

## 2018 CAPITAL BUDGET REQUEST: \$171 Million

The Governor recommends \$171 million for the 2018 Department of Natural Resources (DNR) capital budget. This funding will create a better future for Minnesota by targeting investments that maintains a strong and safe infrastructure, creates jobs, supports local economies, develops recreational opportunities, and improves natural resources.

### **Natural Resources Asset Preservation (NRAP): \$130 million**

- Our top priority is taking care of what we have.
- Keeping buildings and recreation sites safe requires significant repair, renovation, and renewal. Our goal is to bring all capital assets up to good or better condition within 10 years. \$60 million is for repair and renewal of existing buildings.
- Also included is \$30 million for water and wastewater systems, \$6 million for energy improvement projects, \$14 million for roads and bridges, \$12 million for trails and trail bridges, \$5 million for water access sites, and \$3 million for water control structures.

### **Natural Resources Betterment of Buildings: \$10 million**

- Significant improvements or renovations to deficient DNR offices, state park shower buildings, and fish hatcheries to bring them up to current standards and ensure work places are safe
- Also includes design for future projects and storage construction
- Potential projects include office buildings at Cloquet and International Falls, and the drill core library in Hibbing

### **DNR Impact**

It is the DNR mission to provide recreation and economic opportunities to Minnesotans. Families across the state enjoy biking on our 675 miles of paved state trails, cooking s'mores over a campfire at one of our 5,133 campsites, and laughing as a child catches her first fish on one of our 10,000 lakes. Supporting these outdoor adventures and memories requires the DNR to keep trails and bridges, state parks, water access sites, buildings and other assets maintained, safe, and accessible to all.

DNR managed activities—including parks & trails, timber sales, mining, fishing and hunting—contribute about **\$30 billion** to the Minnesota economy.

### **Improving Accessibility to State Parks and Recreation Areas: \$10 million**

- Bring an entire park's facilities up to today's ADA standards to make them fully accessible to all
- Top priorities: William O'Brien and Fort Snelling State Parks

### **Flood Hazard Mitigation Grant Assistance Program: \$20 million**

- Grants to cities, counties, and watershed districts for flood risk reduction
- Every \$1 spent on flood mitigation averts \$7 in damages
- Projects include pumping stations, levees, acquisition and removal of at-risk structures, and flood impoundments
- Project sites include Afton, Austin, Golden Valley, Halstad, Montevideo, Moorhead, Rushford, Roseau River Watershed, and Bois de Sioux Watershed

### **Dam Safety Repair, Reconstruction or Removal: \$1 million**

- Design, engineering, and construction of dams
- Minnesota's aging dams require ongoing repairs to protect public safety and maintain recreational lake water levels
- Project sites include Lake Bronson, George Lake, Moose Lake, Warren Lake, Hill Annex No. 1, and Lime Lake

**Check out the 2018 10 Year Capital Asset Plan! Go to: [mndnr.gov/reports](http://mndnr.gov/reports)**

## NATURAL RESOURCES ASSET PRESERVATION: *Taking Care of what we have*

Asset Preservation is DNR's #1 Priority

### **\$130 Million Natural Resources Asset Preservation Request**

|              |                              |              |                          |
|--------------|------------------------------|--------------|--------------------------|
| \$60 million | Buildings                    | \$12 million | Trails and Trail Bridges |
| \$30 million | Water and Wastewater Systems | \$5 million  | Water Access Sites       |
| \$6 million  | Renewable Energy Systems     | \$3 million  | Water Control Structures |
| \$14 million | Roads and Bridges            |              |                          |

### **Natural Resources Asset Preservation (NRAP)**

DNR operations support the state economy, preserve natural areas, and provide recreational opportunities for all Minnesotans. DNR parks, trails and forests are enjoyed by visitors from across the state. Historically, natural resource asset preservation funding has not been adequate to keep pace with our existing, deteriorating infrastructure.

Adequate and consistent funding for NRAP (MS 84.946) would enable the DNR to bring its buildings, recreational facilities, and other capital assets to a safe and usable condition for the public and staff.

The \$130 million 2018 capital budget request reflects the DNR NRAP need as of June 2017. Costs continue to grow and the DNR is continuously assessing assets. The current annual NRAP need is \$142 million, including \$37 million for deferred maintenance and \$105 million for renewal and replacement.

### **Natural Resources Asset Preservation and Replacement - M.S. 84.946, Subd. 2c:**

DNR has a separate statute for asset preservation that covers our unique assets, particularly the renovation of non-building, existing improvements (e.g., trails, roads, bridges, and water control structures). It also includes: code compliance (health and safety, ADA requirements, hazardous material abatement, air quality improvement), building or infrastructure repairs, building energy efficiency improvements, and removal of life safety hazards.

### **How we assess our asset preservation need for buildings**

Facility condition assessments for buildings are done on an ongoing basis and are continually changing as projects are completed and assets age. All agencies use the same system to assess building conditions. The components (roofs, structure, mechanical, electrical, etc.) of a building are evaluated and an overall rating for the buildings is obtained. Of DNR's 2,700 buildings, about a quarter are in poor or unacceptable condition. \$25 million of our \$60 million buildings request is to address unacceptable and poor building components.

### **Deferred Maintenance**

Costs continue to rise while infrastructure continues to degrade. An investment of \$37 million annually over the next 10 years eliminates the backlog of \$370 million and preserves existing capital assets. Alternatively, continuing to ignore the need nearly doubles the backlog to \$716 million in 10 years. Even with recent bonding appropriations, the deferred maintenance backlog is increasing by \$17 million per year, or about 8% annually.