Natural Resources — Projects Summary

($ in thousands)

Project Title	Rank	Fund	Project Requests for State Funds 2016	2018	2020	Gov's Rec 2016	Gov's Planning Estimates 2018	2020
Natural Resources Asset Preservation	1	GO	80,000	80,000	80,000	33,000	33,000	33,000
Building and Facilities Development	2	GO	10,000	10,000	10,000	2,000	2,000	2,000
Flood Hazard Mitigation Grant Assistance Program	3	GO	15,000	20,000	20,000	3,500	3,500	3,500
Mille Lacs Lake Fisheries Management Station	4	GO	3,500	0	0	3,500	0	0
Dam Safety Repair, Reconstruction and Removal	5	GO	10,000	5,000	5,000	7,000	5,000	5,000
State Land Reforestation and Stand Improvement	6	GO	6,000	6,000	6,000	2,000	2,000	2,000
Native Prairie Bank Acquisition and Development	7	GO	8,000	8,000	8,000	2,000	2,000	2,000
Itasca State Park Renovation	8	GO	10,000	15,000	0	3,000	3,000	3,000
WMA/AMA Acquisition and Development - Pheasant Action Plan	9	GO	20,000	20,000	20,000	9,500	9,500	9,500
State Park Campground Renovations	10	GO	7,000	7,000	7,000	1,000	1,000	1,000
Park, State Recreation Area and Trail Development	11	GO	14,000	14,000	14,000	2,000	2,000	2,000
Fish Hatchery Enhancement	12	GO	5,500	5,000	5,000	1,000	1,000	1,000
Scientific and Natural Area Acquisition and Development	13	GO	5,800	5,800	5,800	1,000	1,000	1,000
Groundwater Monitoring	14	GO	5,000	3,000	3,000	0	0	0
State Forest Acquisition	15	GO	2,000	2,000	2,000	0	0	0
Stream Restoration	16	GO	3,035	6,500	3,500	0	0	0
Minnesota Forests for the Future	17	GO	5,000	5,000	5,000	0	0	0
Reinvest in Minnesota Critical Habitat Match Program	18	GO	3,000	3,000	3,000	2,000	2,000	2,000
Community Tree Invasive Pest Program	19	GO	500	1,000	1,000	0	0	0
Prairie Restoration in State Parks and Along State Trails	20	GO	500	500	500	0	0	0
Parks and Trails Local and Regional Grant	21	GO	2,000	2,000	2,000	0	0	0

Project Title	Rank	Fund	Project Requests for State Funds 2016	2018	2020	Gov's Rec 2016	Gov's Planning Estimates 2018	2020
Program								
School Trust Fund Land Acquisition	22	GO	20,000	60,000	0	0	0	0
Total Project Requests			235,835	278,800	200,800	72,500	67,000	67,000
General Obligation Bonds (GO) Total			235,835	278,800	200,800	72,500	67,000	67,000

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AT A GLANCE

Conserve, manage natural resources

- Manage **1.3 million** acres of wildlife management areas, **185,000** acres of scientific and natural areas, **and 4.2 million** acres of state forest.
- Protect lakes, rivers, and lands from invasive species.
- Protect, monitor, enhance and restore aquatic habitat on **5,400** fishing lakes and **16,000** miles of streams and rivers.
- Manage **2,800** surface-water monitoring sites.

Get people outdoors

- Operate **75** state parks and recreation areas, **54** state forest campgrounds/day use areas and **8** state waysides.
- Manage **2.4 million** license sales and **1.4** million boat/vehicle registrations.
- Manage more than **30,000** miles of trails for hiking, biking, snowmobiles, off-highway vehicles, horseback riding and cross-county skiing.
- Manage **1,495** public water accesses, **370** fishing piers and **33** water trails.

Build the economy

- Manage fishing, hunting and wildlife-watching activities supporting **48,000** jobs and **$3.8 billion** in economic activity.
- Manage **12 million** acres of state mineral rights contributing directly to the mining economy.
- Meet certification requirements on **5 million** acres of state forest lands that provide timber, habitat, clean water and recreational opportunities.

Serve the public

- **2,714** buildings statewide. 204 buildings are considered to be in inadequate condition, and 533 are in poor condition.
- Manage an annual budget of **$500** million.
- **4,760** Employees worked **5.6 million** hours, which equates to **2,684** full time equivalents.

PURPOSE

Our mission is to work with citizens to:

- Conserve and manage natural resources;
- Provide outdoor recreation opportunities; and
- Provide for commercial uses of natural resources in a way that creates a sustainable quality of life.

We fulfill our mission by:

- **Conserving** the diversity of land, waters, and wildlife so citizens can enjoy the outdoors and benefit from natural resources and related industries.
- **Encouraging** citizens to get outdoors to enjoy the state's natural wonders.
- **Promoting** responsible use of resources for our collective economic benefit.
- **Managing** an outdoor recreation system that provides hunting, fishing, wildlife-watching, camping, skiing, hiking, biking, motorized recreation, and conservation education.
- **Protecting and promoting** healthy waterways and ground water.
- **Managing** state forests, mineral rights, and school-trust lands for maximum long-term economic return.

We contribute to the statewide outcomes of:

- A clean, healthy environment with sustainable uses of natural resources.
- A thriving economy that encourages business growth and employment opportunities.
- Strong and stable family and communities.
- People in Minnesota are safe.

STRATEGIES

To accomplish our mission, we use the following strategies:

1. **Conserve, enhance waters, natural lands, and fish and wildlife habitats.** We work closely with partners to conserve critical lakes, wildlife and waters by:
   - Accelerating groundwater management—monitoring, permitting, education and compliance -- to ensure sustainable use and quality.

- Working with farmers, landowners, local officials and citizens to conserve prairies, grasslands and wetlands.
- Implementing programs to prevent and curb spread of invasive species.
- Accelerating programs to inventory, monitor status of natural lands, waters and species.

2. **Provide outdoor recreational opportunities.** We support a robust tourism economy and a high quality of life that attracts people and business to the state by:
   - Implementing programs such as the "I Can" series and "Learn to Hunt" that provide affordable outdoor learning experiences to beginners.
   - Increasing the use of user friendly, digital recreation information, such as new websites and mobile apps.
   - Creating and implementing a new parks and trails system plan to improve existing systems and attract future users.
   - Expanding hunter recruitment and retention by promoting hunting and fishing opportunities.

3. **Manage natural resources for sustainable economies, and communities.** Through recreation tourism, forest products, and mineral and water resources, we help generate billions of dollars a year for the state by:
   - Implementing steps aimed at improving the Mille Lacs walleye population in order to ensure the long term health of the valuable fishery.
   - Maintaining diverse, healthy, sustainable and productive forests that meet certification standards.
   - Researching and developing mining technologies that protect the environment.
   - Improving data management systems to provide better access and analysis of groundwater and surface water data for sustainable communities.

4. **Achieve operational excellence in service to citizens**. We strive to continually improve facilities and services offered to citizens by:
   - Addressing grossly inadequate buildings and ensuring all facilities are safe, accessible, and brought up to code.
   - Increasing use of plain language and presenting information in easy-to-understand formats.
   - Protecting public safety with Americans with Disabilities Act (ADA) standards at DNR facilities, parks, trails, and other facilities.
   - Maintaining work standards that reinforce positive, professional conduct, promote diversity, and support staff training and development.
   - Working to increase department energy efficiency and renewable energy use that reduces costs and helps the environment.
   - Developing "continuous improvement" project to improve public service and customer satisfaction.

The Department of Natural Resources legal authority comes from Minnesota Statutes:
Minn. Stat. 84, (https://www.revisor.mn.gov/statutes/?id=84)
Minn. Stat. 84A-84D,
(https://www.revisor.mn.gov/statutes/?view=part&start=84A&close=84Dhttps://www.revisor.mn.gov/statutes/?view=part&start=84A&close=84D)
Minn. Stat. 85-87A, (https://www.revisor.mn.gov/statutes/?view=part&start=85&close=87A)
Minn. Stat. 88-91, (https://www.revisor.mn.gov/statutes/?view=part&start=88&close=91)
Minn. Stat. 92-94, (https://www.revisor.mn.gov/statutes/?view=part&start=92&close=94)
Minn. Stat. 97-102, (https://www.revisor.mn.gov/statutes/?view=part&start=97&close=102)
Minn. Stat. 103A, (https://www.revisor.mn.gov/statutes/?id=103A)
Minn. Stat. 127A (https://www.revisor.mn.gov/statutes/?id=127A)

At A Glance

The mission of the Department of Natural Resources (DNR) is to *work with citizens to conserve and manage the state's natural resources, to provide outdoor recreation opportunities, and to provide for commercial uses of natural resources in a way that creates a sustainable quality of life*.

DNR seeks to achieve the following goals to fulfill its mission:

- **Goal 1:** Minnesota's waters, natural lands, and diverse fish and wildlife habitats will be conserved and enhanced.
- **Goal 2:** Minnesota's outdoor recreation opportunities meet the needs of new and existing participants so that all feel connected to nature.
- **Goal 3:** Management of Minnesota's natural resources will contribute to strong and sustainable job markets, economies, and communities.
- **Goal 4:** DNR will have operational excellence and a focus on continuous improvement in service to its conservation mission.

Factors Impacting Facilities or Capital Programs

Historically there has been inadequate asset preservation funding for DNR facilities and the Agency is not able to keep pace with the needs to maintain the facilities that we already have. Minnesota is facing unprecedented change, with complex resource challenges reshaping the state's natural resources. Invasive species threaten the health and resiliency of Minnesota's lands and waters. The loss of native and restored grasslands impacts fish and wildlife, water quality, and recreation. Demand for water is increasing rapidly and more information is needed to ensure water supplies are managed sustainably. Like the rest of the nation, outdoor recreation participation rates are declining in Minnesota – fewer people are spending time outdoors. Accelerating shifts in climate are anticipated to have significant impacts on Minnesota's lands and waters and are likely to intensify the negative effects of wildfires, invasive species, and disease on the state's resources. Also, social and demographic changes have implications both for how public services are provided by state government and how the public interacts with Minnesota's environment.

DNR has formulated a 2016 Capital Budget request that serves to implement the department's goals and address these changing conditions and shifting demands.

<u>Goal 1: Minnesota's waters, natural lands, and diverse fish and wildlife habitats will be conserved and enhanced.</u> Conservation of Minnesota's natural lands and waters is core to DNR's mission. DNR is accelerating efforts to prevent and curb the spread of harmful invasive species, better targeting conservation in Minnesota's prairie and forest landscapes, and developing more effective approaches to lake, river, and aquatic habitat conservation. The 2016 Capital Budget requests include Reinvest in Minnesota (RIM) Critical Habitat Match; stream restoration; forest conservation easements; and acquisition and development for scientific and natural areas, wildlife management areas, aquatic management areas, and native prairie bank.

<u>Goal 2: Minnesota's outdoor recreation opportunities meet the needs of new and existing participants so that all feel connected to nature.</u> Outdoor recreation opportunities support the state's robust tourism economy and contribute to a high quality of life that can attract new businesses and help keep established ones competitive. Minnesota has ranked in the top five among America's most livable states every year for the past 15 years. Careful management of these resources is critical to maintaining this livability and ensuring that tomorrow's businesses, tourists, and skilled workforce continue to be attracted to the state. Although Minnesota has the nation's highest per-capita participation in fishing, and numbers

of hunters, park visitors, trail users, and wildlife watchers are above the national average, participation rates are declining. The 2016 Capital Budget requests serve to ensure people have access to high-quality, diverse outdoor experiences by providing for the acquisition and development of state parks and trails, local and regional parks and trails, wildlife management areas, and aquatic management areas.

Goal 3: Management of Minnesota's natural resources will contribute to strong and sustainable job markets, economies, and communities. Investing in Minnesota's vital natural resource economies is critical to maintaining the long-term economic health of the state. Minnesota's natural resource-based economies – including recreation tourism, forest products, and water and mineral resources – serve as a cornerstone for the economy, generating billions of dollars for the state. DNR seeks new approaches for promoting the sustainable development of Minnesota's natural resources, and contributing to strong job markets, economies, and communities. The 2016 Capital Budget requests focus on improving the health and productivity of the state's forest lands, developing new recreation opportunities in local communities, better managing water resources by monitoring ground water, improving the management of school trust lands, and leveraging capital budget investments to further DNR's contributions to Minnesota's local economies.

Goal 4: DNR will have operational excellence and a focus on continuous improvement in service to its conservation mission. DNR is one of the state's largest agencies, with more work locations, more varied work sites, and built assets worth more than $2 billion. Maintaining a strong, existing infrastructure is critical to sustaining the value of the state's important assets. Through the 2016 Capital Budget request, DNR seeks to improve its delivery of conservation services, ensure the health and safety of Minnesotans, reduce operating costs, and increase efficiencies by taking care of the state's assets. These requests include programs such as asset preservation, flood hazard mitigation grants for local communities, dam repair and removal, and replacing costly and outdated buildings and facilities. Previous funding for natural resource asset preservation has been grossly inadequate.

Self-Assessment of Agency Facilities and Assets

DNR owns and operates extensive capital assets. DNR's capital investment program includes natural resources asset preservation, protecting public safety through flood hazard mitigation and dam safety, maintaining productivity of state forest lands through reforestation, acquiring and developing new conservation lands and recreational facilities, maintaining and expanding a network of ground water monitoring wells, and restoring streams and improving fish habitat.

Natural resources asset preservation (M.S. 84.946) addresses a broad range of capital projects, including buildings, recreational facilities, roads, bridges, trails, water control structures, and water access sites. Natural resources asset preservation is a critical investment to maintain and improve the department's many buildings, recreational facilities, and other built infrastructure, providing reasonable and safe places to work and recreate. Natural resource asset preservation needs over the next 10 years exceed $400 million.

DNR's programs have been successful in meeting program goals, but have identified millions of dollars in unmet capital investment needs across the state. The recently completed 10 Year Capital Asset Needs Report highlights these needs. For example:

- DNR owns and actively maintains 2,714 buildings encompassing 2.9 million square feet of floor space at approximately 225 locations statewide, with a replacement value of more than $644 million. In addition to office, workspace, and storage facilities, DNR owns and manages a variety of buildings including park visitor centers, sanitation buildings, and fish hatcheries. Nearly one-third of DNR's buildings are more than 50 years old, and only 25 percent of the department's buildings have been built using design specifications roughly equivalent to today's standards. Some of these buildings have major issues, such as mold or leaking roofs, and are not considered adequate work environments. The facility condition assessment completed in 2014

identified 204 buildings in unacceptable condition and 533 buildings in poor condition. To address just the buildings in unacceptable and poor condition the cost would be over $56 million.

- DNR will be implementing several steps aimed at improving the Mille Lacs Lake walleye population, while building a closer working relationship with the Mille Lacs community. A new fishery research center would include space for a laboratory, monitoring, education, interpretive functions as well as a cool-water hatchery.
- DNR has more than 3,300 miles of forestry, wildlife, and state parks roads with approximately 175 bridges. This infrastructure needs an investment of over $30 million to address the deficiencies.
- Of the 620 miles of paved state trails that exist today, 300 miles are past due for resurfacing (which should be done every 20-25 years). A maintenance plan for the trail system would provide for resurfacing 30 miles a year at a cost of $3 million annually.
- DNR has approximately 650 trail bridges with more than 100 bridges over 100 years old. To bring these bridges up to current standards over the next 10 years would take an annual investment of $12 million, with a subsequent annual maintenance cost of $2 million.
- Since 1997, the investment of $500 million in state flood mitigation funding results in an estimated $2 billion in future flood damages prevented. Mitigation and risk prevention are very cost-effective at reducing the impacts of flooding, and communities with historically high repetitive losses are now substantially protected to the 100-year flood level or higher. Most remaining flood risk is to structures built before floodplain zoning regulations and mapping became effective in 1969. Approximately $30 million in additional funding over the next 2 biennia would substantially complete the known remaining community flood protection projects. Flood water retention projects (primarily impoundments in the Red River Valley) are being planned to augment the community protection.
- An estimated $94 million is needed over the next 20 years to improve the state's 800 public dams, most of which are over 50 years old and require ongoing or emergency repairs and reconstruction to protect public safety and property.
- An estimated $90 million would be needed to expand the state's network of ground water monitoring wells from the existing 850 wells to the estimated 7,000 wells needed to ensure adequate assessment of ground water availability for water supply planning.
- The forest industry, supporting 60,900 jobs in Minnesota, is a $16.2 billion economic engine that relies on a healthy forest to maintain a sustainable industry. DNR administers 4.2 million acres of forests located in state forests and on wildlife management areas. Approximately 35,000 acres of state-administered forest land are harvested annually. To ensure a sustainable supply of wood fiber, a portion of these acres, approximately 18,000 acres, needs to be replanted and tended. Successful reforestation of harvested sites requires preparation of the site for planting, tree planting or seeding, seedling release from competing vegetation, and protection of planted stock from wildlife. Another 6,000 acres are treated to improve the health and vigor of the forest. These activities require $3 million a year.
- DNR's fish hatcheries support a robust recreational fishing industry by raising and stocking approximately 278 million warm water and cool water fish (walleye, northern pike, muskellunge, and bass) and 1.9 million trout. The fishery resources provide over 43,000 fishing related jobs, $1.36 billion of salaries and business earnings, and $2.8 billion of fishing related retail sales. Investments and improvements to the existing hatcheries infrastructure are necessary to ensure continued safe and efficient operation. About $20 million is needed over the next 3 biennia to meet this need.
- Developing and maintaining infrastructure to support access to and use of approximately 5.5 million acres of conservation lands is critical. Wildlife management areas, aquatic management areas, scientific and natural areas, and state parks and trails all require some level of development – such as access roads, parking lots, fencing, sign posting, and ADA accessibility – to ensure the public has adequate access to these recreational opportunities. State parks and trails require additional infrastructure to support public use, including campgrounds and sanitation facilities.

Based on funding levels, DNR prioritizes its work to address the most critical needs.

Agency Process for Determining Capital Requests

The strategic framework for the 2016 Capital Budget request was based on DNR's strategic planning processes and the goal of maintaining a strong conservation infrastructure and promoting economic development within the state. The budget development process included an agency-wide interdisciplinary approach that focused on the department's goals and four-year strategies, job creation and economic development, asset preservation, and cost savings. A DNR capital budget team representing all major programs developed budget proposals based on these objectives, DNR leadership met to review and discuss the budget proposals, and the Commissioner's Office discussed potential funding levels and made final decisions on the preliminary capital budget request.

Major Capital Projects Authorized in 2014 & 2015

2014 Projects:

- Vermilion State Park Development
- Asset Preservation
- Flood Hazard Mitigation
- State Trail Development

2015 Projects:

- Flood Hazard Mitigation

($ in thousands)

Natural Resources Asset Preservation

AT A GLANCE

2016 Request Amount:	$80,000
Priority Ranking:	1
Project Summary:	This request is for $80 million in state funds for the repair and renovation of the Department of Natural Resources (DNR) capital assets to assure they are safe and functional for the recreating public, support the preservation of Minnesota's natural resources, and preserve the state's investment in its capital assets. DNR's Natural Resource Asset Preservation in MS 84.946 covers a broad range of projects including buildings, roads, trails, water accesses, bridges, recreational facilities in state parks, and water control structures used to manage wildlife habitat.

Project Description

The value of our buildings and recreation sites is almost $3.0 billion, and to keep everything in safe and usable condition requires significant repair, renovation, and renewal. This request for $80 million is for renewal of the following:

- Buildings: $49 million for renewal of existing building facilities, providing much needed funding for building components identified by the FY15 Facility Condition Assessment as being in crisis or poor condition. Special focus will be paid to repairs, accessibility, and code compliance work. Priorities include roof replacements, replacement of antiquated and inefficient mechanical systems, statewide septic and water systems, state park sanitation buildings, Soudan hoist, and building renewals. Potential buildings include Rice Lake, Zimmerman, Talcott WMA shop, Hutchinson, Lanesboro shop and residence, and storage facilities statewide.
- Energy: $4 million for installation of renewable energy systems, lighting retrofits, and HVAC energy efficiency upgrades; replacement of inefficient water technology fixtures and HVAC equipment in Grand Rapids, Brainerd and Detroit Lakes.
- Roads and Bridges: $10 million to provide critical maintenance and rehabilitation of roads, bridges and culverts in state forests (MS 89.002), state parks, and in wildlife management areas. DNR has over 3,000 miles of roads that provide access to over 5 million acres of state forest lands, state parks and recreation areas, wildlife management areas, and hatcheries.
- Trails and Trail Bridges: $10 million to provide renewal and replacement, paving and aggregate trail resurfacing, culvert and bridge replacements, erosion control, trail alignments and accessibility improvements for priority projects at Sakatah, Munger, Root River, Gateway, and Blufflands State Trails. DNR has over 600 miles of paved trails; thousands of miles of natural surface trails and these systems have over 350 bridges with more than 100 bridges being over 100 years old.
- Water Access Sites: $5 million to develop and improve the design of existing public water access sites to implement best management practices (BMPs) for shoreland management, aquatic invasive species (AIS) management, and universal design (ADA) components. Priorities include projects at Mille Lacs, Vermilion, Knife River Marina, Detroit Lake and fishing piers statewide.

- Water Control Structures: $2 million for water control structures that provide core waterfowl habitat on key shallow lakes and significant wetlands. DNR Fish and Wildlife manages over 600 dikes, water control structures, and fish barriers across Minnesota. These structures are deteriorating, requiring repair or replacement to maintain existing investments in the state's infrastructure. Projects would include work at Roseau, Wood Lake, and Badger WMA's.

Minnesota's Department of Natural Resources (DNR) manages a broad range of building and recreational facilities located in all 87 Minnesota Counties. Specifically, DNR has 2,735 buildings in over 225 locations around the state, 73 state parks and recreation areas, 8 waysides, 54 forest campground and day use areas, 3,000 miles of roads, 620 miles of surfaced state trail, over 1,000 bridges and culverts, 1,590 water access sites, 600 water control structures, a number of hatcheries and fishing piers, and miles of hiking trails, all of which also require periodic renewal.

Project Rationale

DNR's assets have been neglected because of a lack of funding and the deferred maintenance need is significant. Over the next 10 years, more than $40 million a year is needed to bring facilities to average condition or better. The facility condition assessment for buildings currently shows 204 buildings in crisis condition and 533 in poor condition. Some bridges are weight restricted, trails are in very poor condition, and resources are underutilized because of inadequate accesses or water control structure.

Other Considerations

The DNR is pursuing a comprehensive approach to energy and climate change, and has set aggressive goals for securing a more sustainable future that incorporates greater use of clean energy and reduces the state's greenhouse gas emissions. DNR leads by example in adopting renewable energy installations, (with Solar PV capable of generating 550 KW annually, installed at 32 locations around the state), installing energy star equipment, and building construction designed to operate near the net –zero level.

In FY14, DNR worked with the Guaranteed Energy Savings Program (GESP), and packaged six sites from around the state into a viable and cost-effective opportunity, with additional funding needed to maximize the potential. DNR will continue to seek opportunities for participation in the program.

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

L2014, Ch. 294, Bond, $10,000,000

L2011, 1SS, Ch. 12, Bond, $17,000,000

L2010, Ch. 189, Bond, $1,000,000

Project Contact Person

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Governor's Recommendation

The Governor recommends $33 million in general obligation bonds for this request. Also included are budget estimates of $33 million for each planning period for 2018 and 2020.

($ in thousands)

Natural Resources Asset Preservation

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 28,000	$ 80,000	$ 80,000	$ 80,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 28,000**	**$ 80,000**	**$ 80,000**	**$ 80,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 3,850	$ 6,600	$ 6,600	$ 6,600
Project Management	$ 400	$ 8,000	$ 8,000	$ 8,000
Construction	$ 23,150	$ 64,000	$ 64,000	$ 64,000
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 600	$ 1,400	$ 1,400	$ 1,400
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 28,000**	**$ 80,000**	**$ 80,000**	**$ 80,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 80,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	Yes
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	Yes
Does the project demonstrate compliance with the standards?	Yes
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Building and Facilities Development

AT A GLANCE

2016 Request Amount:	$10,000
Priority Ranking:	2
Project Summary:	This request is for $10 million in state funds to support the Department of Natural Resources' (DNR) strategic and long-term investment in its facility management objectives.

Project Description

This request includes funds to:

- Support predesigns for future capital budget requests. Specific projects in need of a predesign are DNR Headquarters in Bemidji, where DNR staff are scattered in 3 DNR-owned sites and 2 leased sites and the Spicer/New London area where DNR offices are also in 3 locations, and the Drill Core Library in Hibbing.
- Replace buildings that are deficient, not ADA accessible, unsafe, no longer serve their intended purpose, have reached the end of their useful life, or are not cost effective to repair, such as builidings at International Falls, Talcott WMA, Rice Lake State Park, and Badoura Nursery.
- Construct additional storage buildings in areas around the state. The equipment used by DNR, such as boats and fire trucks, that provide safety services to the public as well as protection of our natural resources, is becoming larger and contains highly sophisticated electronic operating systems. As such, much of this equipment can no longer be stored outside on a regular basis, and will not fit in many of our existing boat houses and storage buildings. The cost of constructing storage buildings is offset long-term by the increased life-cycle of the items stored. Currently, DNR has a number of small storage sites, both owned and leased, scattered throughout the state. DNR is moving to a planned approach, and will construct consolidated storage buildings in secure, strategically located DNR sites located throughout the state. This will result in cost savings and increase opportunities for the sharing of equipment.

Project Rationale

To best serve the public and to provide the infrastructure to meet the agency's needs, DNR buildings must be safe, accessible, energy efficient, and located in the right locations. To meet these goals, DNR will:

- Configure sites and facilities to best achieve the state's conservation mission and natural resource results;
- Provide just enough facilities to support DNR's mission and not more;
- Construct and operate facilities to have the smallest environmental footprint possible; and;
- Design facilities to enhance and support integrated natural resource work.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals. In addition to cost reductions, it is anticipated co-location of DNR sites will enhance outdoor recreation opportunities by focusing delivery at key locations.

DNR has also successfully co-located with other public entities, as evidenced by sites in Warroad (with the City), Thief River Falls (DPS & MNDOT), Blackduck (US Forest Service), and Bemidji (MNDOT), and is seeking similar opportunities.

Impact on Agency Operating Budgets

New facilities will reduce future costs, although the extent of the savings are not expected to be significant.

Description of Previous Appropriations

L2014, Ch. 294, $2,000

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Governor's Recommendation

The Governor recommends $2 million in general obligation bonds for this request. Also included are budget estimates of $2 million for each planning period for 2018 and 2020.

($ in thousands)

Building and Facilities Development

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 2,000	$ 10,000	$ 10,000	$ 10,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 2,000**	**$ 10,000**	**$ 10,000**	**$ 10,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 50	$ 1,450	$ 1,450	$ 1,450
Project Management	$ 0	$ 50	$ 50	$ 50
Construction	$ 1,900	$ 7,750	$ 7,750	$ 7,750
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 50	$ 750	$ 750	$ 750
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 2,000**	**$ 10,000**	**$ 10,000**	**$ 10,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 10,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	Yes
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	Yes
Has the predesign been approved by the Department of Administration?	Yes
M.S. 16B.325(1): Sustainable Building Guidelines Met	Yes
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	Yes
Does the project demonstrate compliance with the standards?	Yes
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	Yes
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Flood Hazard Mitigation Grant Assistance Program

AT A GLANCE

2016 Request Amount:	$15,000
Priority Ranking:	3
Project Summary:	This request is for $15 million in state funds for grants to cities, counties, and watershed districts for flood risk reduction. Projects include water level control, levees, acquisition and removal of at-risk structures and impoundments. $15 million would complete five projects and further an additional five on-going flood risk reduction projects.

Project Description

At current estimates, $15 million would complete flood risk reduction projects in Halstad, Montevideo, and the Cedar River and Bois de Sioux Watershed Districts. In addition, phases of projects in Afton, Austin, Delano, Golden Valley, Inver Grove Heights, and Newport would be completed. Types of projects funded include purchase and removal of damaged and at-risk residential structures from the floodplain, construction of levees, water level control structures, and multi-purpose flood impoundments.

Project Rationale

Flood mitigation is cost effective. Studies show that every $1 spent on mitigation saves $4 in the future. Past investment in flood mitigation has resulted in a more flood resilient state, and decreased flood fighting and recovery costs. Several projects require additional state funding assistance to complete final phases.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals. Past appropriations for Flood Hazard Mitigation have leveraged significant federal and state dollars, considerably reducing Minnesota’s vulnerability to flood losses.

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

L2015, SS1, Ch. 5, $23,549,000

L2015, SS1, CH. 5, $3,015,000 (Disaster)

L2014, Ch. 294, Bond, $4,500,000

L2014, Ch. 295 General Fund $7,500,000

L2013, Ch.136, Bond, $20,000,000

L2012, 1SS, Ch. 1, Bond, $9,000,000

L2012, Ch. 293, Bond, $30,000,000

L2011, 1SS, Ch. 12, Bond, $50,000,000

L2010, 2SS, Ch. 1, Bond, $10,000,000

L2010, Ch. 189, Bond, $63,500,000

All appropriations are for purposes in MS 103F.161 - Flood Hazard Mitigation Grants to local units of government.

Project Contact Person

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Governor's Recommendation

The Governor recommends $3.500 million in general obligation bonds for this request. Also included are budget estimates of $3.500 million for each planning period for 2018 and 2020.

($ in thousands)

Flood Hazard Mitigation Grant Assistance Program

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 221,064	$ 15,000	$ 20,000	$ 20,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 221,064**	**$ 15,000**	**$ 20,000**	**$ 20,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 28,000	$ 2,000	$ 3,000	$ 3,000
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 17,600	$ 1,100	$ 1,500	$ 1,500
Project Management	$ 1,300	$ 100	$ 100	$ 100
Construction	$ 174,164	$ 11,800	$ 15,400	$ 15,400
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 221,064**	**$ 15,000**	**$ 20,000**	**$ 20,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 15,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	Yes
M.S. 16A.86 (4b): Matching Funds Required	Yes
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Mille Lacs Lake Fisheries Management Station

AT A GLANCE

2016 Request Amount:	$3,500
Priority Ranking:	4
Project Summary:	This request for $3.5 million in state funds is needed to develop a Mille Lacs Lake fisheries management station. This funding will allow the DNR to efficiently and effectively meet fish management, stocking, research, and outreach needs to create, restore, and sustain high quality fishing opportunities in Mille Lacs Lake.

Project Description

This request for $3,500,000 would fund projects that include:

- Construction of office facilities to accommodate staff dedicated or partially dedicated to Mille Lacs Lake fishery management and associated resources. Currently staff have to travel over an hour or longer from the Aitkin office to conduct surveys and assessments on the lake.
- Construction of laboratory facilities that will support research and assessments to better understand and manage the complex interactions between aquatic invasive species (such as the spiny water flea and zebra mussel) and sport fish. This facility would be unique because of the ability for scientists to conduct controlled experiments on live specimens in a laboratory in conjuction with on-site field experiments in Mille Lacs Lake. A facility with these amenities and capabilities will attract Mille Lacs Lake research and assessment projects from scientists from academia and other natural resource agencies.
- Construction of an education and outreach center to facilitate productive interaction between State biologists and the public, and provide meeting space for various committees and informational presentations regarding the Mille Lacs Lake fishery.
- Construction of hatchery infrastructure to hatch and incubate coolwater fish. This facility will decrease the biosecurity risk of hatching and incubating coolwater fish at an offsite location.

Project Rationale

Mille Lacs Lake is one of the most heavily fished lakes in the state, and is undergoing a variety of natural and anthropogenic changes that are negatively impacting the fishery and associated economy. There is an immediate need to develop and implement strategies to help address the biologic and economic challenges of the lake without compromising the long term sustainability of public trust resources. Development of a fisheries management station will provide enhanced state focus and resources to the Mille Lacs Lake fishery; provide laboratory facilities to conduct research projects on the lake that will directly contribute to enhanced fishery management; provide a center for learning and outreach for the public; and provide hatchery infrastructure, with proper biosecurity measures, to assure future stocking needs of the lake are met.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Impact on Agency Operating Budgets

It's anticipated the cost of operating a new station will be about $300,000 a year.

Description of Previous Appropriations

Project Contact Person

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Governor's Recommendation

The Governor recommends $3.500 million in general obligation bonds for this request.

($ in thousands)

Mille Lacs Lake Fisheries Management Station

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 0	$ 3,500	$ 0	$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 0**	**$ 3,500**	**$ 0**	**$ 0**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 500	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 198	$ 0	$ 0
Project Management	$ 0	$ 126	$ 0	$ 0
Construction	$ 0	$ 2,521	$ 0	$ 0
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 155	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 0**	**$ 3,500**	**$ 0**	**$ 0**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 600	$ 600
Operating Budget Impact (FTE)	0.0	1.0	1.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 3,500	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	Yes
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
M.S. 16B.325(1): Sustainable Building Guidelines Met	Yes
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	Yes
Does the project demonstrate compliance with the standards?	Yes
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	Yes
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Dam Safety Repair, Reconstruction and Removal

AT A GLANCE

2016 Request Amount:	$10,000
Priority Ranking:	5
Project Summary:	This request for $10 million in state funds would provide funds for design, engineering and construction to repair, reconstruct, or remove dams and respond to dam safety emergencies. The top six high hazard dams on the statewide dam safety projects priority list will be funded with these dollars. They include Bronson, Lanesboro, St. Cloud, Pelican Rapids, Norway Lake at Pine River, and the Canby impoundment.

Project Description

This request is part of an ongoing Dam Safety Program to manage Minnesota's public dam infrastructure. Dams maintain water levels on many of our recreational lakes, providing significant recreation, tourism, and economic benefits. For example: Mille Lacs, Minnetonka, and Ottertail Lakes all depend on dams to maintain water levels and surrounding property values. Making needed repairs limits the potential liability of the DNR and local government units that own dams; protects the public safety; and saves money by maintaining existing infrastructure assets.

This program also includes the removal or modification of hazardous or obsolete dams that no longer provide significant public benefits and whose rehabilitation would not be cost effective or good for the environment. The current request does not include any removal or modification projects.

Consistent, long-term funding of at least $5 million per biennium is necessary to maintain public dams and to remove dams that are obsolete or have become safety hazards. The DNR Ecological and Water Resources Division general operating budget does not include funding for dam safety projects.

About 5 percent of Dam Safety Program capital budget appropriations are reserved for emergencies. Any emergency funds remaining at the end of the two-year bonding cycle are used on high priority projects.

Project Rationale

Minnesota's public dams infrastructure includes nearly 800 dams owned by the state, counties, cities, and watershed districts. The state of Minnesota owns 346 of these dams. Most of the public dams are over 50 years old and require ongoing repairs to maintain their structural integrity and prevent public safety hazards. Emergency repairs must be made when an imminent dam failure threatens public safety or an actual dam failure damages property.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

We estimate that over $100 million will be needed over the next several decades to repair, reconstruct, or remove publicly-owned dams. The requested funds would provide $9.5 million for priority projects and $500,000 for emergencies. This appropriation provides for 100% of the cost for state owned dams and for grants to local units of government for up to 50% of the project cost.

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

L2014, Ch. 294, Bond, $ 6,500,000
L2012, Ch. 293, Bond, $ 3,000,000
L2011 (1st SS), Ch. 12, Bond, $ 16,000,000
L2010 (2nd SS), Ch. 1, Bond, $1,000,000
L2010, Ch. 189, Bond, $4,000,000

Project Contact Person

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Governor's Recommendation

The Governor recommends $7 million in general obligation bonds for this request. Also included are budget estimates of $5 million for each planning period for 2018 and 2020.

($ in thousands)

Dam Safety Repair, Reconstruction and Removal

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 30,500	$ 10,000	$ 5,000	$ 5,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 30,500**	**$ 10,000**	**$ 5,000**	**$ 5,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 4,880	$ 1,600	$ 800	$ 800
Project Management	$ 2,135	$ 700	$ 350	$ 350
Construction	$ 23,485	$ 7,700	$ 3,850	$ 3,850
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 30,500**	**$ 10,000**	**$ 5,000**	**$ 5,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 10,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	Yes
M.S. 16A.86 (4b): Matching Funds Required	Yes
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

State Land Reforestation and Stand Improvement

AT A GLANCE

2016 Request Amount:	$6,000
Priority Ranking:	6
Project Summary:	This request for $6 million in state funds is for reforestation and stand improvement on state lands. M.S. 89.002, subd. 2 require: reforestation of harvested state forest and WMA lands; maintenance of all state forests in appropriate forest cover, plant stock, growth rate, and health; and restoration of productivity on state forest lands damaged by natural causes or in a poorly stocked condition.

Project Description

The reforestation and stand improvement programs present ongoing needs of the Department of Natural Resources (DNR), primarily in the north central and southeast portions of the state. This would include treatment of blowdown-impacted acreage in and around the St. Croix valley. The reforestation goal is to ensure that five years after the harvest, the area is stocked with trees ecologically best suited to the site, the tree species meet the future desired conditions for the landscape, and the trees are at least equal in height to the competition on the site or are "free-to-grow."

To accomplish reforestation and meet forested landscape objectives, sustainable funding is needed to ensure the successful completion of four components of reforestation:

- Site preparation involves using both mechanical and chemical means to reduce competition and prepare a suitable planting/seeding bed.
- Planting and seeding includes purchasing seeds and seedlings to meet reforestation objectives, purchasing supplies to better ensure seedling survival during planting, and contracting or hiring labor to plant and seed.
- Protection includes measures to mitigate destructive predation on the newly planted and seeded trees. Protection often is needed for three to five years after planting.
- Release includes measures to reduce overtopping and undesirable vegetation that robs young seedlings of needed light and nutrients.

Without protection and release, investments in site preparation and planting and seeding likely would be lost. Protection and release are critical components in a reforestation capital investment.

The forest stand improvement funds will be used to: 1) treat younger tree stands by removing unhealthy, lower value trees as well as reducing competition for desirable trees and 2) treat older tree stands that are now noncommercial due to low volume and/or a significant amount of insect and disease damage.

Forest stand improvement will increase the value of Minnesota's forests for both the wood using industry and for other forest values such as habitat. Improvements will create forest stands

characterized by healthy trees that are faster growing. These forests will produce a higher value tree crop, and in many cases provide greater wildlife value. An example would be favoring oak trees because of their production of acorns for wildlife.

Improving our forests' health and productivity has many co-benefits including creating habitat that benefits many wildlife species, supplying clean air and water, providing recreational opportunities, and making quality wood fiber available for Minnesota's forest based economy.

Project Rationale

This bonding request is for reforestation and improvement of state administered forest lands. Funds will be spent in the following three focus areas; $4.6 million for preparing sites and planting and seeding 23,000 acres of state forest land and wildlife management area (WMA) land, and for practices for ensuring seedling establishment and survival; $0.7 million for protecting seedlings from animal damage by bud capping or repellent application (13,000 acres); and $0.7 million to promote and enhance forest health and productivity through stand improvement practices on about 6,000 acres of state forest land and WMA land.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

In Article XI, Section 5 of the Constitution of the State of Minnesota, one of the purposes for "public debt and works of internal improvements" is item (f), "to promote reforestation…"

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

Laws 2014, Ch. 294, Bond, $2,963,000

Laws 2012, SS1, Ch. 1, Bond, 994,000

Laws 2012, Ch. 293, Bond, 2,500,000

Laws 2010, Ch. 189, Bond, 3,000,000

Project Contact Person

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Governor's Recommendation

The Governor recommends $2 million in general obligation bonds for this request. Also included are budget estimates of $2 million for each planning period for 2018 and 2020.

($ in thousands)

State Land Reforestation and Stand Improvement

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 9,457	$ 6,000	$ 6,000	$ 6,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 9,457**	**$ 6,000**	**$ 6,000**	**$ 6,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 0	$ 0	$ 0
Project Management	$ 945	$ 600	$ 600	$ 600
Construction	$ 8,512	$ 5,400	$ 5,400	$ 5,400
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 9,457**	**$ 6,000**	**$ 6,000**	**$ 6,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 6,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Native Prairie Bank Acquisition and Development

AT A GLANCE

2016 Request Amount:	$8,000
Priority Ranking:	7
Project Summary:	This request is for $8 million in state funds for Native Prairie Bank (NPB) conservation easement acquisition and development. This will acquire approximately 1500 acres of privately owned native prairie through permanent conservation easements. Additionally, this will develop approximately 200 acres of NPBs to improve viability of native prairies as habitat for rare plant and animal species and Species of Greatest Conservation Need (SGCN), to improve water quality, and to create additional habitat for pollinator and bird species.

Project Description

This request is for $8 million in state funds for Native Prairie Bank (NPB) conservation easement acquisition and development. This program supports the Department of Natural Resources' (DNR) conservation mission of protecting natural resources and maintaining the economic vitality of Minnesota's communities by assisting private landowners in the conservation of native prairie. Private lands conservation assistance has been identified by the department as a strategic direction critical to addressing the key trend of landscape changes related to growth and development. With more than 75 percent of Minnesota's land under private ownership, private landowners are crucial partners in the conservation of the state's natural resources.

The Native Prairie Bank (M.S. 84.96) was established by the 1987 legislature to allow private landowners to maintain native prairie on their property through a conservation easement with the DNR. The tract must be predominately unplowed native prairie vegetation. Landowners receive a payment for agreeing to preserve their native prairie. In return, the ecological and hydrological values of prairies are maintained. The easements are permanent with negotiated conditions that can allow for grazing, haying, or seed production.

Implementation of the *Minnesota Prairie Conservation Plan* is a priority for this NPB appropriation which would target enrollment of high quality native prairie along with restoration of buffers and associated grasslands for rare resource protection and wildlife habitat.

To date, 112 NPB easements, encompassing over 9,017 acres of native prairie, have been secured. The long-range goal of the NPB program is to protect 20,000 to 30,000 acres of native prairie on private land.

Approximately $7.5 million of this funding request would be used to acquire permanent NPB conservation easements on approximately 1500 acres of native prairie an estimated 21 tracts of private.

Approximately $500,000 of this request would be used for about 25 NPB development projects on approximately 200 acres, such as NPB boundary signs, removal of woody encroachment, control of invasive plants, and planting with native local prairie seed. These efforts will serve to buffer and

increase the viability of native prairie as habitat for rare plant and animal species and SGCN.

Key funding sources for the SNA program include the Environment and Natural Resources Trust Fund (ENRTF) and Outdoor Heritage Fund (OHF). The projects implemented with bonding typically are distinct from those to be implemented with other funding sources, or in some case multiple funds are necessary and the accomplishments will be pro-rated.

Project Rationale

The state once had over 18 million acres of prairie. Today, an estimated 235,000 acres of native prairie remain, of which about 104,000 acres are threatened. The remaining remnant native prairies are in jeopardy of being lost forever unless they are protected. Conservation of Minnesota's remaining native prairie has statewide significance because native prairies provide significant ecological benefits – they are home to more than 100 species of rare and endangered plants and animals, provide excellent water quality benefits, are necessary for many native pollinator species and are habitat for nesting waterfowl, pheasant, and other upland nesting birds. Native prairies also contribute to productive agriculture by supporting grazing, haying, seed production, and providing biomass for energy.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Implementation of the *Minnesota Prairie Conservation Plan* is a priority for this appropriation which would target fee acquisition of the highest quality native prairie along with key upland and wetland buffers and associated grasslands to be restored and improved for public access, rare resource protection, and wildlife habitat.

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

Previous Appropriations for NPB acquisition and development (in dollars): Outdoor Heritage and Trust Fund appropriations include funds for non-bondable activities.

L2015, 1st SS, Ch. 2, Outdoor Heritage, $3,865,000

L2015, Ch. 76, Trust Fund, $3,325,000

L2014, Ch. 256, Outdoor Heritage, $3,210,500

L2013, Ch. 137, Outdoor Heritage, $ 849,610

L2013, Ch. 52, Trust Fund, $ 750,000

L2012, Ch. 262, Outdoor Heritage, $ 184,630

L2011, 1SS, CH. 2, Trust Fund, $1,000,000

L2011, 1SS, Ch. 6, Outdoor Heritage, $ 577,240

L2010, Ch. 361, Outdoor Heritage, $650,000

L2010, CH. 362, Trust Fund, $ 685,600

Project Contact Person

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Governor's Recommendation

The Governor recommends $2 million in general obligation bonds for this request. Also included are budget estimates of $2 million for each planning period for 2018 and 2020.

($ in thousands)

Native Prairie Bank Acquisition and Development

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 0	$ 8,000	$ 8,000	$ 8,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 0**	**$ 8,000**	**$ 8,000**	**$ 8,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 7,500	$ 7,500	$ 7,500
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 0	$ 0	$ 0
Project Management	$ 0	$ 0	$ 0	$ 0
Construction	$ 0	$ 500	$ 500	$ 500
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 0**	**$ 8,000**	**$ 8,000**	**$ 8,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 8,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Itasca State Park Renovation

AT A GLANCE

2016 Request Amount:	$10,000
Priority Ranking:	8
Project Summary:	This request is for $10 million to renovate degraded buildings and other infrastructure, restore natural resources, and to offset energy use in Itasca State Park, Minnesota's oldest and first state park, which is celebrating its 125th birthday in 2016.

Project Description

This year's request for $10 million in state funds is for widespread renovation within Itasca State Park. Itasca is Minnesota's oldest and first state park, and will be celebrating its 125th birthday in 2016. **High priorities at the park include:**

- Reforestation - Reforest an 800 acre area of the park, part of a 10-year reforestation plan for the park.
- Park Water and Sewer Line Rehabilitation- The park's water and sewer lines are a network of infrastructure, most are more than 50 years old. A recent study created an inventory of infrastructure and prioritized projects into a 20-year rehab plan, based on condition. This request would fund rehab on projects with the highest priorities.
- Construct accessible walkways to connect the amphitheater to the adjacent playground and swimming beach area and toilet facility.
- Separate and Renovate the Public Water Access and the Bike Rental - The bike rental and the public water access share a parking lot. This creates unsafe conditions as people walk or bike through the access parking and launching area. The proposal is to separate these features of the park, rehabilitating both to accommodate current ADA, AIS, safety, and storm water codes. Enhancements would include adding flush toilets and a fish cleaning house.
- Install renewable energy for the park, and install energy reduction strategies at the park, to completely offset the energy use of the park.
- Complete the re-route of the Bike Trail - In 2014, a project to move half of the Itasca bike trail off of the park road was completed. This proposal is to re-route the remaining half of the bike trail off the park road. Not only will this project create a much safer situation for motorists and bikers, it will also create a more enjoyable experience for bikers and walkers.
- Renovate Nicollet Court as Lodging - Nicollet Court is listed on the National Historic Register and sits right next to Douglas Lodge, yet it has been closed to the public for almost 15 years due to age and safety concerns. The proposal is to completely renovate this historic building and create additional lodging at Itasca, which is in high demand.
- Bear Paw Campground upgrades - water and sewer lines need to be completely replaced, including repaving the roads. The campground also requires electrical service upgrades.
- Improvements to Douglas Lodge/Forest Inn/Mary Gibbs and areas surrounding those buildings. This proposal entails remodels to three buildings to enhance catering services, improve energy

efficiency, restore historic features, and to redesign and construct a new dock system to serve the tour boat operation located near Douglas Lodge.

These investments will provide jobs, reduce operating costs, increase energy efficiency in buildings, and improve service to the public. Projects described support DNR's mission of providing outdoor recreation opportunities to public, and maintaining the health and economic vitality of Minnesota's communities.

Project Rationale

Projects included in this request support DNR's conservation mission of protecting the natural resources, providing outdoor recreation opportunities to the public, and maintaining the health and economic vitality of Minnesota's communities.

Past resource and maintenance funding has been insufficient to maintain park buildings and other infrastructure or adequately maintain natural resources within the park. This has caused a backlog of deferred maintenance. The result is walkways, stairs, and buildings that are old and in need of repair and complete renovation, buildings that are closed to the public, water and sewer lines at risk of failure, park infrastructure that does not meet safety and ADA compliance codes, and diminished natural resources within the park.

This is of concern as Itasca is:

- our most heavily visited state park;
- our largest revenue-generating park; and
- the state park with the highest campsite and lodging occupancy.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Impact on Agency Operating Budgets

Efficiencies and lower operating costs will results in some savings, which will be directed to the ongoing maintenance needs at the park.

Description of Previous Appropriations

There are no previous appropriations for this request.

Project Contact Person

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Governor's Recommendation

The Governor recommends $3 million in general obligation bonds for this request. Also included are budget estimates of $3 million for each planning period for 2018 and 2020.

($ in thousands)

Itasca State Park Renovation

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 0	$ 10,000	$ 15,000	$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 0**	**$ 10,000**	**$ 15,000**	**$ 0**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 1,500	$ 2,250	$ 0
Project Management	$ 0	$ 500	$ 750	$ 0
Construction	$ 0	$ 8,000	$ 12,000	$ 0
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 0**	**$ 10,000**	**$ 15,000**	**$ 0**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 10,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
M.S. 16B.325(1): Sustainable Building Guidelines Met	Yes
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	Yes
Does the project demonstrate compliance with the standards?	Yes
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	Yes
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

WMA/AMA Acquisition and Development - Pheasant Action Plan

AT A GLANCE

2016 Request Amount:	$20,000
Priority Ranking:	9
Project Summary:	This request is for $20 million in state funds for statewide wildlife management area (WMA)/aquatic management area (AMA) acquisition with a focus in the prairie landscape. The Pheasant Action Plan called for $10 million/yr for 4 years in state funds to accelerate acquisition of State WMAs in the pheasant range of the state.

Project Description

Minnesota has one of the finest systems of publicly-owned fish and wildlife lands in the country, with more than 1.3 million acres of WMAs. These areas protect important fish and wildlife habitat, support productive fish and wildlife populations, and provide opportunities for current and future generations to hunt, fish, trap, and share our natural heritage. WMAs are also important for conserving surface water, preserving unique vegetation, and enhancing natural beauty and open space.

Collaborative partnerships will be promoted in order to acquire key lands. Overall priority will be given to acquiring regionally significant wildlife habitat that will build on existing habitat and provide hunter access.

Project Rationale

To acquire, develop and improve lands for wildlife and aquatic management areas. With the loss of grasslands and resulting impacts to pheasant populations, the governor directed the DNR to hold the first ever pheasant summit in Minnesota. About 250 citizens came together and developed ideas for actions to improve the outlook for pheasants. One of the top actions supported by participants was accelerated acquisition of public land to provide publicly owned habitat that would be protected in perpetuity.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

L2015, 1st SS, Ch. 2, Outdoor Heritage $2,808,000

L2014, Ch. 256, Outdoor Heritage $6,975,000

L2013, Ch. 137, Outdoor Heritage $3,940,000

L2012, Ch. 264, Outdoor Heritage $2,900,000

L2011, Ch. 6, Outdoor Heritage $2,861,000

L2010, Ch. 361, Outdoor Heritage $2,764,081

L2010, Ch. 189, Bond $1,000,000

Project Contact Person

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Governor's Recommendation

The Governor recommends $9.500 million in general obligation bonds for this request. Also included are budget estimates of $9.500 million for each planning period for 2018 and 2020.

($ in thousands)

WMA/AMA Acquisition and Development - Pheasant Action Plan

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 1,000	$ 20,000	$ 20,000	$ 20,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 1,000**	**$ 20,000**	**$ 20,000**	**$ 20,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 1,000	$ 20,000	$ 20,000	$ 20,000
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 0	$ 0	$ 0
Project Management	$ 0	$ 0	$ 0	$ 0
Construction	$ 0	$ 0	$ 0	$ 0
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 1,000**	**$ 20,000**	**$ 20,000**	**$ 20,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 20,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

State Park Campground Renovations

AT A GLANCE

2016 Request Amount:	$7,000
Priority Ranking:	10
Project Summary:	This request is for $7 million in state funds to rehabilitate and to provide important enhancements to campgrounds in Minnesota State Parks. Many campgrounds have infrastructure that is more than 50 years that does not meet current code, most importantly accessibility code.

Project Description

This request for $7 million in state bond funds is for the complete renovation of campgrounds within Minnesota State Parks. Minnesota's State Park system plays a unique and important role in providing recreation opportunities to Minnesotans and out of state tourists. Continual investment in DNR infrastructure is required to preserve the investment in the asset, ensure safety and accessibility, and support natural resource work.

The requested funding would replace and upgrade shower and toilet buildings to address ADA, code and safety issues, upgrade substandard electrical service, waterlines and wastewater utilities, upgrade sidewalks and parking to meet accessibility code, redesign campground layout to comply with current storm water management best practices and regulations, repave campground roads, lengthen campground spurs to accommodate modern vehicles while still ensuring adequate screening between sites, and update building lighting and heating systems with low energy technologies.

Park staff spend a great deal of time repairing breaks in old and substandard water and electrical lines. There is actually a reduction in operation funding needed to operate a campground, once renovated. Not maintaining facilities in a timely manner results in eroded capital values and higher maintenance costs to address a higher than necessary rate of facility deterioration and emergency work.

Campground renovation projects support DNR's conservation mission of protecting the natural resources, providing outdoor recreation opportunities to the public, and maintaining the health and economic vitality of Minnesota's communities. These investments will provide jobs, reduce operating costs, increase energy efficiency in buildings, and improve service to the public. Examples of high priority projects include the only campground at Jay Cooke State Park, the oldest campground (Lakeview) at Sibley State Park, Minneopa State Park campground, and the Frontenac State Park campground. Many other campgrounds require smaller amounts of rehabilitation rather than full renovation.

Project Rationale

Minnesota's State Park campgrounds are foundational recreational features for the public, important sources of revenue that ensure the continued operations of state parks, and they also stimulate the local economies. Highest priority is placed on the oldest campgrounds located in the most heavily

visited state parks. Many are more than 50 years old and are badly in need of rehabilitation to restore functionality, to bring facilities up to code, to create accessible places, and to accommodate today's recreation vehicles. The Division receives many complaints about the poor condition of campgrounds every year.

The work proposed in this request is consistent with the DNR's 10 Year Strategic Plan – Goal 2 Trend: Outdoor recreation infrastructure is outdated and deteriorating. The work would be strategically guided by the Minnesota State Parks and Trails System Plan.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals. The most highly visited parks with the oldest infrastructures would be a higher priority within parks. Providing safe, accessible, energy-efficient recreational facilities will have a direct impact on visitor satisfaction. By providing opportunities for physical activity, access to parks and trails is also a proven solution to the rising health care costs related to obesity.

Minnesota's state park system is over 100 years old and includes 67 state parks, 7 state recreation areas, and 54 state forest campgrounds. Within the system are 132 state park and recreation area campgrounds, 50 state forest campgrounds, 55 group camps, and 13 equestrian campgrounds.

Impact on Agency Operating Budgets

Adequate funding for preservation needs will result in lower future obligations for more costly replacement. Not maintaining facilities in a timely manner results in eroded capital values and higher maintenance costs to address facility deterioration and emergency work.

Description of Previous Appropriations

There are no previous appropriations for this request.

Project Contact Person

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Governor's Recommendation

The Governor recommends $1 million in general obligation bonds for this request. Also included are budget estimates of $1 million for each planning period for 2018 and 2020.

($ in thousands)

State Park Campground Renovations

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 0	$ 7,000	$ 7,000	$ 7,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 0**	**$ 7,000**	**$ 7,000**	**$ 7,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 1,050	$ 1,050	$ 1,050
Project Management	$ 0	$ 350	$ 350	$ 350
Construction	$ 0	$ 5,600	$ 5,600	$ 5,600
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 0**	**$ 7,000**	**$ 7,000**	**$ 7,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 7,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
M.S. 16B.325(1): Sustainable Building Guidelines Met	Yes
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	Yes
Does the project demonstrate compliance with the standards?	Yes
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	Yes
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Park, State Recreation Area and Trail Development

AT A GLANCE

2016 Request Amount:	$14,000
Priority Ranking:	11
Project Summary:	This request for $14 million in state funds will allow acquisition and development of key recreational features in our State Park, Recreation Area, and State Trail system.

Project Description

$14 million in state funds is requested to allow acquisition and development of key recreational features in our State Park, Recreation Area, and State Trail system. High priority areas of focus include:

Lake Vermilion-Soudan Underground Mine State Park

Continued development of recreational opportunities including: Design and construction of a visitor center and shaft rehab at the Soudan Underground Mine State Park.

Cuyuna State Recreation Area

New mountain biking trails, campground improvements, additional yurts, a trailhead, and support features, such as parking, toilets, and operations shop.

Trails

Take advantage of opportunities to acquire land to eliminate trail severances, and to fund development of key trail connections and supplement trail construction projects that lack sufficient funding, including:

- Paul Bunyan State Trail/Bemidji –Clausen Avenue: To complete the final remaining severance on the Paul Bunyan State Trail.
- Heartland State Trail - Steamboat Loop/Tower Hill – To acquire and develop a one mile section of trail to separate bikes from roadway traffic near Walker and to clear up long-standing land ownership issues.
- Gitchi Gami State Trail - Tofte connection: To develop 1 mile of new trail through the community of Tofte. Some federal funds are available.
- Mill Towns and Sakatah Singing Hills State Trails - White Sands connection: To develop a new trail through Faribault and a bridge over the Cannon River that will connect the eastern terminus of the Sakatah Singing Hills State Trail to the westernmost segment of the Mill Towns State Trail. Some federal funds are available.
- Glacial Lakes State Trail - New London to Sibley State Park: To supplement 2014 bonding to allow for acquisition and development of this segment.

Project Rationale

Outdoor recreation is a cornerstone of Minnesota tradition. Participation in many traditional recreational activities is declining and there are many competing demands for leisure time. Minnesota's population is becoming more diverse and urbanized. To remain relevant to changing demographics, the Department must continue to invest in ways to attract new visitors. It also provides funding for an exciting new opportunity in the Twin Cities metro area to attract urban youth to outdoor adventure sports. It will also allow the Division to complete high priority trail projects.

The work proposed in this request is consistent with the DNR's 10 Year Strategic Plan – Goal 2 Trends: Participation in traditional outdoor recreation is changing; Minnesota's population is urbanizing, diversifying and aging; Competition for leisure time is intensifying. The work will be strategically guided by the Minnesota State Parks and Trails System Plan.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Impact on Agency Operating Budgets

Additional facilities will slightly increase operating costs.

Description of Previous Appropriations

Acquisition, development, and rehabilitation

L2015, Ch. 76	Env Trust	$1.5M
L2014, Ch. 294	Bond	$18.917M
L2013, Ch. 52	Env Trust	$1M
L2013, Ch.137	Legacy	$9.5M
L2012, Ch.264	Legacy	$9.5M
L2011, 1SS, Ch.6	Legacy	$5M
L2011, 1SS, Ch. 12	Bond	$5.8M
L2010, Ch. 293	Bond	$4.0M
L2010, Ch. 189	Bond	$12.409M

Vermilion:

L2014 Ch. 294	Bond	$14M
L2012, CH. 293	Bond	$2M
L2011, 1SS, Ch. 12	Bond	$8M

Project Contact Person

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Governor's Recommendation

The Governor recommends $2 million in general obligation bonds for this request. Also included are budget estimates of $2 million for each planning period for 2018 and 2020.

($ in thousands)

Park, State Recreation Area and Trail Development

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 65,126	$ 14,000	$ 14,000	$ 14,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 65,126**	**$ 14,000**	**$ 14,000**	**$ 14,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 9,050	$ 2,100	$ 2,100	$ 2,100
Project Management	$ 3,000	$ 700	$ 700	$ 700
Construction	$ 53,076	$ 11,200	$ 11,200	$ 11,200
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 65,126**	**$ 14,000**	**$ 14,000**	**$ 14,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 14,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	Yes
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
M.S. 16B.325(1): Sustainable Building Guidelines Met	Yes
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	Yes
Does the project demonstrate compliance with the standards?	Yes
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	Yes
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Fish Hatchery Enhancement

AT A GLANCE

2016 Request Amount:	$5,500
Priority Ranking:	12
Project Summary:	This request for $5.5 million in state funds is needed to maintain and improve state hatchery facilities. This funding will allow Fisheries Section to efficiently and effectively meet fish stocking needs that create, restore, and sustain high quality fishing opportunities throughout the state.

Project Description

This request for $5.5 million in state funds is needed to assure continued operation and enhancement of state hatcheries that provide fish to stock approximately 2,000 waterbodies throughout Minnesota every year.

Projects that would be funded include:

- Upgrade facilities for control of fish pathogens and invasive species;
- Improve rearing pond access areas;
- Develop a fish holding facility to improve efficiency of fish transport;
- Install and upgrade water lines, water effluent system, water treatment equipment, safety equipment, and more efficient heating and cooling systems;
- Upgrade existing drainable ponds;
- Upgrades to ensure energy efficiency and increased production capacity; and
- Enhance education and outreach facilities.

These funds would provide for system upgrades to prevent the spread of invasive species and pathogens, production upgrades, “green” energy alternatives, and allow completion of projects at several cold and cool water fish hatcheries in order to meet Federal and State water quality standards. Hatcheries involved in this request include: Grand Rapids, Brainerd, Waterville, New London, Detroit Lakes, Park Rapids, Bemidji, Crystal Springs (near Winona), French River, Lanesboro, Peterson, and Spire Valley (near Altura).

Project Rationale

Fisheries Section operates and maintains 19 hatcheries throughout the state to assure annual stocking needs of approximately two million trout, 290 million walleye, and 20,000 musky. Funding this project will assure the continued operation of these hatcheries in a safe, cost, and energy efficient way.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Impact on Agency Operating Budgets

The improvements to the hatcheries will result in more efficient and safe operating conditions. Any savings would be directed to increase fish production.

Description of Previous Appropriations

L2014, Ch. 294 Bond $2,000,000

Project Contact Person

Kent Lokkesmoe
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Governor's Recommendation

The Governor recommends $1 million in general obligation bonds for this request. Also included are budget estimates of $1 million for each planning period for 2018 and 2020.

($ in thousands)

Fish Hatchery Enhancement

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 2,000	$ 5,500	$ 5,000	$ 5,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 2,000**	**$ 5,500**	**$ 5,000**	**$ 5,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 170	$ 300	$ 270	$ 270
Project Management	$ 145	$ 270	$ 243	$ 243
Construction	$ 1,650	$ 4,820	$ 4,388	$ 4,388
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 35	$ 110	$ 99	$ 99
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 2,000**	**$ 5,500**	**$ 5,000**	**$ 5,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 5,500	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	Yes
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	No
Has the predesign been submitted to the Department of Administration?	No
Has the predesign been approved by the Department of Administration?	No
M.S. 16B.325(1): Sustainable Building Guidelines Met	Yes
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	Yes
Does the project demonstrate compliance with the standards?	Yes
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	Yes
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Scientific and Natural Area Acquisition and Development

AT A GLANCE

2016 Request Amount:	$5,800
Priority Ranking:	13
Project Summary:	This request is for $5.8 million in state funds to acquire and develop lands as state Scientific and Natural Areas (SNAs) across the state. Approximately 1,000 acres will be acquired in fee and capital improvements will be done on about 800 acres. This will permanently protect and provide public access to native prairie, savanna, forest, fen, wetlands, and rock outcrop communities of biodiversity significance.

Project Description

This request is for $5.8 million in state funds to acquire and develop lands as state Scientific and Natural Areas (SNAs) across the state. SNAs are sites of statewide significance that preserve examples of rare plant communities, species and geological features, and that also provide outdoor recreation opportunities. At present, about 161 SNAs encompass about 190,000 acres, including about 146,700 acres in 18 peatlands protected through the Wetland Conservation Act of 1991.

Approximately $5 million of this request is to acquire in fee and designate as SNAs approximately 1,000 acres. High priority parcels will be targeted in accordance with the DNR's interdisciplinary Strategic Land Asset Management (SLAM) process and the SNA Strategic Land Protection Plan.

Approximately $500,000 of this request of SNAs would be used for about 100 capital development projects on approximately 800 acres throughout the state. SNA site development provides for safe public use of SNAs, ensures that biological diversity is retained and prevents the loss of important species, plant communities, and features. Development includes activities such as removal of existing infrastructure and removal of woody encroachment, seed collection, and replanting, as well as fencing, signing, and the creation of basic parking facilities.

Key funding sources for the SNA program include the Environment and Natural Resources Trust Fund (ENRTF), Outdoor Heritage Fund (OHF), and Reinvest in Minnesota appropriations or match. The projects implemented with bonding typically are not eligible for other funding sources, are distinct from those to be implemented with other funding sources, or in some case multiple funds are necessary and the accomplishments will be pro-rated.

Project Rationale

This request supports the Department of Natural Resources' (DNR) conservation mission of protecting natural resources, providing outdoor recreation opportunities to the public, and maintaining the health and economic vitality of Minnesota's communities by preserving the state's rarest resources and ensuring healthy, natural systems can continue to provide ecological, recreational, and economic benefits to all Minnesotans.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Implementation of the *Minnesota Prairie Conservation Plan* is a priority for this appropriation which would target fee acquisition of the highest quality native prairie along with key upland and wetland buffers and associated grasslands to be restored and improved for public access, rare resource protection, and wildlife habitat.

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

Previous Appropriations for SNA acquisition and development (in dollars): Outdoor Heritage and Trust Fund appropriations include funds for non-bondable activities.

L2015, 1st SS, Ch. 2 Outdoor Heritage, $1,762,000

L2015, Ch. 76 Trust Fund, $4,000,000

L2014, Ch. 256 Outdoor Heritage, $1,430,800

L2014, Ch. 226 Trust Fund, $2,540,000

L2013, Ch. 137 Outdoor Heritage, $ 390,665

L2013, Ch. 52 Trust Fund, $1,500,000

L2012, Ch. 262 Outdoor Heritage, $ 276,940

L2011, 1SS, Ch. 2, Trust Fund, $1,640,000

L2011, 1SS, Ch. 6, Outdoor Heritage, $ 931,470

L2010, Ch. 361 Outdoor Heritage, $1,408,000

L2010, Ch. 362 Trust Fund, $1,096,400

Project Contact Person

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Governor's Recommendation

The Governor recommends $1 million in general obligation bonds for this request. Also included are budget estimates of $1 million for each planning period for 2018 and 2020.

($ in thousands)

Scientific and Natural Area Acquisition and Development

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 0	$ 5,800	$ 5,800	$ 5,800
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 0**	**$ 5,800**	**$ 5,800**	**$ 5,800**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 5,300	$ 5,300	$ 5,300
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 0	$ 0	$ 0
Project Management	$ 0	$ 0	$ 0	$ 0
Construction	$ 0	$ 500	$ 500	$ 500
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 0**	**$ 5,800**	**$ 5,800**	**$ 5,800**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 5,800	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Groundwater Monitoring

AT A GLANCE

2016 Request Amount:	$5,000
Priority Ranking:	14
Project Summary:	This request is for $5 million in state funds to install new ground water level monitoring wells (also known as observation wells) and seal and replace failing wells. A nest of 3-4 wells would be installed at each site with individual wells developed into each of the aquifers.

Project Description

The state's plan for monitoring ground water levels calls for about 7,000 wells at a total cost of about $90 million. The network currently has about 900 wells dedicated to monitoring groundwater levels. Minnesota has numerous complex aquifers and obtaining water level data over time with this groundwater monitoring network is the only reliable way to understand the State's groundwater resources. The objectives for the monitoring well network are to collect and analyze long-term water level data to ensure sustainability of water supplies and water resources. Data from these wells are used to analyze long-term water level trends; evaluate aquifer recharge; interpret impacts of climate fluctuation and change; plan for water conservation; evaluate water conflicts and interferences; and determine ground water/surface water interactions. Trend information is critical for water supply planning and is used extensively by counties, municipalities, the Department of Health, Minnesota Pollution Control Agency, Department of Agriculture, and the Metropolitan Council.

Over 236 communities throughout Minnesota have been identified as hydrologic areas of concern or have water supply issues that need to be addressed.

This request is for the following:

- $4.5 million for contracts with well drillers to install about 100 nests of wells; and
- $500,000 for the Department of Natural Resources (DNR) for drilling activities.

Project Rationale

Quality data are necessary to assess ground water availability for water supply planning.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

At the request of the Legislature, DNR prepared two reports that identify the need for expanded monitoring of ground water resources. The unmet need exceeds $3 million annually for the foreseeable future.

Long term protection of the state's surface water and ground water resources – January 2010.

Ground water: Plan to develop a ground water level monitoring network for the eleven county metropolitan area – October 2009.

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

L2013, Ch. 137, Legacy $250,000

L2011, 1SS, Ch. 12, Bond $600,000

L2011, 1SS, Ch. 6, Clean Water Fund, $1,000,000

L2010, Ch. 189, Bond $1,000,000

L2010, Ch. 361, Legacy $4,000,000

Project Contact Person

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Governor's Recommendation

The Governor does not recommend capital funding for this request.

($ in thousands)

Groundwater Monitoring

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 1,600	$ 5,000	$ 3,000	$ 3,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 1,600**	**$ 5,000**	**$ 3,000**	**$ 3,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 0	$ 0	$ 0
Project Management	$ 160	$ 500	$ 250	$ 250
Construction	$ 1,440	$ 4,500	$ 2,750	$ 2,750
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 1,600**	**$ 5,000**	**$ 3,000**	**$ 3,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 5,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

State Forest Acquisition

AT A GLANCE

2016 Request Amount:	$2,000
Priority Ranking:	15
Project Summary:	This request is for $2 million in state funds to acquire approximately 900 high priority acres of state forest in-holdings and easements to access state forest land from willing sellers.

Project Description

Minnesota contains approximately 14.7 million acres of commercial forest land. These lands are about equally divided between public and private ownership, with state forests representing approximately 20 percent of commercial forest land in the state.

This request will help support efforts outlined in the DNR's *Conservation That Works*. It will provide the funding to secure the most critical access and realize the more immediate opportunities for consolidation identified in the Division of Forestry's 20-year strategic land asset management planning effort. The goal is to acquire more than 150,000 acres of state forest in-holdings and access through exchanges with and purchases from willing sellers.

An estimated nine parcels, totaling 900 acres of fee title and access easements, will be acquired at this funding level.

Project Rationale

This request for $2 million in state funds is to acquire the highest priority perpetual easements and fee title on private lands, primarily within state forest boundaries that provide public recreational access, ensure the continuation of sustainable forest management activities, and prevent the fragmentation and loss of productive forest lands. Acquisitions will result in increased management efficiencies of state forests by consolidating land holdings and addressing trespass and access problems on state lands.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

L2011, 1SS Chapter 6	Legacy	$1,205,000

Project Contact Person

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Governor's Recommendation

The Governor does not recommend capital funding for this request.

($ in thousands)

State Forest Acquisition

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 0	$ 2,000	$ 2,000	$ 2,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 0**	**$ 2,000**	**$ 2,000**	**$ 2,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 2,000	$ 2,000	$ 2,000
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 0	$ 0	$ 0
Project Management	$ 0	$ 0	$ 0	$ 0
Construction	$ 0	$ 0	$ 0	$ 0
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 0**	**$ 2,000**	**$ 2,000**	**$ 2,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 2,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Stream Restoration

AT A GLANCE

2016 Request Amount:	$3,035
Priority Ranking:	16
Project Summary:	This request is for $3.035 million in state funds for design, land acquisition, and construction of stream protection and restoration projects. These projects are designed to protect and restore river systems using natural channel design principles.

Project Description

State funding of $3.035 million is requested for design, land acquisition, and construction of stream protection and restoration projects. Priority restoration projects include Miller Creek, Drywood Creek, and the North Branch of the Whitewater River. Dam modification projects include Adrian, Tischer Creek, and the Phelps Mill dam.

Project Rationale

The landscape and rivers of Minnesota have been altered by population growth and associated activities (e.g., timber and food production). By following principles of natural channel design in planning and implementing river restorations, projects are achieved with the intent of sustainability to match the natural system's changes.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

L2013, Ch. 137	Outdoor Heritage	$1,700,000
L2012, Ch. 264	Outdoor Heritage	1,320,000

Project Contact Person

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Governor's Recommendation

The Governor does not recommend capital funding for this request.

($ in thousands)

Stream Restoration

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 0	$ 3,035	$ 6,500	$ 3,500
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 0**	**$ 3,035**	**$ 6,500**	**$ 3,500**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 455	$ 975	$ 525
Project Management	$ 0	$ 0	$ 0	$ 0
Construction	$ 0	$ 2,580	$ 5,525	$ 2,975
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 0**	**$ 3,035**	**$ 6,500**	**$ 3,500**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 3,035	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Minnesota Forests for the Future

AT A GLANCE

2016 Request Amount:	$5,000
Priority Ranking:	17
Project Summary:	This request is for $5 million for acquisition of large-scale conservation easements and fee title acquisition on private forest lands, primarily in northern Minnesota and to pursue conservation easement opportunities with willing industry or land-holding companies that own larger, contiguous blocks of forest land interspersed with state forest land and other public forests.

Project Description

Thousands of acres of forest lands in Minnesota's north woods and elsewhere in the state that are owned and managed by timber and mining companies may be sold, leased, subdivided and developed. These changes will make the forest less valuable for wildlife, less accessible to the public for hunting and trail uses, less accessible to DNR for state land management access, and more difficult to manage for timber production.

The Forests for the Future program allows landowners to sell a permanent easement to the state that prevents development, provides public access, and allows the owner to continue to manage the forest sustainably for timber and other products while protecting ecological features of the land. The State will hold the easement and regularly monitor to ensure the state's interests are being protected.

Project Rationale

This request for $5 million in state funds would protect up to 30,000 acres of private forest land with permanent conservation easements and/or fee title. Project prioritization and selection will incorporate several criteria including: possibilities for forest consolidation; contributions of the property to local and regional timber-based economies; ecological features of the property; size and location of potential projects; project cost; potential for match funding; whether site provides management access to state forest lands; opportunities for public access and recreation including hunting and fishing, and partner and community support.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

L2011, 1SS, Ch. 6	Outdoor Heritage	$5,409,000
L2010, Ch. 189	Bond	500,000

Project Contact Person

Kent Lokkesmoe
Director of Capital Investment
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Governor's Recommendation

The Governor does not recommend capital funding for this request.

($ in thousands)

Minnesota Forests for the Future

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 500	$ 5,000	$ 5,000	$ 5,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 500**	**$ 5,000**	**$ 5,000**	**$ 5,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 500	$ 4,950	$ 4,950	$ 4,950
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 0	$ 0	$ 0
Project Management	$ 0	$ 50	$ 50	$ 50
Construction	$ 0	$ 0	$ 0	$ 0
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 500**	**$ 5,000**	**$ 5,000**	**$ 5,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 5,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Reinvest in Minnesota Critical Habitat Match Program

AT A GLANCE

2016 Request Amount:	$3,000
Priority Ranking:	18
Project Summary:	This request is for $3 million in state funds to leverage an equal amount of private donations to acquire and improve critical habitat for fish, wildlife, and native plants throughout the state through the Reinvest in Minnesota (RIM) Critical Habitat Match Program. This will provide for acquisition and improvement of land for wildlife management areas, scientific and natural areas, aquatic management areas, state parks, and state forests.

Project Description

This request of $3 million will acquire fee title land that meets the definition of critical habitat, and will leverage an additional $3 million in matching funds or donated land value. It is estimated 1,200 acres of habitat will be protected with this funding.

Project Rationale

The primary state match funding is $3.5 million in annual proceeds from the Critical Habitat License Plate Program (M.S. 168.1296, subd. 5) that are credited to the RIM Matching Account (M.S. 84.943). Demand for this program continues to exceed state funding.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

L2014, Ch. 294, $2,000,000

L2010, Ch. 189, $3,000,000

Project Contact Person

Kent Lokkesmoe
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Governor's Recommendation

The Governor recommends $2 million in general obligation bonds for this request. Also included are budget estimates of $2 million for each planning period for 2018 and 2020.

($ in thousands)

Reinvest in Minnesota Critical Habitat Match Program

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 5,000	$ 3,000	$ 3,000	$ 3,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 5,000**	**$ 3,000**	**$ 3,000**	**$ 3,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 5,000	$ 3,000	$ 3,000	$ 3,000
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 0	$ 0	$ 0
Project Management	$ 0	$ 0	$ 0	$ 0
Construction	$ 0	$ 0	$ 0	$ 0
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 5,000**	**$ 3,000**	**$ 3,000**	**$ 3,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 3,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Community Tree Invasive Pest Program

AT A GLANCE

2016 Request Amount:	$500
Priority Ranking:	19
Project Summary:	This request is for $500,000 for community grants to remove and replace dead or dying shade trees located on public property that are lost to emerald ash borer or other exotic, invasive forest pests or diseases.

Project Description

This request for $500,000 in state funds is to provide grants to communities to minimize loss or damage of forest resources by shade tree pests, protect shade trees from shade tree pests, and establish or maintain cooperation between state, federal and local units of government in the preparation of plans for forest protection, management, and planting or replacement of trees damaged or lost to forest pests. Grant funds will be used for removal and disposal or utilization of public trees lost to forest pests or disease, and purchasing and planting of trees on publicly owned land.

By the end of the project, grant recipients must demonstrate their commitment to ongoing care by providing the following documents: updated Community Forestry or Shade Tree Ordinance, annual maintenance plan for public trees, community forestry public education plan, and management plan or forest health management plan.

Projects will be evaluated according to how well they: demonstrate commitment to long-term monitoring and management of the project, increase the diversity of tree species, develop and sustain local community forestry programs, and benefit the entire urban forest resource and provide multiple benefits to the community.

Project Rationale

Minnesota community forests are facing imminent threats from exotic invasive pests such as emerald ash borer (EAB) and gypsy moth. Financial burdens will exceed those incurred due to Dutch elm disease and oak wilt. This program will use past successes of the Minnesota Shade Tree Program and Minnesota ReLeaf Grant Program, to increase the capacity of local forestry programs to prepare for these pests, utilize the removed trees, and restore the many benefits of healthy, diverse urban forests in an orderly manner.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

In the Constitution of the State of Minnesota, article XI, section 5, one of the purposes for “public debt and works of internal improvements” is item (f), “to promote forestation…”

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

L2010, Ch 189	Bonding	$3,000,000

Project Contact Person

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Governor's Recommendation

The Governor does not recommend capital funding for this request.

($ in thousands)

Community Tree Invasive Pest Program

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 3,000	$ 500	$ 1,000	$ 1,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 3,000**	**$ 500**	**$ 1,000**	**$ 1,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 0	$ 0	$ 0
Project Management	$ 3,000	$ 500	$ 1,000	$ 1,000
Construction	$ 0	$ 0	$ 0	$ 0
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 3,000**	**$ 500**	**$ 1,000**	**$ 1,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 500	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	Yes
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Prairie Restoration in State Parks and Along State Trails

AT A GLANCE

2016 Request Amount:	$500
Priority Ranking:	20
Project Summary:	This request is for $500,000 to restore 500 acres of prairie in state parks, state recreation areas, and along state trails. Some of the most important prairie remnants reside in Minnesota State Parks; however, even these prairie remnants require restoration and enhancement to remove invasive and non-native plants and to prevent them from threatening the integrity of the prairie community.

Project Description

This request is for $500,000 to restore 500 acres of prairie in state parks and state recreation areas. Less than 2% of Minnesota's original prairie remains today. Despite this dramatic decline, prairie continues to be lost today because of land conversion, invasive species and lack of disturbance. Due to this loss, more endangered, threatened and special concern species of plants and animals occur in prairies than in the state's forested provinces.

The Division of Parks and Trails currently manages 16,543 acres of remnant and restored prairie and there are approximately 12,100 acres yet to be restored. These funds would accelerate the Division's ability to restore this critically important part of Minnesota's natural heritage. High priority areas for restoration are those in Afton, Crow Wing, Maplewood, Sibley, Rice Lake, Sakatah Lake and Wild River State Parks.

The work proposed in this request is consistent with the DNR's 10 Year Strategic Plan – Goal 1 Trend: Prairies, grasslands and wetlands are declining. The work would be strategically guided by the Minnesota State Parks and Trails System Plan.

Project Rationale

Less than 2% of Minnesota's original prairie remains today. Minnesota Statutes (MS Statute 86A.05 subd. 2c) directs the Division of Parks and Trails to preserve, perpetuate and restore natural features that existed in the area of the parks prior to European settlement. Furthermore, state parks are established for the purpose of conserving the scenery, natural and historic objects and wildlife and to provide for the enjoyment of the same in a manner that will leave them unimpaired for the enjoyment of future generations (MN Statute 85.011). Restoring and enhancing the prairie remnants located within our state parks supports this legislative mandate.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

There are no previous appropriations for this request.

Project Contact Person

Kent Lokkesmoe
Director of Capital Investment
651-259-5701
Kent.Lokkesmoe@state.mn.us

Governor's Recommendation

The Governor does not recommend capital funding for this request.

($ in thousands)

Prairie Restoration in State Parks and Along State Trails

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 0	$ 500	$ 500	$ 500
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 0**	**$ 500**	**$ 500**	**$ 500**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 0	$ 0	$ 0
Project Management	$ 0	$ 0	$ 0	$ 0
Construction	$ 0	$ 500	$ 500	$ 500
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 0**	**$ 500**	**$ 500**	**$ 500**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 500	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

Parks and Trails Local and Regional Grant Program

AT A GLANCE

2016 Request Amount:	$2,000
Priority Ranking:	21
Project Summary:	This request is for $2 million in state funds to provide competitive grants to local governments for acquisition and development of local and regional parks and trails across the state.

Project Description

This request for $2 million in state funds is to provide competitive grants to local governments for acquisition and development of local and regional parks and trails across the state. These funds will support park and trail grant programs as established in M.S. 85.019. M.S. 85.019 establishes four matching grant programs described as follows:

The Outdoor Recreation Grant Program to help local governments acquire, develop and/or redevelop close to home outdoor recreation facilities.

The Regional Park Grant Program to help local governments acquire shoreland, natural areas, and threatened habitat, and develop and rehabilitate natural resource based outdoor recreation facilities of regional significance.

The Local Trail Connections Grant Program provides grants to local units of government to develop and acquire trail connections to residential areas, schools, workplaces, community centers, recreation areas, trails and parks.

The Regional Trail Grant Program provides grants to local units of government for development and acquisition of regional trails.

The grant programs allow the DNR to partner with local communities to acquire land and develop parks and trails that help create a network of close to home recreation facilities. With the requested funding, local communities will acquire approximately 50 acres, develop or redevelop several local and/or regional parks, and construct 10 to 15 local and regional trail projects.

Project Rationale

This project supports the Department of Natural Resources' (DNR) conservation mission of protecting natural resources, delivering outdoor recreation opportunities to the public, and maintaining the health and economic vitality of Minnesota's communities by ensuring public access to a high-quality system of local and regional parks and trails. Connecting people to Minnesota's great outdoors has been identified by the department as a strategic direction critical to addressing the key trend related to changes in outdoor recreation participation. This is achieved, in part, by developing and maintaining a foundation of parks and trails across the state that provides close-to-home opportunities for natural resource based recreation, preservation of natural areas, and support for healthy, vital communities.

While Legacy funds have provided additional park and trail building acquisition and development money to areas of regional significance, these funding sources cannot be used for local parks and trails, so bond funding remains one of the only sources of money for the purchase and development of smaller recreational opportunities located within communities.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Impact on Agency Operating Budgets

There will be minimal impact on the operating budget involved in managing the grant process.

Description of Previous Appropriations

For acquisition, development:

Regional Parks and Trail Grants:

L2014, CH. 294	$ 100
L2011, CH.12	$1,250
L2010, CH. 189	$5,172

Project Contact Person

Kent Lokkesmoe
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Governor's Recommendation

The Governor does not recommend capital funding for this request.

($ in thousands)

Parks and Trails Local and Regional Grant Program

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 6,522	$ 2,000	$ 2,000	$ 2,000
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 6,522**	**$ 2,000**	**$ 2,000**	**$ 2,000**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 0	$ 0	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 595	$ 300	$ 300	$ 300
Project Management	$ 300	$ 100	$ 100	$ 100
Construction	$ 5,627	$ 1,600	$ 1,600	$ 1,600
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 6,522**	**$ 2,000**	**$ 2,000**	**$ 2,000**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 2,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	Yes
M.S. 16A.86 (4b): Matching Funds Required	Yes
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A

($ in thousands)

School Trust Fund Land Acquisition

AT A GLANCE

2016 Request Amount: $20,000

Priority Ranking: 22

Project Summary: This request is for $20 million in state funds to acquire property so the Permanent School Trust Fund is provided with compensation for those Department of Natural Resources (DNR) policies or designations that prohibit revenue generation, as required by Minnesota Statutes, section 84.027, subd. 18.

Project Description

This project is to acquire school trust fund lands to provide compensation for the approximately 75,500 acres of school trust lands that are in designated DNR management units that prohibit revenue generation. DNR also maintains 206 water access sites on school trust lands that currently do not provide long-term economic return to the Permanent School Trust Fund. The table below depicts the preliminary value estimates for each management unit type.

Revenue Restriction	Acres/Site	Per Acre Value	Total Estimated Value
Old Growth	20,000 acres	$900/acre	$18,000,000
WMA	4,500 acres	$900/acre	$4,050,000
Water Access Sites	206 sites	$150,000/site	$30,900,000
Peatland SNAs	51,000 acres	$500/acre	$25,500,000
		TOTAL	**$78,450,000**

This $20 million request will permit the DNR to begin the compensation plan required by Minnesota Statutes, section 84.027, subd. 18. By providing compensation for these natural resource and recreation values, the DNR will begin to fulfill its fiduciary responsibility to the Permanent School Trust Fund while maintaining sound natural resource and conservation principles.

Priority areas would include WMA's within the Mississippi Headwaters region and the Lake Agassiz Beach Ridge Area.

Project Rationale

The DNR, on behalf of the State of Minnesota, administers the 2.5 million acres of school trust lands. DNR is charged with securing the maximum long-term economic return from the school trust lands through revenue generation activities consistent with sound natural resource conservation and management principles. A number of DNR policies and designations prohibit revenue generation on school trust lands. In addition, the statutorily created Peatland Scientific and Natural Areas

managed by the DNR prohibit revenue generation.

The project will target 1) trust fund lands currently within WMAs that have high wildlife value beach ridge habitats; and 2) Water access sites. The project would reimburse the trust for the market value of the lands. About $80 million is needed to compensate the trust by July 1, 2018.

Other Considerations

Funding should be distributed across the agency's capital requests to further programmatic goals.

Minnesota Statutes, section 92.121 requires that the DNR *exchange* school trust lands managed in Old Growth Forests, Wildlife Management Areas, and Scientific and Natural Areas, among others when income generation has been diminished or is prohibited as a result of DNR management practices.

Minnesota Statutes, section 84.035 subd. 9 states that the DNR either "acquire by *exchange or eminent domain* the surface interests, including peat, on trust fund lands contained in peatland scientific and natural areas established in subdivision 4."

Impact on Agency Operating Budgets

There will be minimal impact on operating budgets.

Description of Previous Appropriations

There are no previous appropriations for this request.

Project Contact Person

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Governor's Recommendation

The Governor does not recommend capital funding for this request.

($ in thousands)

School Trust Fund Land Acquisition

PROJECT FUNDING SOURCES

Funding Source	Prior Years	FY 2016	FY 2018	FY 2020
State Funds Requested				
General Obligation Bonds	$ 0	$ 20,000	$ 60,000	$ 0
Funds Already Committed				
Pending Contributions				
TOTAL	**$ 0**	**$ 20,000**	**$ 60,000**	**$ 0**

TOTAL PROJECT COSTS

Cost Category	Prior Years	FY 2016	FY 2018	FY 2020
Property Acquisition	$ 0	$ 20,000	$ 60,000	$ 0
Predesign Fees	$ 0	$ 0	$ 0	$ 0
Design Fees	$ 0	$ 0	$ 0	$ 0
Project Management	$ 0	$ 0	$ 0	$ 0
Construction	$ 0	$ 0	$ 0	$ 0
Relocation Expenses	$ 0	$ 0	$ 0	$ 0
One Percent for Art	$ 0	$ 0	$ 0	$ 0
Occupancy Costs	$ 0	$ 0	$ 0	$ 0
Inflationary Adjustment	$ 0	$ 0	$ 0	$ 0
TOTAL	**$ 0**	**$ 20,000**	**$ 60,000**	**$ 0**

IMPACT ON STATE OPERATING COSTS

Cost Category	FY 2016	FY 2018	FY 2020
IT Costs	$ 0	$ 0	$ 0
Operating Budget Impact ($)	$ 0	$ 0	$ 0
Operating Budget Impact (FTE)	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS

	Amount	Percent of Total
General Fund	$ 20,000	100 %
User Financing	$ 0	0 %

STATUTORY REQUIREMENTS	
The following requirements will apply to projects after adoption of the bonding bill.	
M.S. 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)	No
M.S. 16B.335(3): Predesign Review Required (by Dept. of Administration)	
Does this request include funding for predesign?	N/A
Has the predesign been submitted to the Department of Administration?	N/A
Has the predesign been approved by the Department of Administration?	N/A
M.S. 16B.325(1): Sustainable Building Guidelines Met	N/A
M.S. 16B.325(2) and M.S. 16B.335(4): Energy Conservation Guidelines	
Do the project designs meet the guidelines?	N/A
Does the project demonstrate compliance with the standards?	N/A
M.S. 16B.335(5 & 6): Information Technology Review (by MN.IT)	N/A
M.S. 16A.695: Public Ownership Required	Yes
M.S. 16A.695(2): Use Agreement Required	No
M.S. 16A.695(5): Program Funding Review Required (by granting agency)	N/A
M.S. 16A.86 (4b): Matching Funds Required	N/A
M.S. 16A. 642: Project Cancellation in 2021	Yes
M.S. 16A.502 and M.S. 16B.31 (2): Full Funding Required	Yes
M.S. 174.93: Guideway Project	
Is this a Guideway Project?	No
Is the required information included in this request?	N/A