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# A Summary of The Legislature's 2006 Capital Budget Bill

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*This paper summarizes the Capital Budget passed by the 2006 Legislature. Part one provides an overview of the capital budget. Part two provides details of the enacted bill organized according to the jurisdictions of the House of Representatives' fiscal committees.*

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Fiscal Analysis Department  
Minnesota House of Representatives

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# Capital Budget Overview

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The close of the 2006 legislative session brought the passage of another major capital budget bill. Following on the heels of a \$945 million capital budget bill from the 2005 session, the legislature passed a capital bill just a few thousand dollars shy of \$1 billion from all funding sources. General obligation bond spending, or bonds supported by the state's general fund, totaled \$956 million. Dollars will be used to fund capital projects throughout the state in a wide variety of uses.

Planning estimates (included in the February 2006 forecast) for the 2006 bonding bill set aside sufficient debt service for \$560 million in general obligation bonding in the forthcoming legislative session. The Governor had recommended a smaller \$844 million in total spending with \$811 million financed by general obligation bonds. An increase in debt service of \$6.8 million for the FY 2006-07 biennium will be necessary to meet the additional obligation of the legislature's bill.

**Table 1**

<b>2006 Capital Budget Bill</b>	
<i>(dollars in thousands)</i>	
<b>Finance Area</b>	<b>Recommended Spending</b>
<b>New Projects:</b>	\$20,785
K-12 Education	\$307,163
Higher Education	\$185,814
Economic Development	\$177,766
Environment	\$163,600
Transportation	\$19,229
State Government	\$70,411
Health and Human Services	\$62,065
Judiciary Finance	(\$7,800)
Cancellation	\$947
Bond Sale Expenses	<b>\$999,980</b>
<b>Total</b>	

The passage of a second consecutive large capital budget will put the state at 2.89% of non-dedicated general fund revenues when it comes to measuring ourselves against the 3% guideline. Debt capacity will allow for a \$135 million bill during the 2007 legislative session.

Between now and 2007, the state will have two planned bond sales. One scheduled to take place on July 18 to sell \$340 million, and another likely in October to sell an additional \$370 million. Interest rates are estimated to be in the 4.5 - 4.7% range for these sales.

## Debt Capacity

Minnesota's debt capacity is an estimation of how much the state can borrow, projected for the current year or biennium. During the state financial crunch of the late seventies, the state's bond rating fell from a "AAA" rating, the highest possible rating, to a "AA" rating. Bond ratings denote the financial strength of the borrower. A highly rated bond is a safer investment, but brings a lower rate of return to the investor. Because the lower bond rating signifies a riskier investment, it carries a higher rate of return for the investor. A drop to "AA" rating caused the state to pay a higher rate of interest on its' bonds and reduced the amount that the state could afford to borrow.

During the end of the Perpich administration and throughout the Carlson administration, the governors worked with the Department of Finance to establish a debt management policy to restore the state's AAA rating. Several strict policies were adopted to manage debt and keep limits on spending. Even though the policies were put into place in late 1979, it was not until 1997 that the AAA rating from all three rating agencies, Moody's, Fitch, and Standard and Poor, had been restored. The state had spent millions in higher debt costs over the seventeen year period due to the lower rating, but the debt management policies and a strong Minnesota economy helped the state once again attain the AAA rating.

Of all the debt management guidelines, the most commonly known policy is referred to as the "three percent guideline". This rule states that the appropriation for general fund debt service shall not exceed three percent of non-dedicated general fund revenues in a biennium. Simply stated, the policy dictates that up to three percent of non-dedicated general fund revenues can be used to make payments on money the state borrows, giving the state a self imposed credit limit.

Minnesota currently has \$3.6 billion in outstanding general obligation bonds. The payments on previously issued debt currently consumes 2.5% of general fund revenues. The Department of Finance then calculates the maximum capacity, or how much the state can borrow and prevent the payments on those bonds from consuming more than three percent of general fund revenues.

Given the current economic slowdown, Minnesota's maximum debt capacity has shrunk from one year ago. Our state's debt capacity peaked at about \$1.2 billion per biennium, but now has decreased to slightly over one billion per biennium.

Though the state still carries a AAA rating from Fitch and Standard & Poor, Moody's has slightly downgraded the rating to Aa1. The downgrade was due to mainly to Minnesota's deficit problems and sluggishness of the state's economy. Rating agencies look at several factors when assessing credit worthiness, such as maintaining structural balance into the future and budget reserve accounts. If the ratings are downgraded further, future costs would increase

*For further information on Capital Budget issues contact John Walz at 296-8236 or [John.Walz@house.leg.state.mn.us](mailto:John.Walz@house.leg.state.mn.us)*

# Education

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Highlights for spending on education related projects include:

## **Perpich Center for Arts Education**

- \$1.1 million for asset preservation designated for a sewer line, HVAC improvements in the east half of the main school building, roof replacement on the east half of the main building, and sidewalk and road repairs. \$525,000 of this amount is for demolition of the Beta Building, a storage building which in its present state cannot be entered.

## **Department of Education**

- \$10.7 million for a capital loan for the Nett Lake School District to design, construct, furnish, and equip renovation of the elementary school and construction of a new facility to house Head Start, day care, youth programs, a community medical clinic, and an elementary school.
- \$1.0 million for library improvement grants to be used to improve public library facilities or improve access to those facilities.
- \$5.0 million for the city of Minneapolis for the design and construction of a new building for the McPhail Center for Music. The grant must be matched by at least \$15.0 million in nonstate funding.
- \$500,000 for Early Childhood Learning and Child Protection Facilities grants. These facility rehabilitation grants, provided through the department of Human Services, can not exceed \$75,000 per program or \$200,000 per facility.

## **Minnesota State Academies**

- \$2.5 million for asset preservation at both the Minnesota State Academy for the Blind and the Minnesota State Academy for the Deaf. Projects included in this recommended amount include roof replacement, sidewalk replacement, road repair, tunnel repair, a drainage system and air quality improvements.
- \$25,000 to begin to design the extensive renovation of Frechette Hall, which is the boy's residence hall on the Deaf campus of the Academies. The building, constructed in 1967, needs a new electrical system, a new HVAC system, new windows, plumbing upgrades, removal of a fireplace and sunken seating area and addition of an indoor recreational space.



# Higher Education

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The 2006 Capital budget bill, (Laws of 2006, Chapter 258) includes \$307.2 million in appropriations for \$349.9 million in repair and major building projects for higher education. As has become customary, Minnesota's higher education institutions pay for a portion of the costs of new facilities (other than HEAPR) through their operating budgets. Both MNSCU and the University of Minnesota pay for one third of the cost of non-HEAPR projects. Appropriations for University of Minnesota projects (except HEAPR) are equal to two thirds of the total cost of the project and the University issues its own debt to complete the project financing. Appropriations for MNSCU projects are for the entire cost and MnSCU repays the state one third of the debt service payment from its operating funds.

## Minnesota State Colleges and Universities

For the Minnesota State Colleges and Universities Chapter 258 include a total of \$191.4 million for repair, maintenance and major building projects. The State would pay \$141.1 million of the costs and the Minnesota State Colleges and Universities would be responsible for \$50.34 million in debt service. Specific appropriations in Chapter 258 to MnSCU include the following:

- \$40 million for Higher Education Asset Preservation and Renewal (HEAPR). The statutory definition of HEAPR projects (M.S. 135A.046) includes code compliance, Americans with Disabilities Act requirements, hazardous materials abatement, access and air quality improvements, building or infrastructure repairs to preserve the interior or exterior of existing buildings, and renewal to support the existing programmatic mission of the campuses. Debt service is not assessed to the system on HEAPR appropriations.
- \$32.9 million at Minnesota State University Mankato for construction of an addition to the Trafton Science Center including renovation of part of the existing structure. Phase 2 of this project, which will renovate the rest of the existing structure, will be requested in 2008.
- \$19.9 million at Century Community and Technical College for construction of a new science instruction and Learning Resource Center. This project will replace outdated labs and consolidate two libraries into one facility.
- \$18.9 million at Minneapolis Community and Technical College for renovation of an existing facility into a new allied health training center and new lab and classroom facilities. This project also renovates existing science labs into general classroom space.
- \$14 million at St. Cloud State University for construction of an addition to the Robert H. Wick Science Building and renovation of 12,000 gross square feet of the existing facility.
- \$11.2 million at Winona State University for total renovation of Maxwell Hall. The facility was originally built as a library but will be reconstructed as classroom space, faculty offices, academic support services space and will house the National Child Protection Training Center.

- \$3.4 million at St. Cloud Technical College to purchase an adjacent building and parking lot.
- \$5.14 million for renovation of science and applied technology labs at 10 campuses system wide.
- \$5.125 million at Normandale Community College for construction of a classroom and lab addition to the Fine Arts building and renovation of part of the existing facility. This project will also design the phase 2 addition and renovation of the Health and Wellness building. Phase 2 funding will be requested in 2008.
- \$4.855 million at Minnesota State College-Southeast Technical College- Red Wing for renovation of student services, library, information technology, customized training, instrument repair and college entry space
- \$3 million at St Paul College to design the renovation of applied technology and trade labs and shops and to replace the electrical system.
- \$700,000 at Bemidji State University to design an addition to the Sattgast Hall science facility as well as renovation of the existing facility and demolition of the Peters aquatic lab building.
- \$12.4 million at Fond Du Lac College to construct a Library and Cultural Center.
- \$9.7 million at Moorhead State University to renovate MacLean Hall.
- \$4.5 million at St. Cloud State University to renovate Riverview Hall.
- \$400,000 at Alexandria Technical College to design a law enforcement training facility.
- \$1.6 million system wide for demolition projects.
- \$700,000 at Inver Hills Community College to design a new classroom addition and renovation of the Fine Arts building.
- \$420,000 at Lake Superior College to design a health and science center and to renovate existing space.
- \$300,000 at Metropolitan State University to design new smart classroom space and offices in the old power plant
- \$350,000 at Metropolitan State University to design a law enforcement training facility to be located at Hennepin Technical College.
- \$300,000 to Moorhead State University to design an addition and renovation of Lommen Hall.
- \$700,000 at North Hennepin Community College to design an addition to the Business and Technology building and renovations to the Career and Continuing Education building.
- \$600,000 at Northland Community and Technical College, East Grand Forks to design an addition and renovation including labs and boiler space.
- \$300,000 at Mesabi Range Community and Technical College to design shop space and various renovations.
- \$400 at Winona State University to design and addition to Memorial Hall. This design maybe increased to \$785, 000 with private funds.

In addition, Chapter 258 allows the MnSCU Board of Trustees to use any unspent appropriations for HEAPR purposes.

## University of Minnesota

For the University of Minnesota Chapter 258 includes a total of \$115.7 million for repair, maintenance and major building projects. The University would be responsible for an additional \$42.7 million in cost related to these projects. Specific appropriations for the University of Minnesota in Chapter 258 include the following:

- \$30 million for Higher Education Asset Preservation and Renewal (HEAPR). The statutory definition of HEAPR projects (M.S. 135A.046) includes code compliance, Americans with Disabilities Act requirements, hazardous materials abatement, access and air quality improvements, building or infrastructure repairs to preserve the interior or exterior of existing buildings, and renewal to support the existing programmatic mission of the campuses. Debt service is not assessed to the system on HEAPR appropriations.
- \$26.6 million to design and construct a new facility to expand the Carlson School of Management on the Twin Cities Campus.
- \$15.3 million to construct a new facility for the Labovitz School of Business on the Duluth campus.
- \$40 million for design and construction of a new Medical Biosciences building on the Twin Cities campus including necessary utility upgrades.
- \$3.5 million for improvements at various University Research Centers including: \$500,000 for housing facilities at the Cedar Creek Natural History Area; \$500,000 for classroom and administrative facilities at the Cloquet Forestry Center; and \$2.5 million at the West Central Experiment Station to construct a wind to hydrogen to anhydrous ammonia facility.
- \$300 for renovation of the Wilmar Poultry Testing Laboratory.

Additional provisions of Chapter 258 request the Board of Regents to continue to lease 105 acres of land in Rosemount to Dakota Technical College for 2 years for \$54,000 per year. Chapter 258 also allows the Board of Regents to use any unspent amounts from capital appropriations for HEAPR.

Another bill, Chapter 247 provides up to \$10.25 million per year from the state General Fund, beginning in Fiscal Year 2008 and continuing for up to 25 years for the construction of a new on-campus football facility. The facility will cost approximately \$248 million and the University will issue its own debt for the project. The state's General Fund payment is debt service for a maximum of \$137.25 million in bonds for the stadium

*For further information on Higher Education issues contact Doug Berg at 296-5346 or [Doug.Berg@house.mn](mailto:Doug.Berg@house.mn)*



# Health and Human Services

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Laws 2006, Chapter 258 authorizes capital projects in the area of Health and Human Services totaling **\$70.4 million** solely from general obligation bonds. This represents 7 percent of the total bonding package of \$999.98 million and 7.5 percent of \$948.64 million from general obligation bonds. Of the total \$70.4 million in bonding for the Health and Human Services area, \$41.3 million is for a Department of Human Services capital project for phase I of a project to expand the Moose Lake campus facilities for the Minnesota Sex Offender Program.

## Department of Human Services

Chapter 258 includes \$58.3 million for the following six capital projects in the Department of Human Services (DHS):

### *MSOP – Moose Lake Facilities*

- **\$41.3 million** for phase one to expand program capacity for the Minnesota Sex Offender Program (MSOP) at the Moose Lake program site due to increased referral and commitment projections in the MSOP population. Funding for phase one of the project is to construct, furnish, and equip additional residential, program, and ancillary service facilities for the MSOP. This request is to develop new secure treatment space to accommodate 400 additional new patients at the MSOP facility at Moose Lake. This project is estimated to increase agency-operating costs by \$16.8 million in FY 2008-09 and by \$67 million in FY 2010-2011. The agency requested an additional \$3.2 million for designing and developing phase two if the expansion not including in the final Omnibus Bonding bill. The total agency request for phase one of the MSOP Moose Lake expansion is \$44.6 million.

### *Other Statewide Projects*

- **\$5 million** for system-wide campus redevelopment, reuse, and demolition costs at the State's regional treatment centers to maintain and preserve the integrity of these facilities. The funding will cover demolition, redevelopment, and reuse costs at the Ah-Gwah-Ching Center, Brainerd Regional Human Services Center, and Fergus Falls Regional Treatment Center. The total agency request for system-wide campus redevelopment, reuse, and demolition is \$7 million.
- **\$5 million** for a two-phase system-wide safety and security improvement/upgrades to State Operated Services (SOS) campus-based facilities that provide secure programs. The funds are for phase one of the safety and security upgrades and will focus on the St. Peter RTC campus. The Department plans to request additional funds for phase two of the safety and security upgrades that will focus on the Anoka Metro RTC, the Minnesota Extended Treatment Option (METO) programs at Cambridge, the MSOP at Moose Lake, and the completion of the projects for the St. Peter RTC. The total agency request for asset preservation is \$2.5 million.
- **\$3 million** to finance system-wide asset preservation projects at select RTC locations. Funds for the project will cover repair, replacement, and renewal needs specific to the operations of

each regional treatment centers. The total agency request for asset preservation is \$4 million.

- **\$2.5 million** for a new program/activity building on the lower campus of the St. Peter Regional Treatment Center (RTC) for patients served by the Minnesota Security Hospital (MSH) programs. The funds will cover designing, construction, furnishing, and equipment for the new building on the St. Peter campus.
- **\$1.5 million** for system-wide roof repair and replacement needs for the Department's SOS facilities at the Anoka Metro RTC, Brainerd Regional Human Services Center, the METO at Cambridge, the MSOP at Moose Lake, and the St. Peter RTC.

## Veterans Homes Board

Chapter 258 includes \$12.1 million for six capital projects for the Veterans Homes Board:

- **\$6.0 million** for agency-wide asset preservation activities including: replacement of exterior envelope components, roof replacement, tuck-pointing, sanitary sewer repairs, mechanical and electrical updates, and resident bathroom and central shower updating. Funds for asset preservation will cover activities at the Minneapolis, Hastings, Luverne, Silver Bay, and Fergus Falls campuses. The total agency request for agency-wide asset preservation is \$10 million.
- **\$2.5 million** for the Minneapolis Veterans home campus to upgrade the emergency power system for all patient buildings. The upgrades to the emergency power system will resolve the compliance issues identified by the State Fire Marshall, Board of Electricity, State of Minnesota Codes Division, and OSHA. This project qualifies for the State Home Construction Grant program administered by the U.S. Department of Veterans Affairs (USDVA) that provides 65 percent reimbursement for project costs once the State has appropriated its portion (35 percent).
- **\$1.7 million** for phase one of the Silver Bay veterans' home master plan. The funds are for renovation of the existing space and a structural building addition to the nursing care facility. This project qualifies for the 65 percent USDVA reimbursement. The total agency request for the Silver Bay master plan is \$4.9 million.
- **\$700,000** for phase one of the supportive housing project at the Hastings campus for the design and construction of 30 units of permanent supportive housing for veterans with disabilities on the Hastings campus. All residents will be able to live on the own but will be provided with supportive services. This project qualifies for the 65 percent USDVA reimbursement. The total agency request for the Hasting supportive housing project is \$7 million.
- **\$599,000** for the balance of the funding for the Dementia Unit/Wander Area project in Luverne. The funds will cover a structural building addition to the nursing care facility that would contain Alzheimer's/Dementia (A/D) day programming. The State has already made a 35 percent funding commitment to qualify for USDVA reimbursement for this project in the 2005 capital investment bill.
- **\$637,000** for construction of a 21-bed special care unit in Fergus Falls. This facility is meant to address increased demand for services, particularly for the needs of its A/D residents. The

balance of the agency's full request for the project, \$7.1 million, is included in the planning estimates for 2008. This project qualifies for the 65 percent USDVA reimbursement. The agency estimates this will increase operating costs by requiring 31 additional FTEs and other program and building-related expenses.

*For further information on Health and Human Services finance issues contact **Marie Zimmerman** at 651-296-7171 or [marie.zimmerman@house.mn](mailto:marie.zimmerman@house.mn)*



# Public Safety

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The Legislature approved capital projects in the Public Safety area totaling \$61.065 million. All the funding is for the Department of Corrections. Last years bonding appropriation for the Department was \$117.072 million. The new funding is for the following six projects:

- \$27.993 million for the Minnesota Correctional Facility in Fairbault to construct one new 416 bed housing unit that would result in a net increase of 181 new beds at the facility. This would also include renovating a living unit into a long-term care unit, adding program space and demolishing one unit. This is the number one priority for the Department. This is phase two. Phase one was funded at \$84 million. The Department is projecting a lower per diem at Fairbault as a result of the increase in beds.
- \$19.58 million for the Minnesota Correctional Facility in Stillwater to construct a new 150-bed segregation unit. This increases the capacity of Stillwater by 150 beds. There was an appropriation of \$3.5 million in the 2005 bonding bill for the beginning of this project.
- \$5.375 million to add 92 beds to the Minnesota Correctional Facility at Shakopee. This is the facility for female prisoners.
- \$2.494 million for renovation of an existing building to consolidate and provide additional space for health services at the Minnesota Correctional Facility at Lino Lakes.
- \$623,000 for a vocational building at the Red Wing facility.
- \$5 million for asset preservation projects throughout the corrections system. This includes emergency lighting, roof replacement, window replacement, tuckpointing, and asbestos removal.

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# Agriculture, Environment and Natural Resources

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The enacted 2006 capital budget recommendations contained in Chapter 258 appropriates \$177.8 million for environment, natural resources and agriculture related projects.

<b>Agriculture &amp; Environment Bonding Appropriations</b>	
(\$'s in thousands)	
Dept. of Agriculture	\$1,500
Dept. of Natural Resources	\$100,704
Pollution Control Agency	\$17,300
Water and Soil Resources Board	\$7,900
Minnesota Zoological Garden	\$15,000
Metropolitan Council(parks and trails)	\$35,362
<b>Total</b>	<b>\$177,766</b>

The specific projects funded for the agriculture and environment and natural resources area by agency includes:

## Department of Agriculture

- **Joint biosafety laboratory facility.** The appropriation of \$1.5 million is for the outfitting of the joint Department of Agriculture/Department of Health laboratory space to meet more stringent requirements of containment. Specific expenditures would include specialized air and effluent treatment systems.

## Department of Natural Resources

- **Flood hazard mitigation grants.** \$25 million is for state cost sharing grants to local units of government to implement measures that reduce or eliminate future flood damages.
- **Dam repair.** \$2.250 million is for dam repair, reconstruction and removal projects.
- **RIM wildlife area land acquisition.** \$14 million is to acquire land for addition to public wildlife management areas.
- **Large scale forest conservation easements.** \$7 million is to acquire forest land conservation easement in conjunction with the forest legacy program.
- **State park infrastructure rehabilitation and natural resource restoration.** \$3 million is to be used for rehabilitation of aging and failing park non-building infrastructure.
- **State park building construction and rehabilitation.** \$3 million is for construction and rehabilitation projects on buildings within the park system.
- **Fisheries acquisition and improvement.** \$2 million is to acquire aquatic management area parcels, and to make improvements to aquatic management areas.
- **State land reforestation.** \$4 million would be used to complete reforestation of state forest lands after harvest operations.
- **State forest land acquisition.** \$1 million is to acquire private lands within state forest boundaries.

- **State park acquisition.** \$3 million is to acquire private land within state park boundaries.
- **Scientific and natural areas.** \$2 million is to be used to acquire and develop SNA's statewide.
- **Water access.** \$3 million is for acquisition and construction of boat access sites, fishing piers and shore fishing sites.
- **State trails acquisition, rehabilitation and repair.** \$10.811 million is to acquire, develop and rehabilitate parcels of the state trail system.
- **Stream protection and restoration.** \$2 million is to complete restoration projects on state waters.
- **Native prairie easements and development.** \$1 million is for acquisition and development of native prairie plant parcels.
- **Waterfowl habitat structures.** \$1 million is to upgrade or replace water control structures related to habitat on public lands and waters.
- **Fish hatchery improvements.** \$1 million is for completing improvements to DNR fish hatchery facilities.
- **Asset preservation.** \$2 million is to be used for maintenance and repair projects in existing DNR facilities statewide.
- **State park camper cabins.** \$2 million is to construct approximately 75 rustic camper cabins in state parks.
- **Lake Superior harbors.** \$3 million is for capital improvements to public accesses and small craft harbors on Lake Superior.
- **Regional trails.** \$1.133 million is for grants to local units of government for the development of regional trails.
- **Trail connections.** \$2.010 million is for grants to local units of government to construct connecting trails to portion of the state trail system.
- **Metro Greenways.** \$500,000 is for grants to local units of government for acquisition or development of greenways in the metro region.
- **Local initiative grants.** \$2 million is for grants to units of local government to acquire and better parks and recreation areas.
- **Forest road and bridges.** \$1 million is for reconstruction and betterment of state forest roads and bridges.
- **Prairie Wetlands ELC.** \$2 million is for a grant to the city of Fergus Falls to expand the Prairie Wetlands Environmental Learning Center.

## Pollution Control Agency

- **Closed landfill program.** \$10.8 million is to design and construct remedial systems at publicly owned mixed municipal solid waste landfills.
- **Capital assistance grants.** \$4 million is for Capital Assistance Grants. These grants to local communities fund construction of facilities that promote composting, reduce waste, promote recycling, and produce energy from incinerating waste.

- **Koochiching gasification facility.** \$2.5 million is for a grant to Koochiching County to be used in the development of a plasma torch gasification facility to convert municipal solid waste into energy.

## Water and Soil Resources Board

- **Local government road wetland replacement.** \$4.2 million of bonding is to replace wetlands lost to improvements made to public transportation projects. \$700,000 is from the general fund and is for the administrative costs of the program.
- **Streambank and lakeshore erosion control.** \$1 million is for grants to soil and water conservation districts for projects through the state cost share program.
- **Minnesota River Area 2.** \$500,000 is for grants to local governments in the Minnesota River basin to be used for floodwater retention systems improvements.
- **Grass Lake improvements.** \$2.2 million is for restoration projects at Grass Lake in Kandiyohi County.

## Minnesota Zoological Gardens

- **Zoo master plan construction.** \$7.5 million is for rehabilitation and addition of exhibits at the zoo.
- **Asset preservation.** \$7.5 million is for asset preservation projects at the zoo.

## Metropolitan Council

- **Metropolitan Regional Parks.** \$35.362 million is for the council's park capital improvements program, and for grants to local units of government. Funds are used to acquire and improve the metro regional parks system and specified local park and trail projects. The funds will be distributed by the council to the regional park operating agencies and to local units of government.

*For further information on Agriculture, Environment and Natural Resources issues contact Jim Reinholdz, House Fiscal Analysis Department at 651.296.4281, Jim.Reinholdz@house.mn.*



# Economic Development

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The Legislature approved capital projects in the Economic Development area totaling \$185.814 million.

## **Department of Employment & Economic Development: \$75.56 million**

- **State Matching Funds for Federal Environmental Protection Agency (EPA) Capitalization Grants:** \$38.8 million to provide state FY 2007 and 2008 matching funds for federal EPA grants for the Water Pollution Control Revolving Fund and Drinking Water Revolving Fund.
- **Wastewater Infrastructure Fund (WIF):** \$11.8 million for grants and loans to eligible municipalities under the wastewater infrastructure program established in Minnesota Statutes, section 446A.072. Of this amount, \$300,000 is a general fund appropriation for operating expenses related to the WIF program.
- **Greater Minnesota Business Development Public Infrastructure Grants Program:** \$5.85 million for the Greater Minnesota Business Development Public Infrastructure Grants Program to pay for public infrastructure improvements in support of private sector economic development or industrial park projects.
- **Redevelopment Grant Program:** \$8.2 million for the Redevelopment Grants program under Minnesota Statutes, section 116J.571.
- **Bioscience Business Development Public Infrastructure Grants Program:** \$2 million is for grants to political subdivisions to predesign, design, construct, furnish, and equip publicly owned infrastructure required to support bioscience development in Minnesota outside of the counties of Anoka, Carver, Dakota, Hennepin, Olmsted, Ramsey, Scott, and Washington.
- **WorkForce Center Repair:** \$600,000 to repair the North Minneapolis WorkForce Center.
- **Total Maximum Daily Load (TMDL) Grants:** \$5 million is for total maximum daily load grants under Minnesota Statutes, section 446A.073.
- **Clean Water Legacy:** \$3.31 million of which: (a) \$2.31 million is for the phosphorus reduction grant program, and (b) \$1 million is for the small community wastewater treatment fund for loans and grants.

## **Housing Finance Agency - \$19.5 Million**

- **Supportive Housing for Long-Term Homelessness:** \$17.5 million for permanent supportive housing loans and grants to construct, acquire and rehabilitate publicly owned permanent supportive housing units for families with children and individuals who are either experiencing homelessness or are at risk of becoming long-term homeless. The funds will be made available statewide through a competitive grant process.
- **Transitional Housing:** \$2 million is for loans or grants for publicly owned temporary or transitional housing.

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## Historical Society - \$5.572 Million

- **Historic Sites Asset Preservation:** \$3 million for asset preservation and facility repair at multiple locations within the Society's Historic Sites Network.
- **Historic Fort Snelling Museum and Revitalization:** \$1.1 million for design work connected to the Historical Society's plan to revitalize Historic Fort Snelling.
- **County and Local Historic Preservation Grants:** \$900,000 million for County and Local Historic Preservation Grants. Grant recipients must be public entities and must match state funds on at least an equal basis. The facilities must be publicly owned.
- **History Center Visitor Services Upgrades:** \$572,000 for History Center visitor services upgrades. The upgrades include: security enhancements, remodeling the Library Reading Room, and lighting system upgrades.

## Grants to Political Subdivisions - \$85.182 Million

- **Askov:** \$3 million to acquire land for, and to design, construct, furnish, and equip a new wastewater treatment facility and sewer and water extensions.
- **Big Fork, Darfur, Donaldson, Nerstrand, Palisade, Spring Hill, Strandquist, Tamarack, and Wolf Lake:** \$6,500,000 for corrective action on wastewater infrastructure systems built since 2000 with federal USDA Rural and Economic and Community Development money or Small Cities Development Program grant money that are problematic or failing.
- **Board of Trustees of the Minnesota State Colleges and Universities:** \$11 million to design, construct, furnish, and equip a multipurpose regional event center at Southwest Minnesota State University.
- **Bemidji:** \$3 million for the predesign, design and site development of a Regional Events Center.
- **Burnsville:** \$2.5 million to design, construct, furnish, and equip a water treatment facility.
- **Central Iron Range Sanitary Sewer District:** \$2.5 million to design, construct, and equip an expansion of wastewater treatment
- **Duluth:** \$600,000 to predesign, design, construct, furnish, and equip renovations to the Polar Shores exhibit at the Lake Superior Zoo.
- **Dunnell, Dumont, Henriette, Lewisville, McGrath, and Ostrander:** \$500,000 to cover necessary and appropriate costs over and above the money appropriated in Laws 2005, chapter 20, article 1, section 23, subdivision 3, paragraph (b) for wastewater infrastructure.
- **Hennepin County:** \$5 million for Phase II capital improvements to the Lowry Avenue corridor from Theodore Wirth Parkway to Girard Avenue in Minneapolis.
- **Itasca County:** \$12 million for public infrastructure needed to support a steel plant or an innovative energy project, or both.
- **LaCrescent:** \$1.4 million for public infrastructure made necessary by the reconstruction of a highway and a bridge.
- **Lake Township (Roseau County):** \$1.5 million to design, construct, furnish, and equip a wastewater treatment plant.
- **Lewis and Clark Rural Water System:** \$3.282 million for grants to the city of Luverne, city of Worthington Public Utilities, Lincoln-Pipestone rural water system, and Rock

County rural water system to acquire land, predesign, design, construct, furnish, and equip one or more water transmission and storage facilities.

- **Little Falls:** \$400,000 to design and construct capital improvements at the Little Falls Zoo.
- **Maplewood:** \$100,000 to complete restoration of the Bruentrup Farm.
- **Minneapolis:** \$11 million to construct, furnish, and equip the Shubert Theater and an associated atrium to create the Minnesota Shubert Performing Arts and Education Center.
- **Mountain Iron:** \$500,000 to prepare a site for and construct access roads and utilities for a sustainable and renewable energy industrial park.
- **Polk County:** \$250,000 to build approximately one mile of ten-ton road to provide access to a new ethanol plant.
- **Redwood-Cottonwood Rivers Control Area:** \$1.6 million to predesign, design, construct, and equip the reservoir reclamation and enhancement of the Lake Redwood Reservoir.
- **Rochester:** \$8 million for the Rochester Bioscience Development Center.
- **Roseville:** \$500,000 to predesign, design, construct, furnish, and equip the renovation of the John Rose Minnesota Oval.
- **St. Paul:** \$400,000 to design an Asian Pacific Cultural Center.
- **St. Paul:** \$7.5 million to design, construct, furnish, and equip the renovation of the Ordway Center for the Performing Arts.
- **Virginia:** \$600,000 to design, construct, furnish, and equip an access elevator and helipad to be located on the roof of the Virginia Regional Medical Center.
- **Willmar:** 500,000 to construct a dental clinic at the Rice Memorial Hospital to be operated collaboratively with the University of Minnesota School of Dentistry.
- **Winona:** \$250,000 to predesign facilities for the Shakespeare Festival as part of the riverfront redevelopment plan.
- **Worthington:** \$800,000 to remediate contaminated soil and redevelop the site of the former Campbell Soup factory.

*For further information on Jobs and Economic Development Issues, contact Ron Soderberg, House Fiscal Analysis Department at 651-296-4162 or [ron.soderberg@house.mn](mailto:ron.soderberg@house.mn)*



# State Government

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The Legislature approved capital projects in the State Government area totaling \$19.2 million.

## **Department of Administration (Admin)**

\$9.25 million in projects were approved for the Department of Administration. These include:

- \$4 million in GO bond financing for the Capital Asset Preservation and Replacement Account (CAPRA). CAPRA is a statewide fund for emergency repairs and unanticipated hazardous material abatement. The fund is administered by the Department of Administration on behalf of other state agencies.
- \$5 million for asset preservation projects in the 21 properties managed by the Plant Management division of the Department of Administration. Of this amount, \$150,000 is designated for repair of the Peace Officers Memorial on the Capitol grounds.
- \$100,000 for a Worker's Memorial on the Capitol grounds.
- \$150,000 for a Hmong Veterans statue in the capitol area.

## **Capitol Area Architectural Planning Board (CAAP Board)**

The Legislature approved \$2.4 million for the interior renovation of the Capitol. Funds will be used to renovate the dome of the Capitol, and to continue design work for additional restoration.

## **Department of Military Affairs**

The Legislature approved \$7.6 million in GO bond financing for five projects:

- \$4 million for asset preservation. The funds will be used for deferred maintenance projects at armories and training facilities. A 50 percent or 75 percent federal share, depending on the scope of the project, will match state funds.
- \$1 million for required life/safety repairs at National Guard training facilities across the state. Examples of required repairs include the replacement of fire and smoke alarm systems. The federal government will match state funds with a 75 percent federal share of the total costs, or \$3 million.
- \$1 million for lead abatement and conversion of indoor firing ranges in ten National Guard Training Community Centers. These indoor ranges are considered unsafe, and the Department plans to clean and convert the ranges to storage, classrooms and offices.
- \$1.4 million for ADA alterations to existing National Guard armory and training centers throughout the state. The federal government will match state funds with a 75 percent share, or \$4.2 million.
- \$150,000 for design of a new facility for Starbase Minnesota.

*For additional information on State Government finance issues, contact Helen Roberts at 296-4117 or [helen.roberts@house.mn](mailto:helen.roberts@house.mn)*



# Transportation Finance

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The 2006 Capital budget bill contained nearly \$164 million in transportation related projects, or slightly more than 16% of the \$1 billion financing package. Dollars were allocated to transit projects, local roads and bridges, rail and other transportation investments.

The cornerstone transportation project is a \$60 million appropriation to complete the state's participation in constructing the Northstar Corridor. The appropriation is in addition to the \$40 million appropriated by the legislature last session. The project also requires a total of \$43.8 million in local capital participation to complete the project. The Department of Transportation hopes to secure a total of \$142 million in federal dollars or roughly 50 percent of the total cost. The rail line will carry commuters from as far away as Big Lake into downtown Minneapolis and connect passengers with the Hiawatha light rail line.

The project is unique in that general obligation bonds will be used to finance a project that will be on privately held property. Generally, the state can issue general obligation bonds for capital improvements that are publicly owned and provide for a public purpose. Article XI, Section 5 of the Constitution of the State of Minnesota provides certain exceptions to this rule. One such exception states that bonds may be used, "to improve and rehabilitate railroad rights-of-way and other rail facilities whether public or private, provided that bonds issued and unpaid shall not exceed \$200,000,000 par value."

Major road related investment comes in the form of \$55 million for local bridge assistance. The program provides state money to match federal dollars to replace aging and deficient bridges throughout the state. Many of the structures are critical to local transportation but prove to be extremely expensive for local communities to fund. In general, local communities provide the approach work and the federal government pays for 80 percent of the bridge with a 20 percent match paid by these state bonds.

In addition, the bill also provided \$16 million for local road improvement grants to provide communities with dollars to replace critical road infrastructure and improve rural roads with poor safety records.

Other transportation related recommendations include;

## **Metropolitan Council**

- \$5 million to the Met Council for Cedar Avenue Bus Rapid Transit. The dollars would be used for additional engineering studies and immediate transit improvements.
- \$3.3 million for I-35 Bus Rapid Transit.
- \$7.8 million for the Central Corridor Transitway.
- \$3.5 million for rehabilitation of the Union Depot in downtown St. Paul. The depot is projected to serve as a major transit hub in the future.

## Department of Transportation

- \$55 million for local bridge matching funds to move bridge projects forward throughout the state.
- \$16 million for local road improvement grants to improve local route of regional significance where local communities have difficulty funding a crucial improvement to a regionally important route.
- \$60 million to complete state funding for the Northstar Corridor commuter rail project.
- \$5 million for various rail projects throughout the state.
- \$3 million to maintain port facilities throughout the state.

## Implications

The bill did not contain any funding for the Department of Transportation requests for a new headquarters building in Mankato or a request by Administration to replace granite panels on the MN/DOT building on the capitol complex. Both projects costs continue to increase with inflation.

The Department of Administration listed repair of the MN/DOT building facade as its top priority for this capital budget cycle. Due to deterioration of metal supports behind the façade, the granite panels have begun to break loose and fall from the building. Administration feels it is an important safety issue and must be repaired immediately. The request would be funded from trunk highway bonds.

The Mankato headquarters building has been a MN/DOT request since the 2002 capital budget cycle. The original request was for \$14 million to build a new facility. In the current request, the cost has risen to \$18.2 million over the last four years.

*For further information on Transportation related issues contact John Walz at 296-8236 or [John.Walz@house.leg.state.mn.us](mailto:John.Walz@house.leg.state.mn.us)*



**2006 Capital Budget**

Rep. Dan Dorman House Author, Sen. Keith Langseth Senate Author  
HF 2959

(all \$ in thousands)  
Conference Committee

AGENCY Project Title	Fund	Governor 2006	House 2006	Conference	Senate 2006
<b>58 DEPT. of EDUCATION</b>					
60 Nett Lake Facility Construction	GO	\$ -	\$ 4,000	\$ 10,700	\$ 10,700
61 Library Improvement Grants	GO	\$ -	\$ 2,000	\$ 1,000	\$ 1,000
62 MPLS MacPhail Music School	GO		\$ 5,000	\$ 5,000	\$ 1,000
63 Grant School Collaborative	GO	\$ -			\$ -
64 Early Childhood Facilities	GO			\$ 500	\$ 500
65 Red Lake Facility Construction	GO	\$ 10,000			\$ 15,000
66 Cooperative Facilities Grants	GO		\$ 5,000		
67					
68	Total	\$ 10,000	\$ 16,000	\$ 17,200	\$ 28,200
69					
70					
<b>71 MINNESOTA STATE ACADEMIES</b>					
72 Asset Preservation	GO	\$ 2,509	\$ 2,509	\$ 2,509	\$ 2,509
73 MSAD Frechette Renovation	GO	\$ 5,557		\$ 25	\$ 5,557
74 Roads and Parking	GO	\$ -			\$ -
75					
76	Total	\$ 8,066	\$ 2,509	\$ 2,534	\$ 8,066
77					
78					
<b>79 DEPARTMENT of NATURAL RESOURCES</b>					
80 Statewide Asset Preservation	GO	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
81 Flood Hazard Mitigation Grants	GO	\$ 9,000	\$ 19,230	\$ 25,000	
82 Albert Lea	GO				\$ 500
83 Austin	GO				\$ 5,260
84 Canisteo Mine	GO				
85 Crookston	GO				\$ 4,500
86 Delano	GO				
87 East Grand Forks	GO				\$ 4,000
88 Golden Valley	GO				
89 Grand Marais	GO				\$ 600
90 Granite Falls	GO				\$ 1,450
91 Inver Grove Heights	GO				\$ 200
92 Manston Slough	GO				\$ 1,500
93 Oakport	GO				\$ 4,000
94 Riverton	GO				\$ 230
95 Shell Rock	GO				
96 St Vincent	GO				\$ 430
97 Wild Rice	GO				\$ 1,500
98 Dam Repair	GO	\$ 2,000	\$ 3,000	\$ 2,250	\$ 2,000
99 Stream Protection	GO	\$ 2,000	\$ 2,000	\$ 2,000	\$ 1,000
100 Water Access and Fishing Piers	GO	\$ 3,000	\$ 3,000	\$ 3,000	\$ 2,000
101 Lake Superior Safe Harbors--Two Harbors	GO		\$ 2,000	\$ 3,000	\$ 3,000
102 Fisheries Acquisition and Improvement	GO	\$ 4,000	\$ 4,000	\$ 2,000	\$ 2,000
103 Fish Hatchery Improvements	GO	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
104 Wildlife Area Acquisition and Improvement	GO	\$ 15,000	\$ 17,000	\$ 14,000	\$ 10,000
105 Waterfowl Habitat	GO	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
106 Native Prairie Bank Easements	GO	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
107 SNA Acquisition and Development	GO	\$ 3,000	\$ 2,000	\$ 2,000	\$ 3,000
108 State Forest Land Acquisition	GO	\$ 4,000	\$ 1,000	\$ 1,000	\$ 1,000
109 Large Scale Forest Conservation Easements	GO	\$ 10,000	\$ 7,000	\$ 7,000	\$ 6,000
110 State Land Reforestation	GO	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
111 State Park and Rec Area Acquisition	GO	\$ 2,000	\$ 3,000	\$ 3,000	\$ 4,000
112 State Park Infrastructure Rehab	GO	\$ 3,000	\$ 3,000	\$ 3,000	\$ 6,000
113 State Park Building Rehab	GO	\$ 3,000	\$ 3,000	\$ 3,000	\$ 6,000
114 State Park Camper Cabins	GO/UF	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
115 Blufflands Chesterwoods	GO			\$ 350	\$ 350
116 Blufflands Preston	GO		\$ 300	\$ 300	\$ 300
117 Root River	GO		\$ 100	\$ 100	
118 Casey Jones	GO		\$ 500	\$ 500	
119 Cuyuna	GO		\$ 400	\$ 400	
120 Gateway trail	GO		\$ 750	\$ 750	
121 Gitchi Gami	GO		\$ 1,185	\$ 1,185	\$ 1,185
122 Glacial Lakes	GO		\$ 1,000	\$ 1,000	\$ 1,000
123 Goodhue Pioneer	GO		\$ 500	\$ 500	\$ 200
124 Heartland	GO			\$ 250	\$ 1,000

**2006 Capital Budget**

Rep. Dan Dorman House Author, Sen. Keith Langseth Senate Author  
HF 2959

(all \$ in thousands)  
Conference Committee

AGENCY	Fund	Governor 2006	House 2006	Conference	Senate 2006
Project Title					
125 Mill Towns	GO		\$ 1,800	\$ 1,000	\$ 750
126 Minnesota River	GO		\$ 226	\$ 226	\$ 250
127 Paul Bunyan	GO			\$ 1,500	\$ 1,000
128 Shooting Star	GO		\$ 750	\$ 750	\$ 750
129 State Trail Acquisition	GO	\$ 2,000	\$ 1,000	\$ 2,000	
130 Agassiz	GO			\$ 648	\$ 648
131 Xcel	GO			\$ 485	\$ 485
132 St Louis River	GO			\$ 500	\$ 500
133 Soo Line Trail Bridge	GO		\$ 260	\$ 260	\$ 250
134 Soo Line Trail head	GO			\$ 175	\$ 175
135 Soo Line Park and Ride	GO			\$ 125	\$ 125
136 Mesabi Trail	GO		\$ 950	\$ 950	\$ 950
137 Great River Ridge	GO				\$ 625
138 Metro Greenways	GO			\$ 500	\$ 1,000
139 Local Community Grants	GO	\$ -	\$ 2,000	\$ 2,000	\$ 1,000
140 Forest Roads and Bridges	GO	\$ -	\$ 1,500	\$ 1,000	
141 Prairie Wetland ELC	GO		\$ 2,000	\$ 2,000	
142 Big Bog	GO				\$ 1,600
143 Off Road Vehicle Rec Area	UF	\$ 1,500	\$ 1,500		\$ 1,500
144 Field Office Consolidation	GO	\$ -			
145 Buying Out Trust Fund Lands	GO	\$ 1,000	\$ 6,000		
146					
147	Total	\$ 75,500	\$ 102,951	\$ 100,704	\$ 96,813
148	GO	\$ 72,000	\$ 101,451	\$ 100,704	\$ 93,313
149	UF	\$ 3,500	\$ 1,500	\$ -	\$ 3,500
150					
151					
152					
153 <b>POLLUTION CONTROL AGENCY</b>					
154 Closed Landfill Bonding	GO	\$ 7,150	\$ 10,800	\$ 10,800	\$ 7,150
155 Capital Assistance Program	GO	\$ 4,000	\$ 5,000	\$ 4,000	\$ 4,000
156 Koochiching County Clean Energy Facility	GO	\$ 1,000	\$ 2,500	\$ 2,500	\$ 1,000
157					
158	Total	\$ 12,150	\$ 18,300	\$ 17,300	\$ 12,150
159					
160					
161					
162 <b>WATER and SOIL RESOURCES BOARD</b>					
163 Local Government Road Wetland Replacement	GF	\$ 700		\$ 700	\$ 700
164 Local Government Road Wetland Replacement	GO	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
165 Streambank, Lakeshore Erosion Control	GF	\$ -			
166 Streambank, Lakeshore Erosion Control	GO		\$ 2,500	\$ 1,000	
167 Study Area II	GO	\$ -	\$ 500	\$ 500	\$ 500
168 Grass Lake	GO	\$ -		\$ 2,200	\$ 2,200
169 Army Compatible Use Buffer	GO	\$ -			
170 RIM Reserve and CREP II	GF	\$ 4,750			
171 RIM Reserve and CREP II	GO	\$ 25,400	\$ 2,700		
172					
173	Total	\$ 34,350	\$ 9,200	\$ 7,900	\$ 6,900
174	GF	\$ 5,450	\$ -	\$ 700	\$ 700
175	GO	\$ 28,900	\$ 9,200	\$ 7,200	\$ 6,200
176					
177					
178					
179 <b>DEPARTMENT of AGRICULTURE</b>					
180 Joint Bio-Safety Lab	GO	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
181 Municipal Reforestation	GO	\$ -			\$ 5,000
182					
183					
184	Total	\$ 1,500	\$ 1,500	\$ 1,500	\$ 6,500
185	UF	\$ -	\$ -	\$ -	\$ -
186	GO	\$ 1,500	\$ 1,500	\$ 1,500	\$ 6,500
187					
188					
189 <b>MINNESOTA ZOOLOGICAL GARDENS</b>					
190 Asset Preservation	GO	\$ 8,000	\$ 8,000	\$ 7,500	\$ 8,000
191 Zoo Master Plan/ New Exhibit	GO	\$ 13,000	\$ 1,000	\$ 7,500	
192					
193					
194	Total	\$ 21,000	\$ 9,000	\$ 15,000	\$ 8,000

**2006 Capital Budget**

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HF 2959

(all \$ in thousands)  
Conference Committee

AGENCY Project Title	Fund	Governor 2006	House 2006	Conference	Senate 2006
195					
196					
197					
198	<b>ADMINISTRATION</b>				
198	Statewide CAPRA	GO \$ 5,000	\$ 5,000	\$ 4,000	\$ 4,000
199	Asset Preservation	GO \$ 5,862	\$ 5,862	\$ 5,000	\$ 4,000
200	Asset Preservation	GF \$ 330			
201	Workers Memorial	GO \$	\$ 50	\$ 100	\$ 400
202	Hmong Veteran's Statue	GO \$	\$ 150	\$ 150	
203	DOT Exterior	THB \$ 10,161			
204	Long Range Commuting Plan	SR \$ -			
205	Lease Savings Opportunities	GF \$ -			
206	Lease Savings Opportunities	GO \$ -			
207	Agency Relocation	GF \$ 200			\$ -
208	New State Office Building Predesign and Design	GO \$ -			
209	Stassen Freeman Tunnel	GO \$ -			
210					
211		Total \$ 21,553	\$ 11,062	\$ 9,250	\$ 8,400
212		GF \$ 530	\$ -	\$ -	\$ -
213		SR \$ -	\$ -	\$ -	\$ -
214		THB \$ 10,161	\$ -	\$ -	\$ -
215		GO \$ 10,862	\$ 11,062	\$ 9,250	\$ 8,400
216					
217					
218					
219	<b>CAAP BOARD</b>				
220	Capitol Building Restoration Phase I	GO \$ -	\$ 1,800	\$ 2,400	\$ 3,184
221		GF \$ -			\$ 2,916
222					
223		Total \$ -	\$ 1,800	\$ 2,400	\$ 6,100
224		GO \$ -	\$ 1,800	\$ 2,400	\$ 3,184
225		GF \$ -	\$ -	\$ -	\$ 2,916
226					
227	<b>MILITARY AFFAIRS</b>				
228	Asset Preservation	GO \$ 5,200	\$ 5,200	\$ 4,000	\$ 4,000
229	Facility Life Safety	GO \$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
230	Range Lead Abatement	GO \$ 1,029	\$ 1,029	\$ 1,029	\$ 1,029
231	Facility ADA Requirements	GO \$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400
232	Starbase MN	GO \$	\$ 150	\$ 150	
233					
234		Total \$ 8,629	\$ 8,779	\$ 7,579	\$ 7,429
235					
236	<b>PUBLIC SAFETY</b>				
237	Scott County Public Safety Training facility	GO \$	\$ 1,000	\$ 1,000	\$ 600
238					
239		Total \$ -	\$ 1,000	\$ 1,000	\$ 600
240					
241	<b>DEPARTMENT of TRANSPORTATION</b>				
242	Local Bridge Replacement	GO \$ 30,000	\$ 60,000	\$ 52,500	\$ 47,500
243	Hennepin County Lowry Ave Bridge	GO \$		\$ 2,500	\$ 2,500
244	Local Road Improvement Grants	GO \$ 10,000	\$ 22,500	\$ 15,300	\$ 10,900
245	Staples Overpass			\$ 700	
246	Town of White			\$ -	\$ 400
247	Northstar Commuter Rail	GO \$ 60,000	\$ 50,000	\$ 60,000	\$ 60,000
248	St Louis County Northeastern Rail Initiative	GO \$		\$ 1,300	\$ 2,575
249	MN Rail Service Improvement	GO \$ -	\$ 5,000	\$ 2,000	\$ 3,000
250	Glencoe Railroad Congestion Mitigation	GO \$		\$ 700	\$ 700
251	MN Valley Railroad Rehab Phase IV	GO \$		\$ 1,000	\$ 1,000
252	Port Development	GO \$ -	\$ 5,000	\$ 3,000	\$ 3,000
253	Greater MN Transit	GO \$	\$ 2,000	\$ 2,000	\$ 2,000
254	St Cloud Airport Land Acq	GO \$ 2,000		\$ 2,000	\$ 2,000
255	Mankato Headquarters	THB \$ 18,228			\$ -
256	Chaska Truck Station	THB \$ 6,949			
257	Arden Hills Training Center Addition	THB \$ -			
258	Maple Grove/Osseo Truck Station	THB \$ -			
259	MN High Speed Rail Initiative	GO \$			
260					
261		Total \$ 127,177	\$ 144,500	\$ 143,000	\$ 135,575
262		GO \$ 102,000	\$ 144,500	\$ 143,000	\$ 135,575
263		THB \$ 25,177	\$ -	\$ -	\$ -

**2006 Capital Budget**

Rep. Dan Dorman House Author, Sen. Keith Langseth Senate Author  
HF 2959

(all \$ in thousands)  
Conference Committee

AGENCY	Fund	Governor 2006	House 2006	Conference	Senate 2006
Project Title					
264					
265					
266					
267	GO	\$ 8,300	\$ 8,300	\$ 3,300	\$ -
268	GO	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
269	GO	\$ 2,500	\$ 2,500	\$ 7,800	\$ 5,000
270	GO			\$ 500	
271	GO			\$ 500	\$ 1,000
272	GO		\$ 1,000	\$ 3,500	\$ 6,250
273	GO	\$ 11,700	\$ 5,000	\$ 7,000	\$ 7,000
274	GO		\$ 300	\$ 300	\$ 300
275	GO		\$ 7,000	\$ 6,000	
276	GO		\$ 1,800	\$ 1,800	\$ 1,816
277	GO			\$ 3,500	\$ 3,500
278	GO			\$ 250	\$ 250
279	GO		\$ 2,500	\$ 2,500	\$ 2,500
280	GO			\$ 321	\$ 321
281	GO		\$ 10,000	\$ 9,000	\$ 9,000
282	GO		\$ 2,500	\$ 2,500	\$ 500
283	GO			\$ 2,000	\$ 2,000
284	GO		\$ 191	\$ 191	\$ 191
285					
286					
287	Total	\$ 27,500	\$ 46,091	\$ 55,962	\$ 44,628
288					
289					
290	GO	\$ 4,000	\$ 3,000	\$ 3,000	\$ 3,000
291	GO	\$ 44,580	\$ 41,321	\$ 41,321	\$ 41,321
292	GO	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
293	GO	\$ 2,500	\$ 2,500	\$ 5,000	\$ 2,500
294	GO	\$ 7,000	\$ 7,000	\$ 5,000	\$ 5,000
295	GO	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
296	GO	\$ 3,200			\$ 3,200
297					
298					
299	Total	\$ 65,280	\$ 57,821	\$ 58,321	\$ 59,021
300					
301					
302	GO	\$ -	\$ -		\$ -
303					
304	Total	\$ -	\$ -	\$ -	\$ -
305					
306					
307					
308					
309	GO	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
310	GO	\$ 637	\$ 637	\$ 637	\$ 2,695
311	GO	\$ -	\$ 6,953	\$ 700	
312	GO	\$ 599	\$ 599	\$ 599	
313	GO	\$ 2,457	\$ 2,457	\$ 2,457	\$ 2,457
314	GO	\$ -			
315	GO	\$ -		\$ 1,697	\$ 1,697
316	GO	\$ 5,331			\$ 1,866
317	GO	\$ -			
318	GO	\$ -			\$ 175
319					
320	Total	\$ 15,024	\$ 16,646	\$ 12,090	\$ 14,890
321					
322					
323					
324	GO	\$ 10,000	\$ 7,000	\$ 5,000	\$ 10,000
325	GO	\$ 27,993	\$ 3,000	\$ 27,993	\$ -
326	GO	\$ 2,494	\$ 2,494	\$ 2,494	\$ 2,494
327	GO	\$ -	\$ 6,230	\$ 623	
328	GO	\$ 5,375	\$ 5,375	\$ 5,375	\$ 5,375
329	GO	\$ 19,580	\$ 19,580	\$ 19,580	\$ 19,580
330	GO	\$ 4,922			
331					
332	Total	\$ 70,364	\$ 43,679	\$ 61,065	\$ 37,449

**2006 Capital Budget**

Rep. Dan Dorman House Author, Sen. Keith Langseth Senate Author  
HF 2959

(all \$ in thousands)  
Conference Committee

AGENCY	Fund	Governor 2006	House 2006	Conference	Senate 2006
Project Title					
333					
334					
335					
<b>EMPLOYMENT and ECONOMIC DEVEL.</b>					
336	GO	\$ 38,800	\$ 38,800	\$ 38,800	\$ 38,800
337	GO	\$ 15,000	\$ 23,000	\$ 23,000	\$ 20,000
338	GF	\$ 300		\$ 300	\$ 300
339	GO		\$ 2,500	\$ 2,500	
340	GO	\$ 7,500	\$ 15,800	\$ 5,850	\$ 10,000
341	GO			\$ 250	
342	GO			\$ 1,400	
343	GO			\$ 250	
344	GO	\$ 13,000	\$ 15,000	\$ 9,000	\$ 10,000
345	GO	\$ 10,000	\$ -		\$ 2,000
346	GO		\$ 8,000	\$ 8,000	
347	GO		\$ 4,700	\$ 2,000	
348	GO		\$ 3,700		
349	GO	\$ 600	\$ 1,004	\$ 600	\$ -
350	GO		\$ 3,000	\$ 5,000	\$ 5,000
351	GO		\$ 12,000	\$ 3,310	
352	GO	\$ 3,000	\$ 3,000	\$ 3,000	
353	GO		\$ 3,000	\$ 2,500	\$ 3,000
354	GO		\$ 600	\$ 600	\$ 200
355	GO	\$ 7,000	\$ 9,000	\$ 12,000	\$ 20,000
356	GO		\$ 3,317	\$ 3,282	\$ 3,200
357	GO		\$ 400	\$ 400	\$ 400
358	GO		\$ 5,000	\$ 5,000	\$ 5,000
359	GO		\$ 11,000	\$ 11,000	\$ 11,000
360	GO			\$ 500	\$ 500
361	GO		\$ 800	\$ 1,600	\$ 1,600
362	GO		\$ 500	\$ 500	
363	GO			\$ 400	\$ 500
364	GO			\$ 7,500	\$ 10,000
365	GO		\$ 12,000	\$ 11,000	
366	GO		\$ 750	\$ 600	\$ 750
367	GO			\$ 500	\$ 500
368					
369	Total	\$ 95,200	\$ 176,871	\$ 160,642	\$ 142,750
370	GF	\$ 300	\$ -	\$ 300	\$ 300
371	GO	\$ 94,900	\$ 176,871	\$ 160,342	\$ 142,450
372					
373					
374					
<b>HOUSING FINANCE AGENCY</b>					
375	GO		\$ 4,000	\$ 2,000	
376	GO	\$ 25,000	\$ 4,000	\$ 17,500	\$ 20,000
377	GO	\$ -			\$ -
378					
379	Total	\$ 25,000	\$ 8,000	\$ 19,500	\$ 20,000
380					
381					
382					
<b>MINNESOTA HISTORICAL SOCIETY</b>					
383	GO	\$ 4,000	\$ 4,000	\$ 3,000	\$ 4,000
384	GO	\$ 1,100		\$ 1,100	\$ 1,100
385	GO	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,150
386	GO	\$ 572	\$ 572	\$ 572	\$ 572
387	GF	\$ -			
388	GO	\$ -			\$ 300
389	GO	\$ -			\$ 685
390					
391					
392	Total	\$ 6,672	\$ 5,572	\$ 5,672	\$ 7,807
393	GF	\$ -	\$ -	\$ -	\$ -
394	GO	\$ 6,672	\$ 5,572	\$ 5,672	\$ 7,807

**2006 Capital Budget**

Rep. Dan Dorman House Author, Sen. Keith Langseth Senate Author  
HF 2959

(all \$ in thousands)  
Conference Committee

AGENCY Project Title	Fund	Governor 2006	House 2006	Conference	Senate 2006
395					
396					
397	GO				\$ 300
398	GO		\$ 1,000		
399	GO				\$ 100
400	GO	\$ 33,736	\$ 3,000		
401	GO				\$ 700
402	GO				\$ 2,500
403	GO				\$ 100
404	GO				\$ 5,000
405	GO				\$ 842
406	GO				\$ 1,500
407	GO		\$ 1,700		\$ 1,700
408	GO				\$ 6,300
409	GO				\$ 3,500
410	GO				\$ 300
411	GO				\$ 700
412	GO		\$ 320		
413	GO		\$ 850	\$ -	
414					
415					
416					
	Total	\$ 33,736	\$ 6,870	\$ -	\$ 23,542
417					
418					
419	GO	\$ 854	\$ 945	\$ 947	\$ 988
420	THB	\$ 32			\$ -
421					
422					
423	Total	\$ 886	\$ 945	\$ 947	\$ 988
424	GO	\$ 854	\$ 945	\$ 947	\$ 988
425	THB	\$ 32	\$ -	\$ -	\$ -
426					
427					
428		\$ -	\$ -	\$ 7,800	\$ -
429		\$ -	\$ -	\$ -	\$ -
430					
431					
432					
433					
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437					
438					
439					
440					
441					
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443					
444					
445					
446					
447					
448					
449					
450					
451					
452				\$ 6,779	
453				\$ 1,000	
454				\$ 7,779	
455					
456					
457					