2) Lands with shrubs/trees = 3,515.2 acres
 - 3) Lands with wetlands/open water areas = 2,060.8 acres
4. Auditing and Enforcement
 - (a) Violations:
 - 1) Cumulative = 10
 - 2) Resolved without legal action or penalty = 0
 - 3) Resolved with legal action or penalty = 0
 - 4) Pending = 10

ADDENDUM

Staff Projections for Fiscal Year 1998 & 1999

FY 1998:

1. (a) Enroll 25% of most fragile CRP acres from expiring contracts under perpetual easements. (\$750/acre average total costs²) [25% = 33,150 acres]
- (b) Enroll 50% of most fragile RIM Reserve acres from expiring 10-year easements under perpetual easements. (\$750/acre average total costs²) [50% objective = 50 acres]
- (c) Enroll and restore 2,000 acres of wetland basins. (\$1000/acre average total costs, which is approximately 90% of average total costs¹)
- (d) Enroll 3,000 acres of riparian areas. (\$750/acre average total costs²)
- (e) Enroll 2,500 acres for ground water protection purposes. (\$750/acre average total costs²)
2. 50% of enrolled acres must be located within priority area(s) designated by the Board.

FY 1999:

1. (a) Enroll 25% of most fragile CRP acres from expiring contracts under perpetual easements. (\$750/acre average total costs²) [25% = 24,650 acres]
- (b) Enroll 50% of most fragile RIM Reserve acres from expiring 10-year easements under perpetual easements. (\$750/acre average total costs²) [50% objective = 50 acres]
- (c) Enroll and restore 2,000 acres of wetland basins. (\$1000/acre average total costs, which is approximately 90% of average total costs¹)
- (d) Enroll 3,000 acres of riparian areas. (\$750/acre average total costs²)
- (e) Enroll 3,000 acres for ground water protection purposes. (\$750/acre average total costs²)
2. 50% of enrolled acres must be located within priority area(s) designated by the Board.

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Minnesota Strategic Capital Budget Plan 1994-99
Governor's Recommendations
(in \$000)

Project Description	Agency Priority	Strategic Score	Agency Request			Governor's Recommendation	Governor's Planning Estimates	
			FY 94	FY 96	FY 98	FY 94	FY 96	FY 98
Zoological Garden								
Marine Education Center	1	370	20,500	0	0	20,500	0	0
Animal management	3	215	411	0	0	211	0	0
Water management	2	210	1,250	0	0	0	0	0
Roadways and pathways	4	195	3,650	0	0	0	0	0
Bird Holding facilities	5	195	2,091	0	0	0	0	0
Perimeter fencing		0	0	200	0	0	0	0
Parking lot expansion		0	0	6,100	0	0	0	0
Greenhouse		0	0	0	269	0	0	0
Administrative Building		0	0	0	3,000	0	0	0
	Agency Totals		\$27,902	\$6,300	\$3,269	\$20,711	\$0	\$0

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AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary
Fiscal Years 1994-99

Form A

1. **AGENCY:** MINNESOTA ZOOLOGICAL GARDEN

2. **AGENCY MISSION STATEMENT:**

The Minnesota Zoological Garden (MZG) exists to **Strengthen the Bond Between People and the Living Earth**. The MZG strives to accomplish its mission by:

1. providing an exciting, affordable family experience that unobtrusively brings visitors to a heightened awareness of and appreciation for wildlife;
2. operating a high quality recreational and educational facility that serves the people of Minnesota and out-of-state tourists;
3. serving as a statewide environmental and educational resource that provides a significant addition to the quality of life in Minnesota;
4. providing a multi-disciplinary education and research environment to promote a better understanding of MZG's endangered and exotic animal collection.

The Zoo operates in three major programmatic areas: the Biological Programs, Enterprise Programs and Operations in order to achieve the following mission-related objectives:

- to maintain the animal husbandry, animal health, animal records and research necessary for a healthy animal collection.
- to provide people of all ages with a variety of zoo learning adventures which help foster an understanding and appreciation of wildlife and the environment.
- to acknowledge a responsibility to provide leadership in conserving the biological diversity of our planet and in protecting the wild species living under our stewardship.
- to assure the quality of the visitor experience.

- to maintain the exhibits and grounds to assure the visitor an interesting, safe and pleasant recreational experience.

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

The Minnesota Zoo has experienced steady attendance growth since 1988, with F.Y.91, F.Y.92 and F.Y.93 each setting record attendance. Not only are we experiencing record attendance, but visitors are spending more discretionary dollars during their visit. Out attendance since 1988 has increased 48% while per capita revenue has increased 30%.

Our visitor comments tell us that expectations are high in relationship to what they want to see while here, what and how they like to learn, as well as the level of comfort they expect once here.

The zoo is in the final phase of its long range exhibit planning process. This plan will address exhibit development for the next ten years. A priority for exhibit development is the proposed Marine Education Center which is the zoo's number one priority in our capital budget. Marine mammals are the number one attraction at the Minnesota Zoo and this facility would greatly enhance our visitor's experience as well as improve the animal management and animal care of the dolphins. The current facility is totally inadequate resulting in a reduced learning experience for the visitor as well as an uncomfortable setting. Visitors voice displeasure regularly with the current facility and expect us to improve the situation.

Not only has our general attendance increased but the requests for special private rentals is also growing. With these special events and private parties, comes increased vehicular and pedestrian traffic. The roads and pathways need immediate attention. Repairs to surface areas, widening roads and pathways to accommodate increased visitors and outside lighting for evening events to meet building code requirements.

The requests for customized services and experiences are increasing. People see the zoo as a place for a business conference, a family reunion, a wedding reception, a field trip or just a day of family fun. We expect this trend to continue. Our sales department is booking two or three

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

Form A

events a day, rather than two a week as was the case in the past.

The other issue for the zoo is the inadequate amount of repair and betterment dollars. The facility is over 15 years old and is beginning to show signs of aging. For the past 5 years, approximately five to six hundred thousand dollars have been spent annually on major maintenance items. This amount is totally inadequate to deal with all of the maintenance issues on a facility this size which is experiencing the amount of growth we are experiencing. As a result, maintenance has been deferred and ultimately could cost more in the long run.

Items that have been deferred include plaza repair, asphalt repair, lighting installation, re-insulating of piping in mechanical rooms and the tunnel system, air conditioning, installation of curbs and replacement of deteriorating visitor amenities such as benches and picnic tables.

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

The Minnesota Zoo is more than 15 years old and beginning to show the wear of 15 million visitors since it first opened.

The zoo will continue to address the need of maintaining the infrastructure through the use of general fund appropriations and CAPRA requests whenever possible. In addition, three capital project requests for the current biennium will address specific needs which the zoo faces.

The zoo proposes building a Marine Education Center (MEC) which will increase the accessibility of the very popular dolphin show which currently accommodates 150 people at each show 4 times daily. The MEC would replace the present dolphin pool which is in dire need of upgrade due strictly to its age.

Since the inception of the zoo, water management has been a concern. The main building complex was built adjacent to the main lake on the property which acts as a catch basin during heavy rains every spring. As the level of the lake rises it becomes necessary to pump water from the lake to lower the level at a cost of approximately one thousand dollars per

pumping. The water management request will allow the zoo to economically and effectively manage the flooding issues of the site.

The third capital request for the current biennium addresses the needs of the Animal Management areas of the zoo. The expanding visitor base requires new and more varied exhibits to provide expanded educational, conservation and recreational opportunities. The wear on animal holding areas and the expansion of successful breeding programs for endangered species to areas not designed to handle these programs point to the need for expanded facilities.

The final request for the current biennium addresses our need for improved roadways and pathways. While the zoo continues to grow, the supporting roadway system must be improved to accommodate this growth. More visitors means more requests for services. With a four hundred eighty-five acre site, a lot of traveling takes place to conduct daily business and after 15 years with little maintenance, the time has come to make major improvements if for no other reason than safety.

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

The mission of the Minnesota Zoo is to **Strengthen the Bond Between People and the Living Earth**. Strategies have been developed and endorsed by staff and the Minnesota Zoological Board which strives to assist in supporting that mission. These strategies are:

- Create a magical experience
- Thrive as a special place for children
- Know our customers
- Manage visitor moments of truth
- Link revenues to results
- Build a premier service organization

AGENCY CAPITAL BUDGET BRIEF
Strategic Planning Summary (Cont'd.)
Fiscal Years 1994-99

Form A

- Invest to keep the existing zoo great

The capital budget plan for of the Minnesota Zoo is directly related to our strategies and goals.

The plan must balance the needs of an aging facility that has not had adequate funding for maintenance and is being stretched to the limits by rapid growth, with the ever growing expectations of the zoo visitor for new exhibits and learning opportunities that are fun and enjoyed in a comfortable and safe environment.

The Marine Education Center is a multi-purpose facility. It will greatly enhance our animal management program by providing a new home for our 6 Atlantic bottle-nosed dolphins, provide new opportunities for learning through both traditional and "wet" classrooms, provide additional space for special events and after hours rentals and most importantly give the zoo visitor a 1,000 seat presentation pool for our dolphin shows.

The water management plan included in our capital request is not only necessary to protect the investment the State has made in the infrastructure but also to improve the overall appearance of the zoo site.

The improvements to the animal management areas support our plan in all areas. It will address long overdue major maintenance issues, safety issues for staff, the animal collection and visitor, and will ultimately result in improved exhibitry.

Improvements in our infrastructure are critical to the future development of the zoo site as well as the safety of staff and visitors. Roadways and pathways are 15 years old and with the increased demand for services, increased attendance and lack of maintenance, it is time to make major improvements and build for the future.

The bird holding building also supports the strategies of the zoo and our capital plan. It will greatly improve our animal management program, eventually provide more exhibit opportunities for the avian collection, result in greater staff efficiencies and ultimately result in additional revenues to the zoo due to the propagation program.

6. AGENCY PROCESS USED TO ARRIVE AT THESE CAPITAL REQUESTS:

The zoo receives input from visitors, board members, volunteers and staff.

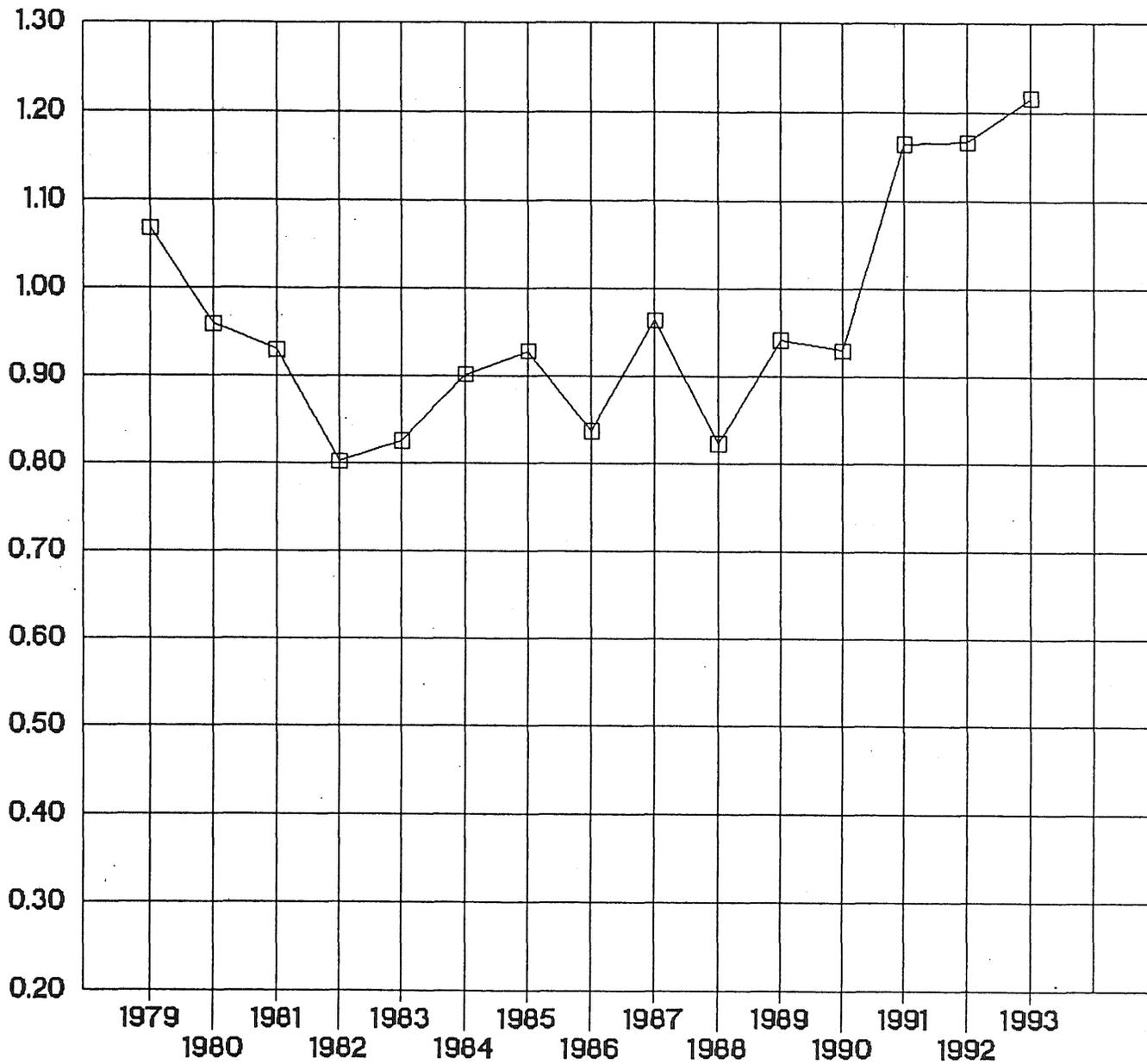
In preparing the capital budget requests, the zoo uses in-house staff, consultants or a combination thereof to analyze improvements needed, to develop cost estimates and to determine the best course of action. The Zoo Board approves all requests.

7. AGENCY CAPITAL BUDGET PROJECTS DURING THE LAST SIX YEARS (1988-1993):

- The zoo successfully completed the construction of the coral reef exhibit at a cost of \$2,500 in 1991. The sources of funding for this project were \$750 from the General Fund, \$750 from private gifts and the \$1,000 from zoo special revenue funds.
- In 1992 the zoo opened the new bird amphitheater which cost \$2,600 and was funded by \$350 from the General Fund, \$1,800 from private gifts and the \$450 from the zoo special revenue fund.
- The zoo received CAPRA funds which totaled \$27 in F.Y.91, F.Y.92 and F.Y.93. These funds were used for code compliance and health and safety projects.
- Roof replacement bonds totaling \$1,820 were approved in the 1992 legislative session and that work is in progress. The Zoo is paying one-third of the debt service and State General Obligation bonds the remaining two-thirds.

8. OTHER (OPTIONAL):

ATTENDANCE
(Millions)



MINNESOTA ZOO YEARLY ATTENDANCE

AGENCY CAPITAL BUDGET BRIEF
Projects Summary
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form B

AGENCY: MINNESOTA ZOOLOGICAL GARDEN

Project Title	Project Type*	1994 Agency Priority Ranking	Agency Project Requests (\$ by Session)				Strategic Score	Governor's Recommendation (\$ by Session)			
			1994	1996	1998	Agency Total \$		1994	1996	1998	Governor's Total \$
MARINE EDUCATION CENTER	C	1	20,500			20,500	370	20,500	0	0	20,500
WATER MANAGEMENT	NB	2	1,250			1,250	210	0	0	0	0
ANIMAL MANAGEMENT	AC	3	411			411	215	211	0	0	211
ROADWAYS & PATHWAYS	NB	4	3,650			3,650	195	0	0	0	0
BIRD HOLDING FACILITIES	C	5	2,091			2,091	195	0	0	0	0
PERIMETER FENCING	NB			200		200		0	0	0	0
PARKING LOT EXPANSION	NB			6,100		6,100		0	0	0	0
GREENHOUSE	C				269	269		0	0	0	0
ADMINISTRATIVE BUILDING	C				3,000	3,000		0	0	0	0
Total Project Requests:			\$ 27,902	\$ 6,300	\$ 3,269	\$ 37,471		\$ 20,711	\$ 0	\$ 0	\$ 20,711

Project Type*	1994 Session	1996 Session	1998 Session
Construction of a new facility	\$ 22,591	\$ 0	\$ 3,269
Adaption of an existing facility for new, expanded or enhanced programs or uses	\$ 0	\$ 0	\$ 0
Adaption of an existing facility for code-required changes or liability purposes	\$ 411	\$ 0	\$ 0
Renewal of existing facilities or assets and CAPRA requests (no program changes)	\$ 0	\$ 0	\$ 0
Non-building projects, grants-in-aids, funds to other government units	\$ 4,900	\$ 6,300	\$ 0
Total	\$ 27,902	\$ 6,300	\$ 3,269

* Project Types (choose one for each project or program):

- C = Construction of a new facility for new program/uses or for expanded /enhanced programs/uses or for replacement purposes.
- AP = Adaption of an existing facility for a new program/use or for program expansion/enhancement purposes.
- AC = Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- R = Renewal of existing facilities or assets (no program expansion) and CAPRA requests.
- NB = Non-building projects, grant-in-aid programs, capital project funding to other government jurisdictions.

AGENCY CAPITAL BUDGET BRIEF
Facilities Summary
Fiscal Years 1991-95
Dollars in Thousands (\$137,500 = \$138)

Form C

AGENCY: Minnesota Zoological Garden

Agency Facility Information	F.Y. 1991 (Actual)	F.Y. 1992 (Actual)	F.Y. 1993 (Actual)	F.Y. 1994-95 (Estimated)	1994 Session (Requested)
Gross Square Footage of State Owned Buildings*	310,884	310,884	317,400	327,400	327,400
Leased Square Footage	0	0	0	0	0

Agency Operating Budgets **	F.Y. 1991 (Actual)	F.Y. 1992 (Actual)	F.Y. 1993 (Budgeted)	F.Y. 1994 (Budgeted)	F.Y. 1995 (Budgeted)
Operating Repair and Betterment Account(s)	\$ 526	\$ 548	\$ 624	\$ 842 (1)	\$ 648
Operating Maintenance Account(s)	\$ 2,587	\$ 2,786	\$ 3,281	\$ 3,281	\$ 3,281
Lease Payments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(1) The Minnesota Zoological Garden recognizes the need to maintain our facility and has allocated special revenue receipts of \$350 for F.Y. 1994 and \$180 for F.Y. 1995 to Repair and Betterment projects.

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AGENCY CAPITAL BUDGET REQUEST
Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: Minnesota Zoological Garden
PROJECT TITLE: Marine Education Center
TOTAL PROJECT COST: \$20,500
APPROPRIATION REQUEST FOR 1994 SESSION: \$20,500
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$ -0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$ -0-
LOCATION (CAMPUS, CITY, COUNTY): Apple Valley, Dakota County

AGENCY PRIORITY (for 1994 Session only):

1 of 5 requests

1. PROJECT DESCRIPTION:

The Marine Education Center will be a new 44,000 square foot facility at the Minnesota Zoo. Key components of the Marine Education Center include:

- A new home for the 6 Atlantic Bottle-nosed dolphins. The Marine Education Center will include not only a presentation pool and holding pool for the dolphins, but also a maternity pool and veterinary pool. This will greatly increase the ability to manage and care for the dolphins.
- Classrooms to support the Education program at the Zoo. These will be both traditional classrooms as well as "wet" classrooms or labs where children of all ages can learn through touch. These are desperately needed since we currently turn students away due to lack of classroom space.
- An indoor theater for dolphin presentations that seats 1,000 year-round instead of the current outdoor dolphin presentation area is used 5 months a year and seats 125.
- A large new shark exhibit. Sharks are very popular and requested by our visitors.
- Space for after hours events. This will be used for banquets, private parties, wedding receptions, etc. This space is critical since revenues generated as a result of these events will be applied toward the debt service. Recent experience has already shown that this can be a valuable new source of revenue.

The Minnesota Zoo is proposing to repay 100% of the debt service. It will do that primarily through private donations, gate receipts and revenues from concessions. Our review and analysis shows that with the addition of this

facility and the opportunities it presents, attendance will increase and other earned revenues will increase as well.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The Minnesota Zoo is 15 years old. During this time, marine mammals have always been a top attraction. Our dolphin show and two successful pregnancies last fall have resulted in three consecutive years of record attendance and more interest in the educational aspects of our Ocean Trail. The present dolphin pool is showing signs of extreme stress. Inspections and testing show that major renovation will be necessary in approximately 3 years if we are to continue using it. Rather than make improvements in a facility that isn't meeting the zoo's needs, as part of our long range plan we are proposing to build a Marine Education Center. This new facility will support the overall mission of the zoo, to **Strengthen the Bond Between People and the Living Earth**, by strengthening our education, conservation and recreation opportunities. It also will allow us to respond to visitors requests for additional exhibits, educational offerings and space for special after hour events. By responding to our visitors needs and requests the Zoo will be successful in achieving its goals of increased attendance and revenues annually.

Our proposal to repay the debt service through revenues generated primarily from increased admissions, after hours rentals and concessions, also shows our ability to earn and manage our resources in a business-like manner.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

With the addition of the Marine Education Center our operating costs will increase approximately \$800 annually beginning in F.Y.98. These expenses will be paid from the Special Revenue Fund. No General Fund dollars are being requested.

Salt	\$ 150
Utilities	200
Food & Supplies	130
Salaries	<u>320</u>
Total	\$ 800/year

4. OTHER CONSIDERATIONS (OPTIONAL):

None.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-2

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify):

PRIOR COMMITMENT: No Yes

Laws _____, Ch _____, Sec _____ \$ _____
 Laws _____, Ch _____, Sec _____ \$ _____

PREVIOUSLY REQUESTED: No Yes When? 1993 session

AGENCY BUILDING NAME AND # (for project request): Main Building Complex

STATE-WIDE BUILDING NEW ID # (for project request): 77700, 17319, 11419, 1319, 3319

FACILITY SQUARE FOOTAGE:

Existing Building
190,760 Gross Sq. Ft. (GSF)

Project Scope
N/A Gross Sq. Ft. Demolished
5,500 Gross Sq. Ft. Renewal or Adaption
43,900 Gross Sq. Ft. New Construction

Final Building Size
234,660 Gross Sq. Ft.

Are there design standards or guidelines that apply to your agency and this project?

Yes No.

If so, please cite appropriate sources:

CHANGES IN OPERATING COSTS (Facilities Note):

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ <u>N.A.</u>	\$ <u>80</u>	\$ <u>640</u>
Change in Bldg. Oper. Expenses . . .	\$ <u>N.A.</u>	\$ <u>50</u>	\$ <u>400</u>
Change in Lease Expenses	\$ <u>N.A.</u>	\$ <u>N.A.</u>	\$ <u>N.A.</u>
Change in Other Expenses	\$ <u>N.A.</u>	\$ <u>70</u>	\$ <u>560</u>
Total Change in Operating Costs . .	\$ <u>N.A.</u>	\$ <u>200</u>	\$ <u>1,600</u>

Other:

Change in F.T.E. Personnel N.A. 8.0 8.0

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form E-3

PROJECT COSTS:

Acquisition (land and buildings)	\$	<u> </u>	N.A.
Consultant Services (pre-design and design)	\$	<u> </u>	1,500
Construction	\$	<u> </u>	15,172
Furnishings, Fixtures and Equipment (F.F. & E.)	\$	<u> </u>	105
Data/Telecommunications	\$	<u> </u>	80
Art Work (1% of construction)	\$	<u> </u>	N.A.
Project Management	\$	<u> </u>	400
Project Contingency	\$	<u> </u>	1,467
Related Projects - Construction Archaeology	\$	<u> </u>	N.A.
Other Costs (Const. Testing & Occupancy)	\$	<u> </u>	1,176
Inflation Adjustment	\$	<u> </u>	600
TOTAL PROJECT COST	\$	<u> </u>	20,500
Appropriation Request for 1994 Session	\$	<u> </u>	20,500
Appropriation Request for 1996 Session	\$	<u> </u>	N.A.
Appropriation Request for 1998 Session	\$	<u> </u>	N.A.

PROJECT TIMETABLE:

	Start Date (Mo./Yr.)	End Date (Mo./Yr.)	Duration (Months)
Planning/Programming	<u> </u>	<u> </u>	<u> </u>
Site Selection and Purchase	<u> </u>	<u> </u>	<u> </u>
Design	<u> </u>	<u> </u>	<u> </u>
Construction	<u> </u>	<u> </u>	<u> </u>
Substantial Completion	<u> </u>	<u> </u>	<u> </u>
Final Completion	<u> </u>	<u> </u>	<u> </u>

PROPOSED METHOD(S) OF FINANCING (check one):

 Cash: Fund _____
 X Bonds: Tax Exempt X Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

 General Fund % of total _____
 X User Financing % of total 100
 Source of funds Zoo Special Revenue Fund

FUNDING SOURCE:

 20,500 Appropriation Request (1994 Session)
 \$ 20,500 State funding (Zoo)
 \$ _____ Federal funding
 \$ _____ Local gov't funding
 \$ _____ Private funding

Agency Data Prepared by:	Connie J. Brazier	Operations Director	612 431-9303	01-10-94 (Rev.)
Name	Robert J. Wallace	Zoo Projects Supervisor	612 431-9302	01-10-94 (Rev.)
		Title	Telephone	Date

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF ADMINISTRATION ANALYSIS:

- The request's schedule objectives require that all funds requested be simultaneously appropriated.

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends capital funds of \$20.5 million for this project subject to the following conditions:

- During construction, all interest on the bonds will be paid by the Zoo through a private capital campaign.
- Upon project completion, the Zoo will pay 100% principal and interest costs.
- Debt service costs will be financed by the Zoo through increased attendance revenues and supplemented when necessary by enterprise activity revenues.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	140
Strategic Linkage	90
Agency Priority	80
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	370

READINESS QUOTIENT	
Programming	45
Design	45
Cost Planning/Management	45
Facility Audit Supports the Request	30
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	92%

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Minnesota Zoological Garden
PROJECT TITLE: Water Management
PROJECT COSTS: \$1,250
APPROPRIATION REQUEST FOR 1994 SESSION: \$1,250
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$ -0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$ -0-
LOCATION (CITY, COUNTY): Apple Valley, MN Dakota County
AGENCY PRIORITY (for 1994 Session only):

2 of 5 requests

1. PROJECT DESCRIPTION:

The Minnesota Zoo, located in Apple Valley, is situated on 485 acres of rolling wooded terrain containing over 30 lakes. Twelve of those lakes have been identified as protected wetlands by the Minnesota Department of Natural Resources (MDNR) with the majority located directly adjacent to the developed areas on the property and are subjected to fairly intense use. This use comes from the storm water runoff from the parking lots and buildings, animal exhibits, etc. surrounding these lakes. As a result, many of these protected lakes, seen annually by our more than one million visitors, are experiencing very poor water quality with minimal aquatic vegetations.

In addition, we currently have little or no means of controlling lake levels within these developed areas. This is critically important for protecting adjacent building foundations, concrete retaining walls, bridge abutments, animal exhibit areas, parking lots and other site features that are dependent on having the levels maintained. For example, the Main Lake is being pumped overland approximately 2,000 feet to another protected wetland which has resulted in the loss of shoreline vegetation from the unusually high water caused by the pumping.

With the recent construction of the Weesner Family Amphitheater causing loss of protected wetland and the subsequent requirement of a permit from the Department of Natural Resources (MDNR), the Minnesota Zoo has made a commitment to improving this situation. The MDNR permit required mitigation in the form of compensatory wetland creation, wetland education and an overall wetland and hydrologic comprehensive plan for all of the water bodies on the zoo property.

The \$1,250 requested will allow the continuation of the engineering and the start of the construction for the various hydrological projects required by MDNR permit #91-6023. Below find listed a breakdown of the estimated project costs:

Design	\$ 471
Construction	594
Construction Contingency	185

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

In an attempt to achieve the Minnesota Zoo's mission statement, to **Strengthen the Bond Between People and the Living Earth**, we must manage our water resources responsibly and fulfill our MDNR permit obligation. As a **Conservation Leader**, we need to provide a clean, healthy and safe environment for both our invaluable animal and plant collection and our visitors.

This project will not only improve the water quality of these protected wetlands and allow us to control certain lake level fluctuations, but will also enable us to use our water resources more wisely and efficiently. For example, instead of having to buy water from the City of Apple Valley during periods of low rainfall, we will simply have to drain from one of the newly constructed retention basins. Conversely, during periods of heavy rainfall, we will be able to route excess water into these retention basins instead of having to dispose of the excess through the sanitary sewer system.

3. OTHER CONSIDERATIONS (OPTIONAL):

The Minnesota Zoo must act on this issue. If no action is taken, it will cost more money in the future to correct this situation. It may jeopardize the use of certain animal exhibits and greatly reduce the visitor experience needlessly. It will also cost the Zoo additional operating expense to continue having staff time used to control the levels. For example, each time the Main Lake is pumped into another protected wetland, it costs the Zoo approximately one thousand dollars in staff time and fuel and an immeasurable amount for the loss of vegetation. Eventually, we will have no choice but to pump water directly into the sanitary sewer system at more than \$60.0 for each 12 inches.

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

NON-STATE PARTICIPATION:

- \$ 1,250 Appropriation Request (1994 Session)
- \$ 1,250 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by:	Connie J. Braziel Robert J. Wallace Name	Operations Director Zoo Projects Supervisor Title	612 431-9303 612 431-9302 Telephone	08-02-93 08-02-93 Date
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**AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)**

Form G-3

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend capital funds for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	70
Strategic Linkage	60
Agency Priority	20
Asset Preservation/Deferred Renewal	0
Customer Services Improved	60
Operating Savings/Efficiencies	0
Total Strategic Score	210

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AGENCY CAPITAL BUDGET REQUEST
Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: Minnesota Zoological Garden
PROJECT TITLE: Animal Management
TOTAL PROJECT COST: \$411
APPROPRIATION REQUEST FOR 1994 SESSION: \$411
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$ -0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$ -0-
LOCATION (CAMPUS, CITY, COUNTY): Apple Valley, MN Dakota County

AGENCY PRIORITY (for 1994 Session only):

3 of 5 requests

1. PROJECT DESCRIPTION:

This project includes major maintenance and renovation of animal management areas to conform to the state building code and United States Department of Agriculture (USDA) animal welfare standards. The overall safety of our staff, visitors and animal collection will also be greatly improved with completion of this project. Specific animal management areas addressed in this request include small and large animal holding, the Isolation Barn and Horse Exhibit. These facilities have existed since the zoo opened fifteen years ago and with the ever expanding demands placed on the animal holding facilities, issues need to be addressed now that are causing concern for the safety of our staff, visitors and animal collection.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

This project involves the maintenance of existing facilities, the upgrade of deteriorated facilities and improvements to meet current building codes. The facilities involved in this project were built in 1976. They have been in continual use for the last 15 years. They have required little structural maintenance to date. However, some portions have disintegrated to the point that major work will be required to restore them to acceptable standards. Herd pens have deteriorated to the extent that it is virtually impossible to patch or replace individual boards due to the rotting wood. Erosion is causing serious problems on the hillsides adjacent to the holding areas. Doors and gates are extremely worn from 15 years of use. Conditions in these areas are unsafe for staff, our animal collection and ultimately the zoo visitor. The

completion of this project will provide a secure, safe facility with improved animal management capability.

Our animal collection is invaluable. Many are listed as endangered or threatened and in some instances, can no longer be acquired. It is critical that the Minnesota Zoo, as a conservation leader, do everything possible to protect its collection and provide a suitable facility for animal use that will comply with the USDA animal welfare standards. Deferral of this project may result in condemnation of some of our animal management areas. It also will add an increased maintenance burden in attempting to keep these facilities operational.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

We expect no change in operating costs.

4. OTHER CONSIDERATIONS (OPTIONAL):

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify):

PRIOR COMMITMENT: No Yes

Laws _____, Ch _____, Sec _____ \$ _____
 Laws _____, Ch _____, Sec _____ \$ _____

PREVIOUSLY REQUESTED: No Yes When? _____

AGENCY BUILDING NAME AND # (for project request): Animal Management

STATE-WIDE BUILDING NEW ID # (for project request): 77700 219, 1219, 2219, 3219, 4219, 619, 4619

FACILITY SQUARE FOOTAGE:

Existing Building
317,400 Gross Sq. Ft. (GSF)

Project Scope
N/A Gross Sq. Ft. Demolished
N/A Gross Sq. Ft. Renewal or Adaption
11,800 Gross Sq. Ft. New Construction

Final Building Size
317,400 Gross Sq. Ft.

Are there design standards or guidelines that apply to your agency and this project?
 Yes No.

If so, please cite appropriate sources:

CHANGES IN OPERATING COSTS (Facilities Note):

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Change in Bldg. Oper. Expenses . . .	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Change in Lease Expenses	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Change in Other Expenses	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Total Change in Operating Costs . .	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

Other:

Change in F.T.E. Personnel 0 0 0

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-3

PROJECT COSTS:

Acquisition (land and buildings)	\$	<u>0</u>
Consultant Services (pre-design and design)	\$	<u>34</u>
Construction	\$	<u>338</u>
Furnishings, Fixtures and Equipment (F.F. & E.)	\$	<u>0</u>
Data/Telecommunications	\$	<u>0</u>
Art Work (1% of construction)	\$	<u>0</u>
Project Management	\$	<u>10</u>
Project Contingency	\$	<u>29</u>
Related Projects - Construction Archaeology	\$	<u>0</u>
Other Costs (Const. Testing & Occupancy)	\$	<u>0</u>
Inflation Adjustment (xxxx)	\$	<u>0</u>
TOTAL PROJECT COST	\$	<u>411</u>
Appropriation Request for 1994 Session	\$	<u>411</u>
Appropriation Request for 1996 Session	\$	<u>N.A.</u>
Appropriation Request for 1998 Session	\$	<u>N.A.</u>

PROJECT TIMETABLE:

	Start Date (Mo./Yr.)	End Date (Mo./Yr.)	Duration (Months)
Planning/Programming	<u>7/94</u>	<u>10/94</u>	<u>3</u>
Site Selection and Purchase	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Design	<u>10/94</u>	<u>12/94</u>	<u>2</u>
Construction	<u>4/95</u>	<u>7/95</u>	<u>3</u>
Substantial Completion	<u> </u>	<u>7/95</u>	<u> </u>
Final Completion	<u> </u>	<u>7/95</u>	<u> </u>

PROPOSED METHOD(S) OF FINANCING (check one):

 Cash: Fund
 X Bonds: Tax Exempt X Taxable

DEBT SERVICE PAYMENTS (Check all that apply):

 X General Fund % of total 100
 User Financing % of total

Source of funds

FUNDING SOURCE:

 411 Appropriation Request (1994 Session)
 \$ 411 State funding
 \$ Federal funding
 \$ Local gov't funding
 \$ Private funding

Agency Data Prepared by:	Conie J. Braziel	Operations Director	612 431-9303	08-02-93
	Robert K. Wallace	Zoo Projects Supervisor	612 431-9302	08-02-93
	Name	Title	Telephone	Date

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF ADMINISTRATION ANALYSIS:

- The request's schedule objectives require that all funds requested be simultaneously appropriated.
- This project contains multiple stages. Admin recommends that pre-design work be approved by Admin before commencing design work prior to legislative review as required by 16B.335.

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor recommends a partial capital funding level of \$211,000 for this project, contingent upon the Zoo reappropriating the remaining \$200,000 as a matching contribution from their Special Revenue Fund.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	60
Agency Priority	40
Asset Preservation/Deferred Renewal	75
Customer Services Improved	40
Operating Savings/Efficiencies	0
Total Strategic Score	215

READINESS QUOTIENT	
Programming	30
Design	30
Cost Planning/Management	30
Facility Audit Supports the Request	20
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	61%

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: MINNESOTA ZOO
PROJECT TITLE: Roadways and Pathways
PROJECT COSTS: \$3,650
APPROPRIATION REQUEST FOR 1994 SESSION: \$3,650
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$ -0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$ -0-
LOCATION (CITY, COUNTY): Apple Valley, Dakota County

AGENCY PRIORITY (for 1994 Session only):

4 of 5 requests

1. PROJECT DESCRIPTION:

The Minnesota Zoo currently has over one quarter million square feet of asphalt surfacing located in a variety of areas; from parking lots and service areas to roadways and pathways. Because of limited maintenance funds and the intense use of these roads for 15 years, all of the asphalt needs corrective action taken in some form or another. This action varies from sealcoating and simple overlay to complete reconstruction. In some cases, either widening or additional asphalt is also necessary because of the increased volume of traffic using our system.

When the zoo was built most of our roadways were constructed for *light duty* use only. The roadway width and cross section are not able to handle the additional traffic volume and loads due to the continued growth we have experienced over the past few years. We anticipate this situation only to continue to get worse as we strive to meet our attendance goals.

As part of this project, we feel that concrete curbing needs to be installed in all areas visible to the public and where we are experiencing erosion to the roadway sub-base. This curbing is instrumental in protecting the asphalt edge from unnecessary deterioration and also extending the use of the roadways for many years.

In addition to asphalt and concrete curbing, lighting is needed in the main entry, walkways and plaza areas. The zoo was originally built without any outdoor lighting. Only recently have we been able to add lights to a few key areas to meet our minimum needs. In order to meet the required

Uniform Building Code (UBC) standards for the expanding special events held after hours, the installation of lights in all parking lots, main entry, outdoor walkways and plaza areas is necessary. This lighting will also increase the safety and security of the zoo visitor.

The \$3,650 requested will provide for the design and construction necessary to improve the roadways, parking lots and all the walkways with new asphalt, concrete curbing and lighting. Listed below is a breakdown of all the estimated costs involved with this project:

Design	\$ 250
Construction Management	150
Roadway Construction	2,200
Concrete Curbing	250
Outdoor Lighting	500
Construction Contingency	300

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The Minnesota Zoo has experienced three consecutive record years of attendance and we have every reason to believe that this trend will continue. We have a plan for increasing educational opportunities, entrepreneurial efforts and new exhibits. In addition, our sales department is projecting a 40% increase in after hours events over the next biennium. All of these efforts will result in an increased number of visitors to the Minnesota Zoo. That number of visitors will increase both pedestrian and vehicular traffic to the zoo. Our roadways and pathways are an integral part of our infrastructure that must be addressed immediately to accommodate our increased traffic.

This project has been put off due to lack of funding. If we are unable to correct this situation in the next couple of years, our roadways, parking lot and walkways will continue to cost more to maintain in the short term. In the long term it will cost more and more each year the corrections are delayed because of continued deterioration.

3. OTHER CONSIDERATIONS (OPTIONAL):

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-2

TYPE OF REQUEST (Check all that apply):

- Acquisition of State Assets
- Development of State Assets
- Maintenance of State Assets
- Grants to Local Governments
- Loans to Local Governments
- Other Grants (specify):

PROJECT CHARACTERISTICS (Check all that apply):

- Health and Safety
- Provision of New Program/Services
- Expansion of Existing Program/Services
- Other (specify):

PROPOSED METHOD(S) OF FINANCING (check one):

- Cash: Fund _____
- Bonds: Tax Exempt Taxable _____

DEBT SERVICE PAYMENTS (Check all that apply):

- General Fund % of total 100
- User Financing % of total _____

Source of funds _____

NON-STATE PARTICIPATION:

\$ 3,650 Appropriation Request (1994 Session)

- \$ 3,650 State funding
- \$ _____ Federal funding
- \$ _____ Local gov't funding
- \$ _____ Private funding

Agency Data Prepared by:	Connie J. Braziel	Operations Director	612 431-9303	08-02-93
	Robert J. Wallace	Zoo Projects Supervisor	612 431-9302	08-02-93
	Name	Title	Telephone	Date

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail (Cont'd.)
 Fiscal Years 1994-99
 Dollars in Thousands (\$137,500 = \$138)

Form G-3

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend capital funds for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	60
Agency Priority	20
Asset Preservation/Deferred Renewal	75
Customer Services Improved	40
Operating Savings/Efficiencies	0
Total Strategic Score	195

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AGENCY CAPITAL BUDGET REQUEST

Building Project Detail

Fiscal Years 1994-99

Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: Minnesota Zoological Garden

PROJECT TITLE: Bird Holding Facilities

TOTAL PROJECT COST: \$2,091

APPROPRIATION REQUEST FOR 1994 SESSION: \$2,091

APPROPRIATION ESTIMATE FOR 1996 SESSION: \$ -0-

APPROPRIATION ESTIMATE FOR 1998 SESSION: \$ -0-

LOCATION (CAMPUS, CITY, COUNTY): Apple Valley, MN Dakota County

AGENCY PRIORITY (for 1994 Session only):

5 of 5 requests

1. PROJECT DESCRIPTION:

This request is for a 10,000 square foot bird holding building to house our avian collection. Since the Minnesota Zoo opened, the avian collection has grown from 94 species and 327 individuals to 124 species and a total of 672 individuals. No new facilities have been built for this collection and as a result space is being used that was not designed for bird holding. This causes stress on other animal programs, extra work for staff, poor avian reproduction and increased bird mortality because of the lack of adequate holding.

The avian collection is invaluable. Many of the species are listed as endangered or threatened in the wild and many of the Southeast Asian species can no longer be acquired from the wild at any price.

This new facility will provide adequate holding year round, have its own air handling system to address disease and quarantine issues and incubator and brooder facilities. With this new facility propagation will be better managed and more productive. We currently are unable to expand our avian collection any further. Without this facility not only will conservation programs such as the endangered Bali mynah propagation and Trumpeter swan restoration suffer or be eliminated, but exhibit programs cannot increase and may need to be curtailed without facility support.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

The mission of the Minnesota Zoo is to **Strengthen the Bond Between people and the Living Earth**. Our vision further states that the zoo is a conservation leader and educator. In order to continue to be successful in these roles it is necessary to have facilities that will support the need for the expansion of the avian collection. At present we do not have any off exhibit space to propagate species away from the busy exhibits. Instead of rearing birds that can be used for our programs and exhibits and sold to other institutions for their programs, we are often forced to buy birds for our program needs. Instead of being a leader in conservation, we are often in the position of being a consumer.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

There will be increased annual operating costs for this facility totalling approximately \$25.0. There will however, be staff efficiencies generated also as a result of this facility which we are unable to calculate at the present time; but we are confident they will occur. Tremendous time will be saved instead of traveling to numerous locations throughout the zoo site to care for various birds in make-shift holding areas. Because incubator and brooder areas will be designed more efficiently, staff also will reduce their time, again, instead of working in less than desirable conditions for both them and the avian collection.

4. OTHER CONSIDERATIONS (OPTIONAL):

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

PROJECT TYPE (check one):

- Construction of a new facility for new, expanded or enhanced programs or for replacement purposes.
- Adaption of an existing facility for new, expanded or enhanced uses.
- Adaption of an existing facility for code-required changes, handicapped access or legal liability purposes.
- Renewal of existing facilities or assets and CAPRA requests (no program expansion).

PROJECT CHARACTERISTICS (check all that apply):

- Safety/liability
- Hazardous materials
- Asset preservation
- Operating cost reductions
- Code compliance
- Handicapped access (ADA)
- Enhancement of existing programs/services
- Expansion of existing programs/services
- New programs/services
- Co-location of facilities
- Other (specify): _____

PRIOR COMMITMENT: No Yes

Laws _____, Ch _____, Sec _____ \$ _____
 Laws _____, Ch _____, Sec _____ \$ _____

PREVIOUSLY REQUESTED: No Yes When? _____

AGENCY BUILDING NAME AND # (for project request): New

STATE-WIDE BUILDING NEW ID # (for project request): New

FACILITY SQUARE FOOTAGE:

Existing Building
 _____ 0 Gross Sq. Ft. (GSF)

Project Scope
 _____ 0 Gross Sq. Ft. Demolished
 _____ 0 Gross Sq. Ft. Renewal or Adaption
 _____ 10,000 Gross Sq. Ft. New Construction

Final Building Size
 _____ 10,000 Gross Sq. Ft.

Are there design standards or guidelines that apply to your agency and this project?
 Yes No.

If so, please cite appropriate sources:

CHANGES IN OPERATING COSTS (Facilities Note):

	F.Y. 94-95	F.Y. 96-97	F.Y. 98-99
Change in Compensation	\$ 0	\$ 6.8	\$ 10.4
Change in Bldg. Oper. Expenses	\$ 0	\$ 26.6	\$ 39.7
Change in Lease Expenses	\$ 0	\$ 0	\$ 0
Change in Other Expenses	\$ 0	\$ 0	\$ 0
Total Change in Operating Costs	\$ 0	\$ 33.3	\$ 50.0

Other:
 Change in F.T.E. Personnel 0 .25 .25

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-3

PROJECT COSTS:

Acquisition (land and buildings)	\$	<u>0</u>
Consultant Services (pre-design and design)	\$	<u>150</u>
Construction	\$	<u>1,500</u>
Furnishings, Fixtures and Equipment (F.F. & E.)	\$	<u>50</u>
Data/Telecommunications	\$	<u>20</u>
Art Work (1% of construction)	\$	<u>15</u>
Project Management	\$	<u>45</u>
Project Contingency	\$	<u>130</u>
Related Projects - Construction Archaeology	\$	<u>0</u>
Other Costs (Const. Testing & Occupancy)	\$	<u>0</u>
Inflation Adjustment (9.5%)	\$	<u>181</u>

TOTAL PROJECT COST \$ 2,091

Appropriation Request for 1994 Session	\$	<u>2,091</u>
Appropriation Request for 1996 Session	\$	<u>0</u>
Appropriation Request for 1998 Session	\$	<u>0</u>

PROJECT TIMETABLE:

	Start Date (Mo./Yr.)	End Date (Mo./Yr.)	Duration (Months)
Planning/Programming	<u>7/94</u>	<u>10/94</u>	<u>3</u>
Site Selection and Purchase	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Design	<u>11/94</u>	<u>5/95</u>	<u>6</u>
Construction	<u>6/95</u>	<u>12/95</u>	<u>6</u>
Substantial Completion	<u> </u>	<u>12/95</u>	<u> </u>
Final Completion	<u> </u>	<u>3/96</u>	<u> </u>

PROPOSED METHOD(S) OF FINANCING (check one):

 Cash: Fund
 X Bonds: Tax Exempt X Taxable

DEBT SERVICE PAYMENTS (Check all that apply):

 X General Fund % of total 100

 User Financing % of total

Source of funds

FUNDING SOURCE:

 2,091 Appropriation Request (1994 Session)

- \$ 2,091 State funding
- \$ Federal funding
- \$ Local gov't funding
- \$ Private funding

Agency Data Prepared by:	Conie J. Braziel	Operations Director	612 431-9303	08-04-93
	Robert K. Wallace	Zoo Projects Supervisor	612 431-9302	08-04-93
	Name	Title	Telephone	Date

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail (Cont.'d)
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

DEPARTMENT OF ADMINISTRATION ANALYSIS:

- The request's schedule objectives require that all funds requested be simultaneously appropriated.
- This project contains multiple stages. Admin recommends that pre-design work be approved by Admin before commencing design work prior to legislative review as required by 16B.335.

DEPARTMENT OF FINANCE ANALYSIS:

This submission meets all Department of Finance criteria for project qualification.

GOVERNOR'S RECOMMENDATION:

The Governor does not recommend capital funds for this project.

STRATEGIC SCORE	
Criteria	Points
Critical Life Safety - existing hazards	0
Critical Legal Liability - existing liability	0
Critical Loss of Function or Services	0
Prior/Legal Commitments	0
User/Non-State Financing	0
Strategic Linkage	60
Agency Priority	20
Asset Preservation/Deferred Renewal	75
Customer Services Improved	40
Operating Savings/Efficiencies	0
Total Strategic Score	195

READINESS QUOTIENT	
Programming	15
Design	15
Cost Planning/Management	15
Facility Audit Supports the Request	0
Facility Alternatives Were Considered	0
Readiness Quotient (Technical Score/180)	25%

AGENCY CAPITAL BUDGET REQUEST
Non-Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form G-1

AGENCY: Minnesota Zoological Garden
PROJECT TITLE: Perimeter Fencing
PROJECT COSTS: \$200
APPROPRIATION REQUEST FOR 1994 SESSION: \$ -0-
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$200
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$ -0-
LOCATION (CITY, COUNTY): Apple Valley, Dakota County

3. OTHER CONSIDERATIONS (OPTIONAL):

No expected change on operating budget.

AGENCY PRIORITY (for 1994 Session only):

___ of ___ requests

1. PROJECT DESCRIPTION:

The Minnesota Zoo recently acquired approximately 60 acres of land through life estate. The United States Department of Agriculture (USDA) has established minimum criteria for approved zoological parks in rural areas. The Minnesota Zoo must secure all property lines with the prescribed fencing in order to comply with these standards.

This request is for two hundred thousand dollars to cover costs of new fencing, gates and replacement fencing. We are required to have no less than 10 foot high chain link fence with three barbed wires on top at a 45 degree angle.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

This request complements our long range plan in that we must provide a safe and secure facility for staff, animal collection and zoo visitor. This perimeter fencing identifies the property as zoological grounds and deters unauthorized parties from trespassing on these grounds. It also keeps animals outside our collection from wandering into animal exhibit and holding areas which could cause serious animal health issues.

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

AGENCY: Minnesota Zoological Garden
PROJECT TITLE: Parking Lot Expansion
TOTAL PROJECT COST: \$6,100
APPROPRIATION REQUEST FOR 1994 SESSION: \$ -0-
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$6,100
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$ -0-
LOCATION (CAMPUS, CITY, COUNTY): Apple Valley, Dakota County

AGENCY PRIORITY (for 1994 Session only):

_____ of _____ requests

1. PROJECT DESCRIPTION:

This request is for the expansion of the current surface parking lot and the construction of a parking ramp at the Minnesota Zoo.

The attendance at the Minnesota Zoo has steadily increased since 1988, with the last three years being record setting years. In F.Y.93, over 1.2 million guests visited the zoo. In the first month of F.Y.94, we experienced the largest attendance ever in one month at the Minnesota Zoo - 289,320 visitors. The visitors are also extending their stay. In the past, the average zoo visitor stayed approximately 2 hours at the zoo. The industry average is 3 hours. Today, the Minnesota Zoo visitor is averaging a 3-1/2 hour stay. As a result of this longer visit, coupled with our increased attendance, the turnover in our parking lots is not happening as quickly as in the past and additional parking areas are needed. We are proposing to increase our current parking spaces from 2500 to 4000. Following is a breakout of the costs associated with doing that:

Parking Ramp Construction	4,500
Parking Lot Re-surfacing	250
Design - 7%	350
Lighting	100
Miscellaneous Site Work	400
Construction Contingency - 10%	500
Total	6,100

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

Construction of a parking ramp to increase our parking capacity is directly tied to the zoo's goal of increasing attendance and revenues. While our attendance increases, we don't want to diminish our visitor's experience. We want our visitors to have a fun and pleasant experience while learning about conservation. Part of that pleasant experience is the ability to access the zoo easily and park in a safe and secure area. The addition of this parking space to the zoo will eliminate the need for illegal street parking, parking in other unauthorized and unsafe areas as well as creating a safer situation for our pedestrian traffic.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

We estimate approximately ten thousand dollars annually in increased operating expenses for electricity and staff for maintenance.

4. OTHER CONSIDERATIONS (OPTIONAL):

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

Form E-1

AGENCY: MINNESOTA ZOOLOGICAL GARDEN
PROJECT TITLE: Greenhouse
TOTAL PROJECT COST: \$269
APPROPRIATION REQUEST FOR 1994 SESSION: \$ -0-
APPROPRIATION ESTIMATE FOR 1996 SESSION: \$ -0-
APPROPRIATION ESTIMATE FOR 1998 SESSION: \$ 269
LOCATION (CAMPUS, CITY, COUNTY): Apple Valley, Dakota County

AGENCY PRIORITY (for 1994 Session only):

_____ of _____ requests

1. PROJECT DESCRIPTION:

Since the opening of the Minnesota Zoo 15 years ago the Horticulture Department has found it increasingly difficult to keep pace with needs of the Animal Management and Public Services staff. Services that were never planned for including annual flower beds in public areas, browse production for animals such as red pandas and koalas and increased production of tropical plant material for use in the 1.5 acre Asian Tropics exhibit have strained the existing greenhouse facility to the point where the plant collection is at a standstill. The present Lord and Burnam greenhouse, while considered a beautiful and unique structure has proved inadequate and impractical because of its site and setup, for the production-like growing which is required by the ever-expanding zoo. At the same time it was cited by Boarman and Associates (although not included in its report: The Minnesota Zoo Maintenance and Improvement Study) as a structure that should be replaced because of the deterioration of the cement block base. Little or no maintenance has been done to the greenhouse over the last 15 years and the wear to this high-maintenance structure is making it difficult for staff to keep pace with increasing horticulture demands.

The \$269 request will allow the construction of a new 11,250 square feet growing facility. The increase in actual growing space from the existing 2800 square feet to 9,000 square feet will allow adequate space for animal food production, increased floral production and collection improvements and enlargement.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

To achieve the Minnesota Zoo's mission to **Strengthen the Bond Between People and the Living Earth**, the zoo's strategic plan calls for the zoo to be a 1) conservation leader, 2) educator, and 3) a recreational resource. A new greenhouse/growing facility would help meet all these needs, in a number of ways.

In the area of conservation, a new growing range would provide more room for our collection of endangered Southeast Asian orchids for which we are designated a Plant Rescue Station by the Department of the Interior. At this time there are plants which we are unable to accept because of space limitations. As an education provider, the zoo has many programs including Zoo Ark and Zoolab which advocate a habitat-based conservation approach to their curriculum and are using a variety of zoo-greenhouse plants in their programs. These plants, such as tropical bromeliads and orchids require special care because of their variety and intensive use. As a recreational resource, the zoo is committed to providing a four-season experience and a new greenhouse facility would provide ever-changing blooming plant material, both indoors and outdoors which will enhance the visitor experience.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

We anticipate that there would be some increase in energy usage with a new greenhouse facility, although not as much as might be expected. The existing structure is a single-pane glasshouse with very high heating costs and the improvements in greenhouse design and technology, over the past 15 years, will show up as lower per-square-foot operating costs. In addition, the increased size of the plant collection and production demands would probably require the hiring of a full-time greenhouse horticulturist.

4. OTHER CONSIDERATIONS (OPTIONAL):

AGENCY CAPITAL BUDGET REQUEST
Building Project Detail
Fiscal Years 1994-99
Dollars in Thousands (\$137,500 = \$138)

AGENCY: Minnesota Zoological Garden
PROJECT TITLE: Administrative Building
TOTAL PROJECT COST: 3,000
APPROPRIATION REQUEST FOR 1994 SESSION: 0
APPROPRIATION ESTIMATE FOR 1996 SESSION: 0
APPROPRIATION ESTIMATE FOR 1998 SESSION: 3,000
LOCATION (CAMPUS, CITY, COUNTY): Apple Valley, Dakota County

AGENCY PRIORITY (for 1994 Session only):

_____ of _____ requests

1. PROJECT DESCRIPTION:

The main building of the zoo, adjacent to the Tropics Building currently houses over 50% of the administrative staff of the Minnesota Zoo. This is prime space. As the attendance grows and the demand for space increases, it is becoming more apparent that this space being used as office space would more appropriately be used for visitor services. We are in dire need of additional restrooms, an expanded first aid facility, small conference facilities, meeting rooms and exhibit space.

This proposal moves the majority of staff from this main building and constructs an administrative building elsewhere on the zoo grounds. This building will consolidate administrative staff in one area on the zoo grounds and free up prime visitor space for other use.

2. PROJECT RATIONALE AND RELATIONSHIP TO AGENCY LONG-RANGE STRATEGIC GOALS AND CAPITAL PLAN:

This proposal will allow the zoo to dedicate additional prime space for our visitor while at the same time provide a better work environment for our staff. Minimal dollars have been spent on staff work areas. Areas where two staff previously worked are now being shared by five.

Part of the zoo's vision is to build a premier service organization and invest to keep the existing zoo great. Directly related to this is providing our employees the tools to do their jobs and providing them a clean, safe and efficient work environment. This new building will do all of the above in addition to adding

to the overall effectiveness of staff.

This building also will provide the opportunity to plan and develop prime space in the zoo's main building complex for visitor services.

3. IMPACT ON AGENCY OPERATING BUDGET (FACILITIES NOTE):

There will be increased operating costs related to utilities. These costs would be absorbed within the current budget of the zoo.

4. OTHER CONSIDERATIONS (OPTIONAL):

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Minnesota. Governor.
Minnesota strategic capital
budget plan

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Minnesota. Governor.
Minnesota strategic capital
budget plan

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