

**BOARD OF TRUSTEES
MINNESOTA STATE COLLEGES AND UNIVERSITIES**

INFORMATION ITEM

2014 Capital Bonding Bill Legislative Results

BACKGROUND

In June 2013, the Board of Trustees approved their capital bonding recommendation for 2014. This recommendation was a \$286.5 million program including \$110 million for Higher Education Asset Preservation and Replacement (HEAPR), \$20.6 million for targeted demolition of obsolete space and \$155.9 million for 24 priority projects across the system.

LEGISLATIVE RESULTS

On Friday, May 16, 2014, the legislature forwarded to the governor bills funding a \$1.1 billion statewide capital investment program. Higher education received roughly 25% of the approved construction funding.

The approved conference committee report provided Minnesota State Colleges and Universities \$159.8 million for construction with \$42.5 million going towards HEAPR and \$117.3 million for funding 13 capital bonding priorities on 19 campuses. This funding represents 56 percent of the Board's original total program request, 38 percent of the requested HEAPR and 66 percent of the requested capital projects.

We are grateful to the House, Senate and Governor Dayton for their leadership and support of investment in higher education asset stewardship at our colleges and universities. We are also grateful to the faculty, staff, students, and campus leadership who were terrific ambassadors for the Board's 2014 capital program recommendation.

Details on the Board's original request and actual program funding are at Attachment A and capital program funding history during traditional bonding years (even fiscal years) is at Attachment B. The 2014 project execution timeline can be found at Attachment C.

LOOKING FORWARD

Staff is preparing authority delegation to our institutions to proceed with this work as the Board outlined in approval of the 2014 capital bonding request in June, 2013. Board members and the public will receive routine updates on project execution through our Capital Improvement Program (CIP) reporting posted quarterly to the MnSCU website and mailed directly to trustees.

Looking forward, should opportunities arise for capital bonding in 2015, the Board may be asked to support funding those priorities approved for 2014, but not fully funded. The Board may also be asked to support funding of the ‘tails’ of projects approved and funded during the 2014 legislative session. The chancellor will consult with the Board on integrating and prioritizing a recommendation prior to the start of the legislative 2015 session. In the meantime, we are moving forward with preparing a recommendation for the 2016 capital bonding session in response the guidelines approved in March of this year.

Date Presented to the Board of Trustees: May 21, 2014

Minnesota State Colleges and Universities Capital Bonding Funding – 2014 Results

FY2014 Priority	Campus Name and Project Title	Location	Project Title	Request (\$000)	Final (\$000)
1	HEAPR	Systemwide	Higher Education Asset Preservation and Replacement	\$110,000	\$42,500
1	Demolition	Systemwide	Demolition of obsolete spaces on system campuses	\$20,601	\$0
2	Metropolitan State University	St. Paul	Science Education Center new construction	\$35,865	\$35,865
3	Bemidji State University	Bemidji	Memorial, Decker renovation, Sanford Hall demolition, and Hagg Sauer design	\$13,790	\$13,790
4	Lake Superior College	Duluth	Allied Health ('86 Wing) Revitalization renovation	\$5,266	\$5,266
5	Minneapolis Community & Technical College	Minneapolis	Workforce, Phase 2 renovation	\$3,600	\$3,600
6	Saint Paul College	St. Paul	Culinary Arts and Computer Numerical Control/Machine Tool renovation	\$1,500	\$1,500
7	Minnesota State College – Southeast Technical	Red Wing, Winona	Welding, Science Labs, and Classrooms renovation	\$1,700	\$1,700
8	Central Lakes College	Staples	Campus Rightsizing renovation	\$4,581	\$4,234
9	Minnesota State University, Mankato	Mankato	Clinical Sciences Facility new construction and renovation	\$25,818	\$25,818
10	Minnesota State Community & Technical College	Moorhead	Transportation Center addition and renovation	\$6,544	\$6,544
11	Rochester Community and Technical College	Rochester	Art Hall renovation and post-demolition design of Plaza, Memorial Halls	\$1,000	\$1,000
12	Minnesota West Community and Technical College	Jackson, Canby	Classroom, Powerline Facility, and Geothermal System renovation	\$3,487	\$0
13	Dakota County Technical College	Rosemount	Transportation and Emerging Technologies renovation	\$7,586	\$0
14	Century College	White Bear Lake	Digital Fab Lab, Kitchen space, and Solar Panel System renovation	\$2,020	\$2,020
15	Northland Community Technical College	Thief River Falls	Aviation Maintenance Facility addition and demolition	\$5,864	\$5,864
16	(NHED) Northeast Higher Education District	Itasca, Rainy River, Vermilion, Hibbing	Science Labs, Classroom, Biomass Heating renovation, and demolition	\$3,344	\$3,344
17	Winona State University	Winona	Education Village, Phase I, renovation	\$5,902	\$5,902
18	Anoka Technical College	Anoka	Manufacturing Technology Hub and Auto Tech Lab renovation	\$1,500	\$0
19	Saint Paul College	St. Paul	Health & Science Alliance Center addition	\$14,482	\$0
20	Century College	White Bear Lake	Classroom and Workforce Alignment addition	\$1,000	\$0
21	South Central College	North Mankato	STEM and Healthcare renovation	\$7,467	\$0
22	St. Cloud State University	St. Cloud	Student Health and Academic renovation	\$865	\$865
23	Minnesota State Community and Technical College	Fergus Falls, Wadena	Campus Rightsizing and Center for Student Success renovation	\$1,385	\$0
24	Northland Community and Technical Colleges	East Grand Forks	Laboratory renovation	\$749	\$0
25	Winona State University	Winona	Phelps Hall Psychology Lab renovation	\$592	\$0
			Total	\$286,508	\$159,812
			GO	\$234,539	\$120,708
			MnSCU Financed	\$51,969	\$39,104

**Minnesota State Colleges and Universities
Capital Bonding History**

Fiscal Year	Bonding Request	Actual Funding	As % of Request
1996	\$141.3	\$84.2	60%
1998	\$214.4	\$143.1	67%
2000	\$230.0	\$131.1	57%
2002/03	\$268.4	\$218.6	81%
2004/05	\$292.6	\$213.6	73%
2006	\$280.4	\$191.4	68%
2007	\$33.8	\$0.0	0%
2008	\$350.2	\$234.2	67%
2009	\$117.1	\$40.0	34%
2010	\$396.8	\$106.2	27%
2011	\$279.8	\$131.6	47%
2012	\$278.7	\$132.1	47%
2013	\$151.4	\$0.0	0%
2014	\$286.5	\$159.8	56%
Total	\$3.3B	\$1.8B	54%

Table 1: Capital Bonding Program Funding (\$M) – Capital bonding requested and funded.

