

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT

CAPITAL IMPROVEMENTS

Agency: Adjutant General's Department **Bill No.** HB 2396 / SB 268 **Bill Sec.** 44

Analyst: Klaassen **Analysis Pg. No.** Vol. 1, p. 455 **Capital Budget Page No.** 432

Project	Agency Estimate 2021	Governor's Recommendation 2021	JCSBC Recommendation 2021
Projects:			
Debt Service Principal:			
Armory Bonds (SGF)	\$ 160,000	\$ 160,000	\$ 160,000
State General Fund Projects:			
Rehabilitation and Repair	\$ 83,333	\$ 0	\$ 0
Deferred Maintenance	298,238	231,848	231,848
Life-Health-Safety Projects	1,515,886	1,515,886	1,515,886
General Armory R&R	431,386	431,386	431,386
<i>Subtotal - SGF</i>	<i>2,488,843</i>	<i>2,339,120</i>	<i>2,339,120</i>
Special Revenue Fund (SRF) / Federal Fund Projects (FED):			
General Fees Fund	\$ 750,000	\$ 750,000	\$ 750,000
NGB Ops/Maint. R&R Match FED	4,731,571	4,581,848	4,581,848
Architects and Engineers	1,500,000	1,500,000	1,500,000
<i>Subtotal - SRF&FED Projects</i>	<i>6,981,571</i>	<i>6,831,848</i>	<i>6,831,848</i>
TOTAL	\$ 9,470,414	\$ 9,170,968	\$ 9,170,968
Financing:			
State General Fund	\$ 2,488,843	\$ 2,339,120	\$ 2,339,120
All Other Funds	6,981,571	6,831,848	6,831,848
TOTAL	\$ 9,470,414	\$ 9,170,968	\$ 9,170,968

Agency Estimate

The **agency** requests a revised estimate for capital improvements totaling \$9.5 million, including \$2.5 million from the State General Fund (SGF), in FY 2021. The FY 2021 revised estimate includes two supplemental requests for: additional rehabilitation and repair projects, and deferred maintenance projects. The FY 2021 revised estimate is composed of the following:

- **State General Fund.** The FY 2021 revised estimate includes \$160,000 for debt service principal expenditures for armory renovation bonds, \$514,719 for rehabilitation and repair expenditures, \$298,238 for deferred maintenance projects, and \$1.5 million for reappropriated life-health-safety projects that were initially added in FY 2019 (for fire suppression systems and Americans with Disabilities Act compliance); and
- **All Other Funds.** The FY 2021 revised estimate includes \$7.0 million, all from special revenue funds, for: architects and engineers (\$1.5 million), agency general fees funds (\$750,000), and matching federal funds for eligible projects (\$4.7 million). This includes the agency's two enhancements for rehabilitation and repair and deferred maintenance projects in FY 2021.

SGF capital improvement projects included in the FY 2021 revised estimate are as follows:

- **Rehabilitation and Repair.** The agency requests supplemental funding totaling \$166,666, including \$83,333 SGF, for additional rehabilitation and repair in FY 2021. The agency notes state funding would be used to match federal funds for facility renovations, modernizations, and repairs for 38 armories and other National Guard facilities. The cooperative agreement with the National Guard Bureau requires mostly a 50.0 percent state match with a few exceptions of 25.0 percent state match on readiness centers (armories); and
- **Deferred Maintenance.** The agency requests \$596,476, including \$298,238 SGF, to match federal funds in order to provide for facility renovations, modernizations, and repairs for the 38 armories and other National Guard facilities in FY 2021. The agency notes the cooperative agreement with the National Guard Bureau generally provides a 50.0 percent matching rate, with a few exceptions at 25.0 percent matching rate for readiness centers (armories). The agency states requested funding would go towards large restoration projects, HVAC replacements, roof replacements, interior improvements, and improving building envelope. The agency states that the amount requested is prorated based on a list of projects.

Governor's Recommendation

The **Governor** recommends expenditures totaling \$9.2 million, including \$2.3 million SGF, for capital improvements in FY 2021. This is a decrease of \$299,446, or 3.2 percent, including an SGF decrease of \$149,723, or 2.1 percent, below the agency's FY 2021 revised estimate. The decrease is due to the Governor not recommending the agency's supplemental requests for rehabilitation and repair (\$166,666 from all funds, including \$83,333 SGF) and deferred maintenance (\$596,476 from all funds, including \$298,238 SGF) in FY 2021, and adding back \$463,696, including \$231,848 SGF, specifically for deferred maintenance.

Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's Recommendation in FY 2021.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation in FY 2021.

House Committee Recommendation

The **Committee** concurs with the Budget Committee's recommendation in FY 2021.

House Committee of the Whole Recommendation (Sub. for HB 2397)

The **Committee of the Whole** concurs with the Committee's recommendation in FY 2021.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation in FY 2021.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation in FY 2021.

Senate Committee of the Whole Recommendation (Sub. for SB 267)

The **Committee of the Whole** concurs with the Senate Committee's recommendation in FY 2021.

Conference Committee Recommendation (HB 2007)

The **Conference Committee** concurs with the Governor's recommendation in FY 2021.

Omnibus Action (SB 159)

No action taken related to capital improvements in FY 2021.