

## Capital Budget, including Deferred Maintenance Review and Recommended Changes – November 2009 Update

### Members of Committee

John Adams, Finance- NDSU; Alvin Binstock, Finance-DSU; Mike Ellingson, Physical Plant-NDSCS; Roger Kluck, Physical Plant-MiSU; Rick Tonder, Physical Plant-UND; Laura Glatt and Cathy McDonald, NDUS

### Current Capital Funding Structure in Legislative Appropriation

- 1.) Capital assets: includes extraordinary repair base funding (formula driven) to be used for regular repair and maintenance and one-time major capital projects (systemwide prioritized list of new construction or major renovation)
- 2.) Deferred Maintenance: one-time funding for deferred maintenance projects

### Replacement Value and Related Base Funding for Maintenance

	Replacement Value of State Funded Facilities and Infrastructure	2009-11 <u>BASE</u> Funding for Regular Repairs and Maintenance
BSC	\$54.9 million	\$243,481
LRSC	\$21.2 million	\$43,662
WSC	\$25.5 million	\$86,475
UND	\$560.6 million	\$2,300,545
NDSU	\$368.8 million	\$1,692,226
NDSCS	\$137.4 million	\$753,332
DSU	\$58.4 million	\$383,690
MaSU	\$47.3 million	\$208,994
MiSU	\$124.9 million	\$596,870
VCSU	\$48.2 million	\$258,416
DCB	\$16.0 million	\$109,725
TOTAL	\$1,463.2 million	\$6,677,416

At 100% of formula, the OMB building and infrastructure formula would generate \$65.4 million per biennium. Using other industry standards, which suggest an investment of 2-3% of replacement value per year would result in \$29-\$44 million per year or \$58-\$88 million per biennium.

The NDUS's estimated outstanding deferred maintenance balance has typically exceeded \$100 million on state funded facilities. Industry experts suggest that every \$1 invested in timely regular repairs and maintenance helps avoid \$3 of major repairs later on.

While one-time appropriations for capital, for deferred maintenance and major capital projects (\$6 million in 07-09 and \$20 million 09-11) and major capital project funding (\$ 18.5 million in state/oil trust funding in 07-09 and \$72.95 million in state/ARRA/oil trust funding in 09-11) help to address deferred maintenance, it does not help to avoid added deferred maintenance and major repairs later.

## Summary Conclusions

- 1.) Distinguishing between deferred maintenance and extra-ordinary repairs has created separate appropriations and, therefore, created related separate accounting and reporting requirements.
- 2.) The two separate appropriations require expenditures to be allocated to deferred maintenance and/or extra-ordinary repairs, a distinction that is often difficult to make, and would likely vary between individuals and campuses.
- 3.) The deferred maintenance valuations are not seen as reasonable or believable, by some, due in part to the large dollar value; but, also because the outstanding balances do not seem to substantially decline over time.
- 4.) If campuses were to all of a sudden receive 100% of extra-ordinary repair formula funding, they likely would not be able to manage all of the related projects at one time. Thus, the focus should be on incremental, sustained formula funding base increases.
- 5.) Utilizing a common industry standard for repair and replacement funding would provide consistency and a common benchmark for funding across campuses and state government.
- 6.) The cost of an external evaluation of deferred maintenance across the NDUS to ensure consistency, accuracy and perhaps believability, may be cost prohibitive and would need to be updated periodically.
- 7.) In addition to funding for extraordinary repairs (regular repair and maintenance) and major capital project funding, the NDUS received specific one-time deferred maintenance appropriations in 2007-09 of \$6,000,000 and in 2009-11 of \$20,000,000.
- 8.) Currently, NDUS campuses are funded from about 5-18% of the OMB Building (for buildings over 5 years old, annual funding equivalent to 2% of building value) and Infrastructure formula (based on infrastructure type and related useful life and replacement cost). If regularly funded at or close to 100% of the formula amount, the System could eliminate and avoid deferred maintenance situations.
- 9.) The State could potentially be providing funds for projects that are part of the deferred maintenance backlog that would be better off demolished and/or replaced, since deferred maintenance funding is allocated based on deferred maintenance total valuations.
- 10.) Campuses that invest operating resources or funds from other sources into facility and infrastructure improvements should not be penalized in the allocation of deferred maintenance funds.

## Recommendations

- 1.) It should not be assumed that every campus would have a state-funded major capital project on the SBHE priority list each biennium, and furthermore, some campuses may have more than one project on the list, based on identified need. This is not intended to replace or substitute for the State Emergency Commission funding).
  - Every campus should continue to have an opportunity to present their needs and priorities.

- 2.) Create a fund at the system-level that the SBHE could allocate to campuses for urgent capital needs.
  - Will this potentially detract from funding campus-specific projects?
  - How do campuses respond to emergency situations in the absence of available resources? Emergency Commission funding is limited and spread across all of state government for both capital and operating emergency needs.
- 3.) Ensure that SBHE major capital project evaluation criteria are closely aligned with OMB's capital project evaluation goals.
  - This has been completed and is supported by OMB.
- 4.) Consider eliminating a separate deferred maintenance funding request and, instead encourage a higher level of stable and increasing OMB extra-ordinary repairs formula base funding.
  - Need to carefully consider past success of attaining deferred maintenance funding.
  - Need to carefully consider OMB's and legislature's increasing frustration and confusion with deferred maintenance funding, and the possibility that they will make funding decisions that are not consistent with NDUS priorities.
  - Have not been terribly successful in the past in attaining an increasing level of extra-ordinary repair formula funding.
  - NDUS would need to place a higher funding priority on base funding increases for extra-ordinary repairs.
  - Would likely need to continue to track deferred maintenance for internal purposes-- campus planning purposes and also System use.
- 5.) In addition to requesting a higher level of OMB formula funding, consider creating two capital lists: a.) one would be consistent with the current systemwide prioritized major capital project priority list; b.) the second list would be a institutionally prioritized list of a limited number of smaller projects, which would be limited to or include deferred maintenance projects (perhaps no more than 5 per campus, with a cost of less than \$1.0 million or a fixed percent of plant value) utilizing one-time funding. The second list would provide an opportunity for policy makers to fund specific campus projects that are of a high institutional priority, but do not necessarily require a significant cash outlay. These are projects that may not be significant enough in dollar amount to appear on the prioritized major capital project list for funding, but are large enough that campuses may not have adequate extra-ordinary repairs funding to complete the project.
  - Individual project funding as opposed to pooled deferred maintenance funding would limit campus flexibility to allocate resources to projects and respond to changing needs; however, these should be high priority projects that the campus would likely fund anyway.
  - Could create inequities in funding between campuses as legislators pick and choose among institution-specific projects, although some would argue that distributing pooled dollars on

the basis of total outstanding deferred maintenance is inequitable as well due to lack of consistency in valuations.

- Could increase funding since legislators tend to like to fund specific projects, as opposed to pools of undesignated funding.
- 6.) Consider including as part of the major capital project priority list –either from state general funds or bonding-- a system pool of funds to be allocated to all campuses to address project needs. This could be allocated for medium-size projects that campuses are not able to fund through regular capital assets funding or major capital project funding, emergency needs, or other categories of projects.

## Conclusion

Thus, in conclusion, consistent with the proposed changes, the NDUS capital budget would include the following components:

- 1.) Increased BASE funding for regular renewal and replacement (extra-ordinary repair formula funding). Equity differentials in funding levels among campuses would also need to be addressed, as well as campus differences in special assessments.

Current 09-11 extra-ordinary repairs formula base funding	\$6.6 million (4.8%-18.4%)
Increase needed to bring all campuses to 10% of formula	\$385,000
Increase needed to bring all campuses to 15% of formula	\$3.2 million
Increase needed to bring all campuses to 20% of formula	\$6.4 million

- 2.) a.- Prioritized systemwide list of major capital projects (major renovation and/or new construction); b.- with a new pool of funds to be allocated to earmarked (or non earmarked) projects at each campus.
- 3.) Prioritized list of individual campus small-to-medium size projects.
- 4.) SBHE discretionary fund to address capital emergencies.



**NDUS Campuses, NDUS Office, Medical School and Forest Service  
2011-13 Biennial Budget Request Priorities-SBHE Approved (Revised 10-7-10 for Final Health Rates)**

10/11/10 10:50 AM

(1)	(2)	(3)	(4)
	11-13 Estimated Requested Increase	Description of 11-13 Requests	SBHE Objective
<b>Base Funding Request:</b>			
9-11 Adjusted Appropriation including SOMHS and Forest	\$ 490,159,508		
9-11 Adjusted Appropriation including SOMHS and Forest	\$ 534,560,101		
<b>I. Campuses &amp; NDUS Office (SOMHS and Forest Service excluded from Section I)</b>			
Capital bond payments	\$ 540,722	Previously issued state bonds in support of capital projects	2.1, 4.3
00% of Parity or cost to continue (revised Oct 2010)	41,252,405	Based on 4.5% annual salary increase; health insurance increase from \$825.66 to \$888.62 (3.7% per year); utilities increases, operating inflation - (excludes SOMHS and Forest Service).	2.1
Equity (Revised Oct 2010)	14,111,341	Total \$15 million to address peer funding differentials and required minimum equity distribution (10% or \$100,000, whichever is greater - (excludes \$888,659 SOMHS)	2.1
College affordability (revised Oct 2010)	4,881,145	Freeze tuition at two-year campuses and limits increases to 4% per year at four-year campuses (excludes \$640,490 SOMHS)-based on parity assumptions noted above; plus \$1.3 million related to retirement contribution increase--see corresponding increase in priority #14	1.6
Facility and Infrastructure Regular Repair and Maintenance (revised May 2010)	4,441,130	Consistent with 1/10 SBHE capital budget changes provides increased funding equivalent to 15% of OMB formula (goal is 100% of formula); figure will change with 11-13 updated facility replacement values.	2.1
Technology infrastructure pool	4,300,000	Technology Pool to address systemwide infrastructure needs to enhance efficiency, foster collaboration, and student success. For example, licensing, maintenance, off-site hosting, limited personnel support, consulting in support of new technologies, applications or services. Also be used to assist with CND upgrade costs to hold down potential CND student fee costs.	1.4, 4.3
Technology Maintenance	3,527,000	Northern Tier Network (N. Tier), a higher education research and educational optical wave network, helps facilitate local, regional, national and global collaboration \$1.87M Northern Tier Network (NTN) operating costs [Revised from \$2.4 million]; \$1,006,000 NDUS share of State Data Network Upgrade for 18 months, campus end-circuit upgrades, and NDUS portion of Internet I upgrade; \$651,000 NDUS portion of CND cost increase for disk and processor capacity.	2.1
New or Expanded Academic and Technical Program Start-up Revolving Fund	3,000,000	To be allocated by SBHE for new or expanded programs that meet the following criteria: 1.) addresses ND workforce needs; 2.) student demand; 3.) consistency with SBHE strategic plan; 4.) compatibility with campus mission, etc.	1.1, 1.2, 1.3, 3.1
SU Vet. Med and ConnectND position funding	1,100,000	Address projected student loan trust fund income shortfall to sustain ConnectND campus solutions positions and PSEP-KSU Vet. Med students	2.1, 4.3
Facilities Project Management	208,000	1.0 new facilities project management position to provide capital project oversight and assistance to campuses and NDUS Office	4.1, 4.2, 4.3
Student Mental Health Services	715,140	A plan to begin to address student mental health needs: \$703,140 Licensed Mental Health Counselors (DSU, LRSC, WSC, VCSU, DCB, MaSU); and \$12,000 after hours service	1.4
Bismarck HE Center	780,000	Center is currently used by the following campuses to facilitate program delivery in Bismarck/Mandan area: MISU, UND, DSU and BSC. Cover operating costs for Center to offset current payments made by campuses from student fee revenues	1.4, 1.5, 4.3
PSCoR	1,650,000	Research matching funds provides est. FF of \$19.7 million, an increase of \$2.23 M over 09-11; without increased \$1.65 million match, FF estimated at \$15.96 million, a reduction of \$1.51 M from 09-11.	3.6
Employee Retirement Contributions	2,284,933	Consistent with PERS proposal, increase Defined Benefit and Contribution retirement plan rates by 2% on 1/1/12 and 2% on 1/1/13, with 50% paid by employer and 50% by employee. See corresponding increase in priority #4.	2.1
Statewide Nursing Consortium	1,607,270	Funding to expand statewide nursing consortium outreach: \$550,000 simulation equipment for each program; \$542,645 simulation technicians for each program (6.25FTE); \$400,000 electronic health records at 5 program sites; \$114,625 to continue consortium administrative staff costs 0.7FTE	1.4, 3.2, 4.3, 4.4
Professional Liability Insurance	(300,000)	Decrease in professional liability insurance request, due to anticipated fund balance and estimated insurance premium costs [This was not included in the schedule that was approved by the SBHE]	
Subtotal	\$ 84,099,086	17.2%	
Base Appropriation with Incr	\$ 574,258,594		
<b>2. Student Financial Aid</b>			
Student Financial Asst. Programs	\$ 7,192,975	\$192,975 Indian Scholarship program increase; \$800-->\$1200 for 240 students; \$7.0 million Career and Technical Education and Academic Scholarship-estimated amount required to continue to grow program to serve four classes for four year scholarship	1.1, 1.6, 2.1, 3.2
Adult Learning	300,000	Funding to support financial aid for adult learners taking less than six credit hours per semester, plus other tools and resources to ensure successful student return to college and completion	1.2, 1.3
Subtotal	\$ 7,492,975		

**NDUS Campuses, NDUS Office, Medical School and Forest Service  
2011-13 Biennial Budget Request Priorities-SBHE Approved (Revised 10-7-10 for Final Health Rates)**

10/11/10 10:50 AM

(1)	(2)	(3)	(4)
	11-13 Estimated Requested Increase	Description of 11-13 Requests	SBHE Objective
<b>Section 3. UND School of Medicine &amp; Health Sciences</b>			
09-11 Adjusted Apprpr.-SOMHS	\$ 40,890,401		
Parity, Equity, Affordability (Rev Oct 2010)	4,528,772	Parity (\$2,999,623), Equity (\$888,659), Affordability (\$640,490) NOT Included above	2.1, 1.6
1 Resident Positions	2,170,806	Increase number of resident positions per year by 17 for three years starting 7/1/12; 2013-15 est. cost increase required=\$9.4 million	1.1, 1.2, 1.3, 1.5, 3.3, 3.6
2 Sustain RuralMed program- Funded tuition scholarship to encourage students into family medicine rural practice	175,600	RuralMed Program: (Base \$600,000 + \$350,000 09-11 carryover + \$175,600=\$1,125,600) needed to fund cont'd program growth to fund 8 scholarships per year for four years each. [REVISED 7-22-10 from \$900,800 to \$175,600]	1.1, 2.1
3 Medical Students	857,600	Increase number of medical students per year by 18 for four years starting 7/1/12 (program expansion contingent on \$25 M facility addition); 2013-15 est. cost increase required=\$3.7 million; ability to sustain continued multi-year growth will need to be revisited in 13-15 and beyond	1.1, 1.2, 1.3, 1.5, 3.3, 3.6
4 Master's in Public Health	1,215,219	Offer new master's in conjunction with NDSU-request \$1,067,5000 not specifically included above (3.0 faculty members, two staff positions and related operating)	1.5, 3.1, 4.3
5 Allied Health Students	402,000	Increase number of allied health students per year by 30 for three years starting 7/1/12 (program expansion contingent on \$25 M facility addition); 2013-15 est. cost increase = \$1.7 million; ability to sustain continued multi-year growth will need to be revisited in 13-15 and beyond	1.1, 1.2, 1.3, 1.5, 3.3, 3.6
6 Geriatrics Training	1,151,810	Expanded training in geriatrics (2.0 FTE positions and related operating)	1.5, 3.1
7 Employee Retirement Contributions	163,370	SMHS portion of Board priority #14, described in Section 1.	2.1
Subtotal	\$ 10,665,177	26.1% Includes Parity, Equity and Affordability	
Base Appropriation with Incr	\$ 51,555,578		
<b>Section 4. Forest Service</b>			
09-11 Adjusted Apprpr.-Forest	\$ 3,510,192		
1 Parity (Revised Oct 2010)	359,844	Parity	2.1
2 Program Enhancement-10% base funding increase	351,019	Assumes overall 10% increase with priority projects determined by the State Forester	2.1
3 Employee Retirement Contributions	17,623	Forest Service portion of Board priority #14, described in Section 1.	2.1
Subtotal	\$ 728,486	20.8% Includes Parity	2.1
Base Appropriation with Incr	4,238,678		
Total Base Increases	\$ 102,985,724		
<b>B. One-time Funding Request:</b>			
1 Special assessments pay-off	\$ 4,302,624	PayOff outstanding balance: BSC, UND, NDSU, NDSCS, MaSU, VCSU (est. savings = \$2.4 million); biennial payments \$881,980	2.1
2 Mental Health Services	158,000	A comprehensive plan to address student mental health needs: provider and intervention team training and other	1.4
3 Borer	500,000	To allow State Forest Service to provide assistance to ND communities with tree removal and replacement, based on a 1:1 community match	2.1
4 Comprehensive Career Planning	600,000	To provide for comprehensive P-20 career planning services with the NDUS	1.1, 1.4, 3.2
5 Technology infrastructure	3,200,000	Technology Pool to address systemwide infrastructure needs to enhance efficiency, foster collaboration, and student success. Examples include one-time licensing and for matching funds to build technology infrastructure to support systemwide solutions and provide incentives to institutions to share and collaborate.	1.4, 4.3
6 Emergency Preparedness/Security	2,000,000	Funding to address building and infrastructure improvements to enhance security and emergency preparedness for students, faculty and staff	2.1
7 Capital and Infrastructure Emergency Contingency Fund	2,500,000	Funds to be allocated to address emergency needs related to capital facilities and infrastructure	2.1
Total One-time Funding Increase Request & Recommendation	\$ 13,258,624		

Internal Audit Positions

7=\$1.3 million; 9=\$1.6 million; 11=\$2.0 million

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## NDUS

## Summary of 2011-13 OMB Building and Infrastructure Formula

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Building Amt Generated by the Formula 1/	Infrastructure Amt Generated by the Formula	Total Amt Generated by OMB Formula	Base Funding	% OMB Building & Infrastructure Formulas	10% of Formula	Incr./Decr. Over current base funding	15% of Formula	Incr./Decr. Over current base funding	20% of Formula	Incr./Decr. Over current base funding
BSC	2,094,474	690,010	2,784,484	243,481	8.7%	278,448	34,967	417,673	174,192	556,897	313,416
LRSC	861,481	174,296	1,035,777	43,662	4.2%	103,578	59,916	155,367	111,705	207,155	163,493
WSC	933,734	384,938	1,318,672	86,475	6.6%	131,867	45,392	197,801	111,326	263,734	177,259
UND	21,984,435	7,426,005	29,410,440	2,300,545	7.8%	2,941,044	640,499	4,411,566	2,111,021	5,882,088	3,581,543
NDSU	14,097,740	4,117,222	18,214,962	1,692,226	9.3%	1,821,496	129,270	2,732,244	1,040,018	3,642,992	1,950,766
NDSCS	5,172,632	1,576,564	6,749,196	753,332	11.2%	674,920	-	1,012,379	259,047	1,349,839	596,507
DSU	2,380,666	346,520	2,727,186	383,690	14.1%	272,719	-	409,078	25,388	545,437	161,747
MaSU	1,935,637	457,646	2,393,283	208,994	8.7%	239,328	30,334	358,992	149,998	478,657	269,663
MISU	5,083,026	914,438	5,997,464	596,870	10.0%	599,746	2,876	899,620	302,750	1,199,493	602,623
VCSU	2,107,930	614,195	2,722,125	258,416	9.5%	272,213	13,797	408,319	149,903	544,425	286,009
DCB	626,488	143,561	770,049	109,725	14.2%	77,005	-	115,507	5,782	154,010	44,285
Total	57,278,243	16,845,395	74,123,638	6,677,416	9.0%	7,412,364	957,052	\$ 11,118,546	\$ 4,441,130	14,824,728	8,147,312

1/ Buildings &lt; 5 yrs = 0; Buildings &gt; 5 years = 2% x building value x 2

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**NDUS 2011-13 Major Capital Project Priorities**

Approved by the SBHE, July 29, 2010

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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Project Description	Campus	Project Type	State	Cost Other	Total	Other Source	Deferred Maint Addressed
A=addition; R=renovation; NC=new construction Section 1: CAMPUSES/SYSTEM/ENERGY RELATED - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST								
	1 Joint NDUS/UND IT Facility	NDUS/UND	NC	\$17,600,000	\$0	\$17,600,000		
	2 Rhoades Science Center Addition & Renovation	VCSU	A, R	\$10,836,000	\$0	\$10,836,000		\$587,400
	3 Old Main Renovation	NDSCS	R	\$8,180,000		\$8,180,000		\$1,675,000
	4 Plant Services Building	BSC	NC	\$1,500,000	\$0	\$1,500,000		
	5 Health Sciences Facility	SOMHS	A	\$28,890,000		\$28,890,000		
	6 Geothermal Heating and Cooling	MISU	R	\$5,000,000	\$11,234,555	\$16,234,555	from 2009 Legislature, grants	
	7 Road Repairs/Repaving (180,000 sq. ft.)	DCB	R	\$700,000	\$31,250	\$731,250	local	\$731,250
	8 Steven's Hall Addition & Renovation	WSC	A, R	\$10,434,000	\$0	\$10,434,000		\$3,275,000
	9 Erlandson Center Addition/Renovation	LRSC	A/R	\$3,900,000		\$3,900,000		
	10 Bismarck HE Center (BSC, DSU, MISU, UND)	multi	NC	\$8,500,000	\$0	\$8,500,000		
	11 EERC Office and Lab Addition	UND	A	\$12,500,000	\$0	\$12,500,000		
	12 Heating System Upgrade - Thatcher Hall	DCB	R	\$265,000	\$0	\$265,000		\$265,000
	Total Ranked State Funded Projects-Campuses, System, Energy Projects For Inclusion in Request			\$108,305,000	\$11,265,805	\$119,570,805		\$6,533,650
Section 2: OTHER CAMPUSES/SYSTEM/ENERGY RELATED - STATE FUNDED PROJECTS NOT FOR INCLUSION IN 2011-13 BUDGET REQUEST								
	13 Ceres Hall Renovation	NDSU	R	\$10,000,000	\$0	\$10,000,000		\$3,972,050
	14 Old Main Renovation/Addition	MaSU	A, R	\$10,700,000	\$0	\$10,700,000		\$3,000,000
	15 Law School Renovation and Addition	UND	A, R	\$9,845,000	\$0	\$9,845,000		\$150,000
	16 Campus Environment & Circulation	WSC	R	\$4,100,000	\$0	\$4,100,000		\$500,000
	17 Bisek Hall Expansion	NDSCS	A	\$10,500,000		\$10,500,000		
	18 Architecture Building/Ehly Hall Renovation	NDSU	R	\$3,000,000	\$0	\$3,000,000		\$1,510,600
	19 Vangstad Auditorium Renovation	VCSU	R	\$3,316,998	\$0	\$3,316,998		\$1,038,774
	20 Clean Coal Initiative (including Replacement of Coal Fired Boilers)	UND	R	\$13,500,000	\$56,500,000	\$70,000,000	private, grants	\$25,000,000
	21 Fieldhouse Renovation/Addition	MaSU	A, R	\$3,850,000	\$0	\$3,850,000		\$500,000
	22 Community Health & Education Center (Health and Wellness Center-Phase II)	MISU	A	\$9,850,000	\$0	\$9,850,000		
	23 Geosciences Renovation	NDSU	R	\$3,000,000	\$0	\$3,000,000		\$1,510,600
	24 Stoxen Library Addition - Phase I	DSU	A	\$10,560,000	\$0	\$10,560,000		
	25 NECE - 4th Floor Completion	BSC	R	\$3,255,000	\$1,080,000	\$4,335,000	grants, private	
	Total Other State Funded Projects-Campuses, System, Energy Projects NOT Included In Request			\$95,476,998	\$57,580,000	\$153,056,998		\$37,182,024
Section 3: Non-State Funded (Unranked) Projects for Inclusion in 2011-13 Budget Request								
yes	Student Union Renovation/Addition	BSC	A, R		\$7,500,000	\$7,500,000	Revenue Bond \$7,000,000/Auxiliary Reserves \$500,000	\$250,000
yes	EERC Slurry Building Expansion	UND	A		\$2,700,000	\$2,700,000	private, grants	
yes	Wikerson Hall Renovation & Addition	UND	A, R		\$14,000,000	\$14,000,000	Revenue Bonds	\$320,616
yes	University Town Home Apartments	UND	NC		\$5,000,000	\$5,000,000	Revenue Bonds	\$464,560
yes	Bison Sports Arena (to be completed in 3 phases)-reauthorization	NDSU	R		\$29,100,000	\$29,100,000	private	\$4,092,000
yes	Indoor Practice Facility	NDSU	NC		\$5,000,000	\$5,000,000	private	
yes	IT Infrastructure (to be completed in phases)	NDSU	R		\$2,000,000	\$2,000,000	Local, Grants	
yes	Forkner Hall	NDSCS	R		\$5,000,000	\$5,000,000	Revenue Bond	\$540,000
yes	Schulz Renovation	NDSCS	R		\$4,000,000	\$4,000,000	Revenue Bond	\$385,000
yes	Landscape Plan-Phase II & III 10-Year Plan	MISU	R		\$800,000	\$800,000	local, private	
yes	New Resident Apartments	MISU	NC		\$3,500,000	\$3,500,000	Revenue Bond	
	Total Non-State Funded Projects - Campuses			\$0	\$78,600,000	\$78,600,000		\$6,052,176



**NDUS 2011-13 Major Capital Project Priorities**

Approved by the SBHE, July 29, 2010

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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Project Description	Campus	Project Type	State	Cost	Other	Total	Other Source	Deferred Maint Addressed
A=addition; R=renovation; NC=new construction								
Section 4: EXPERIMENT STATIONS and EXTENSION SERVICE - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION in 2011-13 BUDGET REQUEST								
1 Research Greenhouse Complex Final Phase	NDAES	NC	\$6,991,650	\$2,502,931	\$9,494,581	private, grants		
2 Agronomy Laboratories (CREC, HREC, LREC, CGEC)	NDAES	NC	\$5,275,000	\$0	\$5,275,000			
3 Seed Conditioning Plants (NCREC, CREC, WREC, LREC)	NDAES	NC, R	\$8,400,000	\$0	\$8,400,000			
4 Learning/Conference Center at Western 4-H Camp, Washburn	Ext	NC	\$2,500,000	\$1,300,000	\$3,800,000	private, grants		
Total State Funded Projects - Experiment Stations/Extension Service			\$23,166,650	\$3,802,931	\$26,969,581		\$0	
Section 5 FOREST SERVICE - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST								
1 Nursery Freezer Conversion/New Building	Forest Servi	R	\$550,000	\$0	\$550,000			
TOTAL - NDUS Ranked State General Fund Major Capital Projects Requested for Inclusion in 2011-13 Budget Request			\$132,021,650	\$15,068,736	\$147,090,386		\$6,533,650	
TOTAL - NDUS Ranked State General Fund and Non-State Funded Requested Major Capital Projects for Inclusion in 2011-13 Budget Request			\$132,021,650	\$93,668,736	\$225,690,386		\$12,585,826	

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**NDUS 2011-13 Capital Projects Requests**  
**Small-to-Medium Size Projects - Priority List by Campus**

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<=\$250,000 at BSC, LRSC, WSC, DSU, MaSU, VCSU, DCB; <=\$500,000 at MiSU and NDSCS; <=\$1,000,000 at UND and NDSU

(2)	(3)	(4)	(5)	(6)	(7)	(8)
Project Description	Campus	State	Cost Other	Total	Other Source	Deferred Maint Addressed
<b>Action 1: CAMPUSES - STATE FUNDED PROJECTS REQUESTED FOR INCLUSION IN 2011-13 BUDGET REQUEST</b>						
Ranked State Funded Projects Requested (Campuses)						
<b>BSC</b>						
Steamline Replacement - Replace steamline from Schafer Hall to Library (original from 1967) and to Werner Hall (original from 1965) as both have incurred 1 leaks and are at the end of their life expectancy.	BSC	\$249,900	\$0	\$249,900		\$249,900
Roof Replacement - Armory - Replace roof that is 22 2 years old.	BSC	\$175,000	\$0	\$175,000		\$175,000
Roof Replacement - Tech Center - Replace roof that is 3 36 years old - wood is rotting underneath.	BSC	\$200,000	\$0	\$200,000		\$200,000
Roof Replacement - Library - Replace roof that is 22 4 years old.	BSC	\$145,000	\$0	\$145,000		\$145,000
Networking Core/Switches Replacement - Move toward a converged network (data, voice & video running on the 5 same switch) to accommodate our growing campus.	BSC	\$249,900	\$0	\$249,900		\$249,900
Voice System Upgrade/Replacement - Move toward a unified communications system and replace the 16 year 6 old switch and outdated software.	BSC	\$249,900	\$0	\$249,900		\$249,900
Iconic Entry Signage - Locate signage at the three entry points to the campus to provide direction onto campus 7 and delineate campus boundaries.	BSC	\$249,900	\$0	\$249,900		\$0
<b>Total</b>	<b>BSC</b>	<b>\$1,519,600</b>	<b>\$0</b>	<b>\$1,519,600</b>		<b>\$1,269,700</b>
<b>LRSC</b>						
1 Library Roof Replacement	LRSC	\$120,000	\$0	\$120,000		\$120,000
2 North Halls Roof Replacement	LRSC	\$128,464	\$0	\$128,464		\$128,464
3 Erlandson Building Roof Replacement	LRSC	\$200,880	\$0	\$200,880		\$200,880
4 Business & Science Wing Roof Replacement	LRSC	\$207,824	\$0	\$207,824		\$207,824
5 Academic Wing Roof Replacement	LRSC	\$103,912	\$0	\$103,912		\$103,912
6 Support Offices Roof Replacement	LRSC	\$162,464	\$0	\$162,464		\$162,464
7 Student Union Dining Hall Roof Replacement	LRSC	\$152,033	\$0	\$152,033		\$152,033
<b>Total</b>		<b>\$1,075,577</b>	<b>\$0</b>	<b>\$1,075,577</b>		<b>\$1,075,577</b>
<b>WSC</b>						
Campus Reception-luckpointing and water damage 1 repair.	WSC	\$250,000	\$0	\$250,000		\$0
2 Campus Branding-lighting, signage, etc.	WSC	\$220,000	\$0	\$220,000		\$0
Storage Facility - New storage facility for Workforce 3 Training equipment.	WSC	\$250,000	\$0	\$250,000		\$0
4 Women's Softball Facility	WSC	\$199,000	\$0	\$199,000		\$0
Site & Security Lighting - Upgrade lighting & additional 5 security lighting.	WSC	\$185,000	\$0	\$185,000		\$0
Steven's Hall Elevators - upgrade to be ADA compliant 6 and install elevator to lower floor.	WSC	\$245,000	\$0	\$245,000		\$0
Steven's Hall Plaza-resurface and reconfigure parking 7 lot.	WSC	\$190,000	\$0	\$190,000		\$0
<b>Total</b>		<b>\$1,539,000</b>	<b>\$0</b>	<b>\$1,539,000</b>		<b>\$0</b>
<b>UND</b>						
Gillette Hall -Modifications resulting from new addition to the Education Building to mitigate loss of space, 1 functionality and windowed offices.	UND	\$1,000,000	\$0	\$1,000,000		\$150,000
Hughes Fine Arts Center-Renovations in Music and Art Departments to address code for safety and ventilation 2 and to meet Art Department accreditation concerns.	UND	\$763,000	\$0	\$763,000		\$125,000
Starcher Hall-Modernization of HVAC and electrical infrastructure to support teaching/research laboratories and animal care facilities. Upgrade teaching 3 infrastructure in laboratories.	UND	\$990,000	\$0	\$990,000		\$210,000
Neuroscience Building-Tunnel to facilitate flow of researchers and research materials between 4 Neuroscience facility and the Medical School Complex.	UND	\$600,000	\$0	\$600,000		\$0
SMHS Complex-Renovation of 5 classrooms to enable full use of new instructional technologies including 5 appropriate configuration/seating.	UND	\$750,000	\$0	\$750,000		\$180,000
Facilities-Electrical and mechanical upgrades 6 (infrastructure).	UND	\$950,000	\$0	\$950,000		\$275,000
Chester Fritz Library-Renovation and remodeling including creation of a "learning commons", repair to 7 windows and carpet replacement.	UND	\$900,000	\$0	\$900,000		\$140,000

**NDUS 2011-13 Capital Projects Requests**  
**Small-to-Medium Size Projects - Priority List by Campus**

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<=\$250,000 at BSC, LRSC, WSC, DSU, MaSU, VCSU, DCB; <=\$500,000 at MiSU and NDSCS; <=\$1,000,000 at UND and NDSU

(1) Project Description	(3) Campus	(5) Cost			(7) Other Source	(8) Deferred Maint Addressed
		(4) State	(5) Other	(6) Total		
Total		\$5,953,000	\$0	\$5,953,000		\$1,080,000
<b>NDSU</b>						
Dunbar & Ladd Halls Classroom Renovations - Complete renovation of existing chemistry labs on 3rd floor Dunbar Hall and 1st floor Ladd Hall.	NDSU	\$900,000	\$0	\$900,000		\$0
Bentson Bunker Fieldhouse Room 14 - Complete renovation to meet current accreditation standards & provide up to date training & research opportunities for 2 students and faculty.	NDSU	\$750,000	\$0	\$750,000		\$0
Group Classroom Renovations - Renovations of teaching labs (Sudro 21, CIE 109, Walster 247, Dunbar 3359).	NDSU	\$1,000,000	\$0	\$1,000,000		\$0
FLC 310, 311, 312 - Renovation to meet accreditation standards for the Hospitality & Dietetics program. Students need up-to-date food production lab that provides space & equip. for planning, preparation & 4 serving.	NDSU	\$750,000	\$0	\$750,000		\$0
South Engineering Roof Replacement - New roof 5 required to ensure a water tight building.	NDSU	\$250,000	\$0	\$250,000		\$250,000
Ag Engineering Window & Roof Replacement - New windows will be installed to provide better energy efficiency and new roof to ensure the usefulness of the 6 building will continue.	NDSU	\$234,000	\$0	\$234,000		\$234,000
Music Education Roof & Lighting Replacement - New classroom & hallway lighting & lighting controls will be installed to increase efficiency of lighting & new roof 7 installed to maintain a water tight structure.	NDSU	\$808,000	\$0	\$808,000		\$808,000
Total	NDSU	\$4,692,000	\$0	\$4,692,000		\$1,292,000
<b>NDSCS</b>						
Student Center Elevator - Does not meet current ADA 1 standards and will not accommodate large wheelchairs.	NDSCS	\$250,000	\$0	\$250,000		\$9,500
Haverty Hall Elevator - Does not meet current ADA 2 standards and will not accommodate large wheelchairs.	NDSCS	\$250,000	\$0	\$250,000		\$9,500
Riley Hall Elevator/Bathroom - This building has three floors and does not have an elevator. Bathrooms do not 3 meet ADA requirements.	NDSCS	\$475,000	\$0	\$475,000		\$30,000
Main Oval Water/Sewer - The water and sewer lines are 4 over sixty years old and need to be replaced.	NDSCS	\$490,000	\$0	\$490,000		\$490,000
Blikre Activities Center Exterior Panels - These panels are thirty-four years old and are worn out. Many of them are popping out during extreme heat and this is 5 allowing that extreme heat into the building.	NDSCS	\$500,000	\$0	\$500,000		\$500,000
Partial Tuckpointing of Various Buildings - The average age of our building are forty-three years old. The brick and mortar in many of the buildings is so deteriorated 6 that moisture is leaking into the buildings.	NDSCS	\$275,000	\$0	\$275,000		\$275,000
Cultural Center Lights - the lighting system is twenty-seven years old, we can no longer find parts to replace 7 the equipment that is wearing out.	NDSCS	\$195,000	\$0	\$195,000		\$195,000
Total		\$2,435,000	\$0	\$2,435,000		\$1,509,000
<b>DSU</b>						
Heating Distribution - Tunnel Repairs necessitated by 1 surface water deterioration of concrete ceilings/walks.	DSU	\$250,000	\$0	\$250,000		\$250,000
Main Campus Water Service Loop providing for improved water service in support of fire 2 hydrant/protection and general service demands.	DSU	\$250,000	\$0	\$250,000		\$250,000
Pavement/Lighting Project (Stage II) in support of refurbishing the West Campus Parking Lot 3 complimenting Stage I planned for 2010-2011.	DSU	\$250,000	\$0	\$250,000		\$250,000
Pavement/Lighting Project (Stage III) and final stage in support of refurbishing the West Campus Parking Lot 4 complimenting stages I & II.	DSU	\$250,000	\$0	\$250,000		\$250,000
Scott Gym Bleacher Replacement addressing operating, 5 safety, and ADA issues.	DSU	\$230,000	\$0	\$230,000		\$230,000
Scott Gym HVAC Upgrades providing for an improved learning/athletic facility environment with associated 6 operating efficiencies.	DSU	\$239,000	\$0	\$239,000		\$239,000
Carpet/Flooring Replacement Projects throughout campus addressing deferred maintenance/health and 7 safety issues.	DSU	\$250,000	\$0	\$250,000		\$250,000
Total		\$1,719,000	\$0	\$1,719,000		\$1,719,000
<b>MaSU</b>						
Campus Center Elevator - ADA access to 2nd floor art 1 gallery, meeting room and office areas.	MaSU	\$175,000	\$0	\$175,000		\$120,000
Emergency Power Generator - Provide full power to 2 Science, Library and Education Addition complex.	MaSU	\$200,000	\$0	\$200,000		\$0
Building Access & Campus Lighting - Exterior door card 3 key system & campus walkway lighting system.	MaSU	\$200,000	\$0	\$200,000		\$100,000
Campus Garage & Storage Facility - Plant office and 4 added central receiving/storage space(3,000sq ft).	MaSU	\$225,000	\$0	\$225,000		\$0



**NDUS 2011-13 Capital Projects Requests**  
**Small-to-Medium Size Projects - Priority List by Campus**

<=\$250,000 at BSC, LRSC, WSC, DSU, MaSU, VCSU, DCB; <=\$500,000 at MiSU and NDSCS; <=\$1,000,000 at UND and NDSU

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(2) Project Description	(3) Campus	(4) Cost		(6) Total	(7) Other Source	(8) Deferred Maint Addressed
		State	Other			
5 Parking Lot Resurfacing - 1 or 2 lots.	MaSU	\$90,000	\$0	\$90,000		\$40,000
6 Reroofing Projects - 1 or 2 roofs.	MaSU	\$110,000	\$0	\$110,000		\$50,000
Football Stadium - Replace press box, sidewalks, field perimeter space & install field drainage system.	MaSU	\$230,000	\$0	\$230,000		\$0
<b>Total</b>		<b>\$1,230,000</b>	<b>\$0</b>	<b>\$1,230,000</b>		<b>\$310,000</b>
<b>MISU</b>						
Fiber Network Rebuild - The fiber cabling system is aging and need to be upgraded.	MISU	\$500,000	\$500,000	\$1,000,000	local	\$500,000
Security Blue Lights - A program to install security stations across campus that will include public address speakers for early warning of emergencies for the campus population.	MISU	\$377,000	\$0	\$377,000		\$0
Security-Phase II & Phase III of a 10-Year Plan for Electronic Keys and Cameras - This a part of a ten-year program to install electronic door access and security cameras to all campus buildings at a rate of two per year.	MISU	\$500,000	\$0	\$500,000		\$0
Security-Phase IV & Phase V of a 10-Year Plan for Electronic Keys and Cameras - This a part of a ten-year program to install electronic door access and security cameras to all campus buildings at a rate of two per year.	MISU	\$500,000	\$0	\$500,000		\$0
Memorial Hall Carpet & Paint - The carpet and walls are showing wear and are in need of repair and replacement.	MISU	\$400,000	\$0	\$400,000		\$400,000
Main Windows - The windows in Old Main are old and very energy inefficient.	MISU	\$500,000	\$250,000	\$750,000	local, grants	\$750,000
Model Hall Windows - The windows in Model Hall are old and very energy inefficient.	MISU	\$450,000	\$0	\$450,000		\$450,000
<b>Total</b>		<b>\$3,227,000</b>	<b>\$750,000</b>	<b>\$3,977,000</b>		<b>\$2,100,000</b>
<b>VCSU</b>						
1 Fire Alarm Upgrades	VCSU	\$245,000	\$0	\$245,000		\$245,000
Restroom Renovations and Restroom Accessibility Upgrades	VCSU	\$210,000	\$0	\$210,000		\$210,000
3 Office and Classroom refreshment and renovation	VCSU	\$218,000	\$0	\$218,000		\$218,000
4 Asphalt projects (parking lot improvements)	VCSU	\$245,000	\$0	\$245,000		\$245,000
5 Tuckpointing	VCSU	\$229,000	\$0	\$229,000		\$229,000
6 Vangstad Auditorium Life Safety & Accessibility	VCSU	\$245,000	\$0	\$245,000		\$245,000
7 Campus Exterior Lighting	VCSU	\$183,000	\$0	\$183,000		\$183
<b>Total</b>		<b>\$1,575,000</b>	<b>\$0</b>	<b>\$1,575,000</b>		<b>\$1,392,183</b>
<b>DCB</b>						
Additional IVN Classrooms -- Equipment for two additional video conferencing classrooms to accommodate the growth in off-campus programming.	DCB	\$70,000	\$0	\$70,000		\$0
Science Lab Updates -- Project includes upgrading the existing infrastructure (i.e., student work stations, storage areas, audiovisual equipment, etc.) to equip the science labs with state-of-the-art equipment and instrumentation.	DCB	\$140,000	\$0	\$140,000		\$0
HVAC Upgrade - Nelson Science Center -- Install air conditioning and improve building ventilation.	DCB	\$145,250	\$0	\$145,250		\$0
Student Center Improvements -- Involves replacing entry doors and all windows, remodeling the kitchen, covering the tile floor with carpeting and converting conference rooms into a home theater/gaming area.	DCB	\$100,000	\$25,000	\$125,000	student fees	\$68,000
Gymnasium Improvements -- Includes adding handrails in the bleachers, padding on the walls, lighting upgrade, improving sound system, refinishing block walls and scorer's desk, and improving ventilation.	DCB	\$75,000	\$0	\$75,000		\$75,000
Grounds Improvements -- Includes installing sprinkling systems in the commons, boulevard and athletic fields; constructing a north entry gate; creating a walking trail or arboretum; erecting anti-vehicle bollards; and planting a decorative sight screen on east side of heating plant.	DCB	\$95,000	\$0	\$95,000		\$0
Central Heating Plant Upgrades -- Project includes improving air handling and ventilation; installing an additional condensate tank; modify oil boilers to burn bio-fuels; removal of non-functional oil-fire boiler; modify coal system to handle pellets and other biomass; and add additional storage for biomass.	DCB	\$75,000	\$0	\$75,000		\$75,000
<b>Total</b>		<b>\$700,250</b>	<b>\$25,000</b>	<b>\$725,250</b>		<b>\$218,000</b>

**NDUS 2011-13 Capital Projects Requests**  
**Small-to-Medium Size Projects - Priority List by Campus**

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<=\$250,000 at BSC, LRSC, WSC, DSU, MaSU, VCSU, DCB; <=\$500,000 at MiSU and NDSCS; <=\$1,000,000 at UND and NDSU

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Project Description	Campus	State	Cost Other	Total	Other Source	Deferred Maint Addressed
	<b>Total Ranked State Funded Projects - Campuses</b>		\$25,665,427	\$775,000	\$26,440,427		\$11,965,460

Total-Priority #1 only		\$4,009,900	\$500,000	\$4,509,900		\$1,644,400
Total-Priority #1 and # 2 only		\$7,473,364	\$500,000	\$7,973,364		\$2,542,364
Total-Priority #1, #2 and #3 only		\$11,902,494	\$500,000	\$12,402,494		\$3,751,244
Total-Priority #1, #2, #3 and #4 only		\$15,614,318	\$525,000	\$16,139,318		\$5,157,068
Total-Priority #1, #2, #3, #4 and #5 only		\$18,677,130	\$525,000	\$19,202,130		\$7,414,880
Total-Priority #1, #2, #3, #4, #5, and #6 only		\$21,982,494	\$775,000	\$22,757,494		\$9,895,244
Total-Priority #1, #2, #3, #4, #5, #6 and #7 only		\$25,665,427	\$775,000	\$26,440,427		\$11,965,460

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 Requests final, with descriptions.xls]