

PPAA WINTER CONFERENCE SUCF UPDATES

January 30, 2018
Cooperstown, New York



State University
Construction Fund

**2018/19
EXECUTIVE
BUDGET HIGHLIGHTS**

2018/19 SUNY CAPITAL BUDGET REQUEST vs. EXECUTIVE

(in millions)

Program	2018/19 Request	2018/19 Executive Budget	5-Year Request	5-Year Executive Capital Plan
Educational Facilities - Base Critical Maintenance 21st Century Strategic Needs	\$550.0 <u>\$250.0</u> \$800.0	\$350.0 <u>\$0.0</u> \$350.0	\$2,750.0 <u>\$1,250.0</u> \$4,000.0	\$2,550.0 <u>\$0.0</u> \$2,550.0
SUNY-Wide Facilities				
Sustainable/Net Zero Buildings	80.0	0.0	400.0	0.0
Hospitals	600.0	255.9	600.0	255.3
Residence Hall	50.0	50.0	250.0	250.0
Community Colleges	62.8	38.7	265.5	258.7
TOTAL	\$1,592.8	\$694.6	\$5,515.5	\$3,314.0

Executive Budget reauthorizes all prior year appropriations, totaling \$3.4B for SUNY's capital programs.



Be persistent.

- **BUDGET PROCESS and LOGIC**
- **POLITICS and LOGIC**
- **OUTCOMES**

**IMPORTANCE
of
LIFE CYCLE MODELING
in
ADVOCATING FOR A
LARGER CAPITAL PLAN**

2018/19 Budget Call Letter

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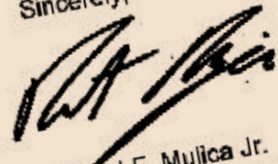
In reviewing capital submissions for the FY 2019 Executive Budget, current multi-year plans should be assessed and priority should be given to projects that maintain the State's infrastructure. At the same time, the State is developing a best-in-class capital planning process and asset preservation system so that funding is allocated to the most vital projects throughout the State, ensuring the best possible return on public investments.

Please submit your agency's complete budget request no later than October 18, 2017. DOB staff is available to discuss issues of importance to your agency and talk through any savings ideas. As always, engage your respective Executive Chamber Deputy Secretary to ensure all requests are consistent with broader programmatic and policy objectives.

Finally, as leaders of your respective agencies, we ask that you stay personally engaged in performance management initiatives. These efforts will contribute to the achievement of your budgetary and performance goals. Within this framework, agencies should also promote risk management strategies that strengthen internal controls and reduce unnecessary audit findings.

Navigating budget complexities requires sustained leadership at the agency level and, with your continued partnership, the FY 2019 Executive Budget will be the next step in rebuilding our state and expanding opportunity for all New Yorkers. Working together towards the Governor's vision, New York State is delivering for the people after decades of stagnation, restoring trust in government and positioning the State for continued growth.

Sincerely,



Robert F. Mujica Jr.
Director of the Budget

In DOB's 2018/19 budget call letter, the Director indicated that **priority will be given** to projects that **maintain the State's infrastructure**, and that the State is developing a **planning and asset preservation system** so that funding is allocated to the most vital projects throughout the State.

The Fund is positioned at the **forefront** of the effort of maintaining a database for asset preservation.

SUNY 2018/19 Capital Budget Request

Reliance on Life Cycle Model

FCI = Facilities Condition Index

Components

Life Cycle Modeling

(Component Based)

$$\text{FCI} = \frac{\text{Immediate Renewal}}{\text{Current Cost of Replacement}}$$

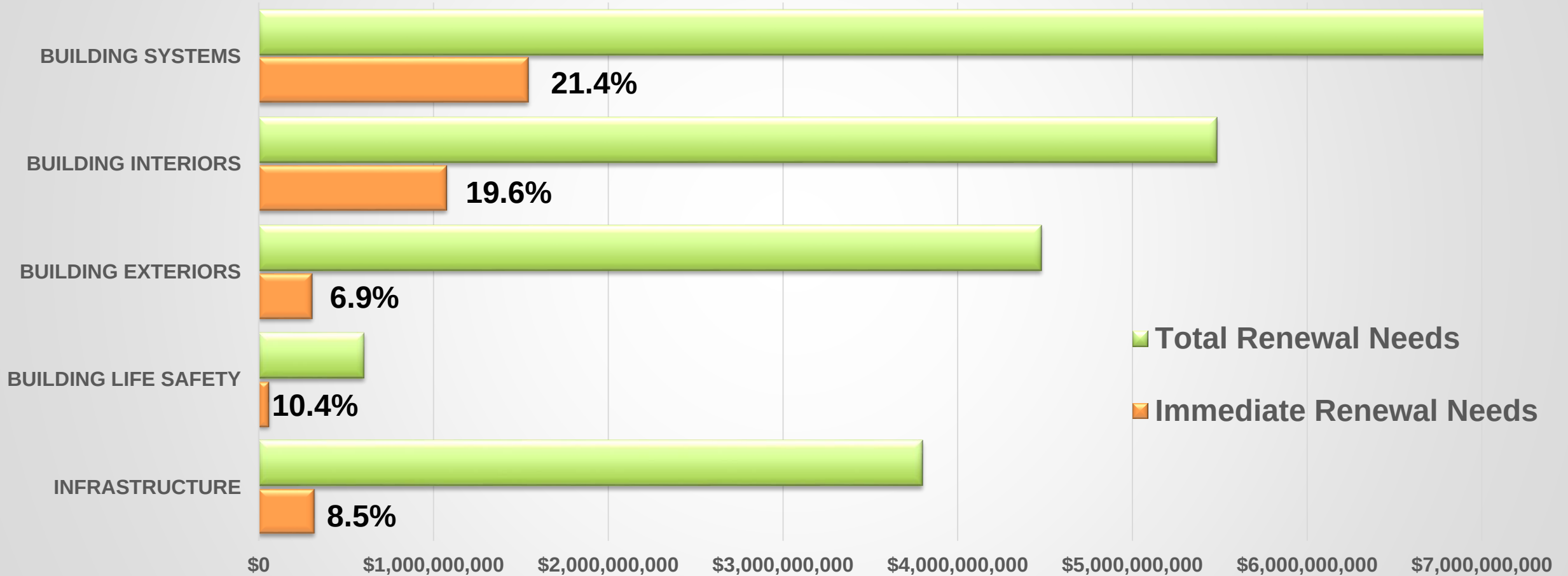
Life Cycle Modeling:

- Identify Capital Investment Need
- Facilitates Robust Planning and Targeted Execution
- Predicts future renewal needs

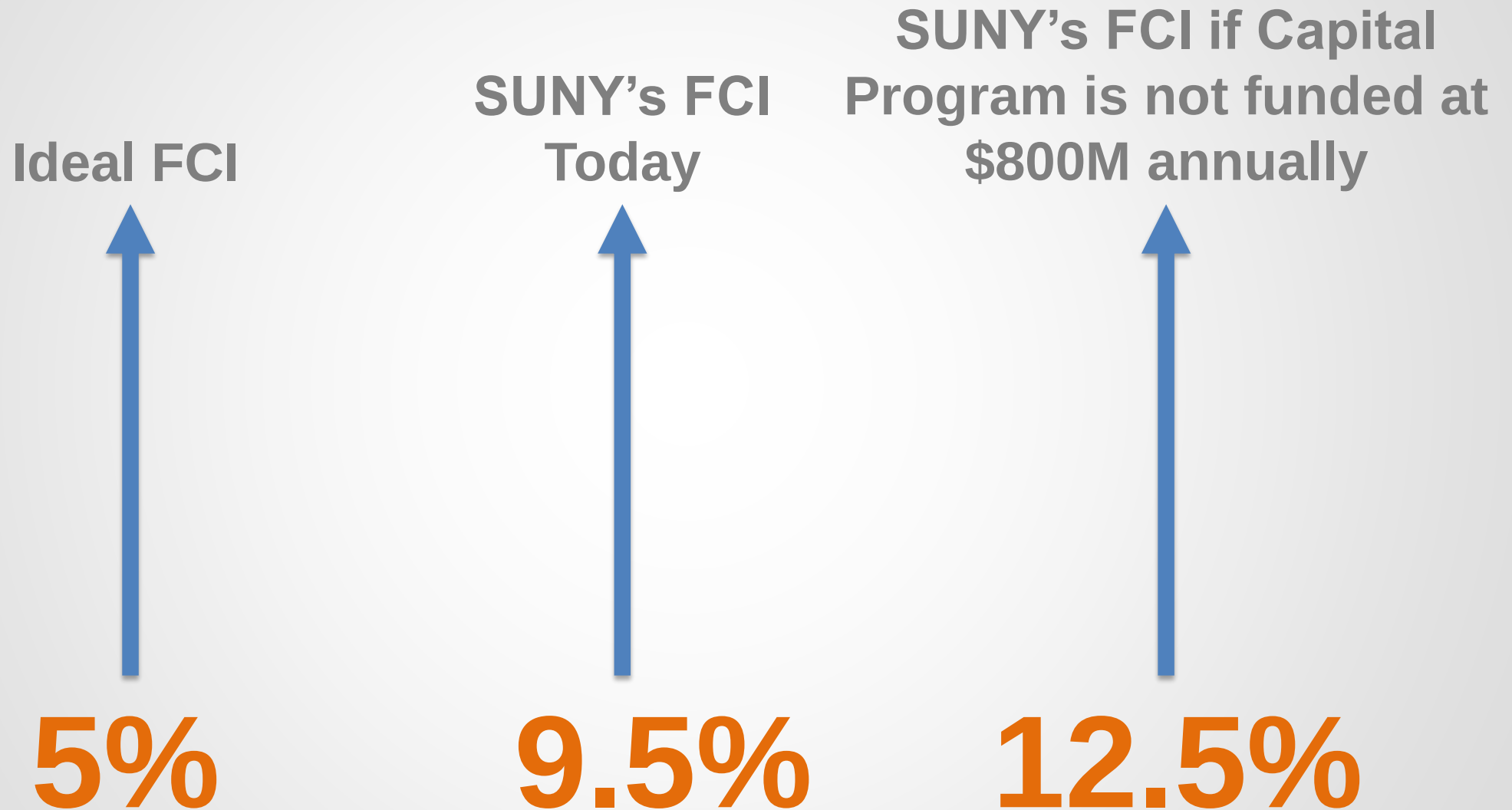
- **28** building components
- **25** infrastructure components
- Each has a **replacement cost**
- **42,000** total components

IMMEDIATE (\$3.3B) vs. TOTAL (\$34.7B) RENEWAL NEEDS

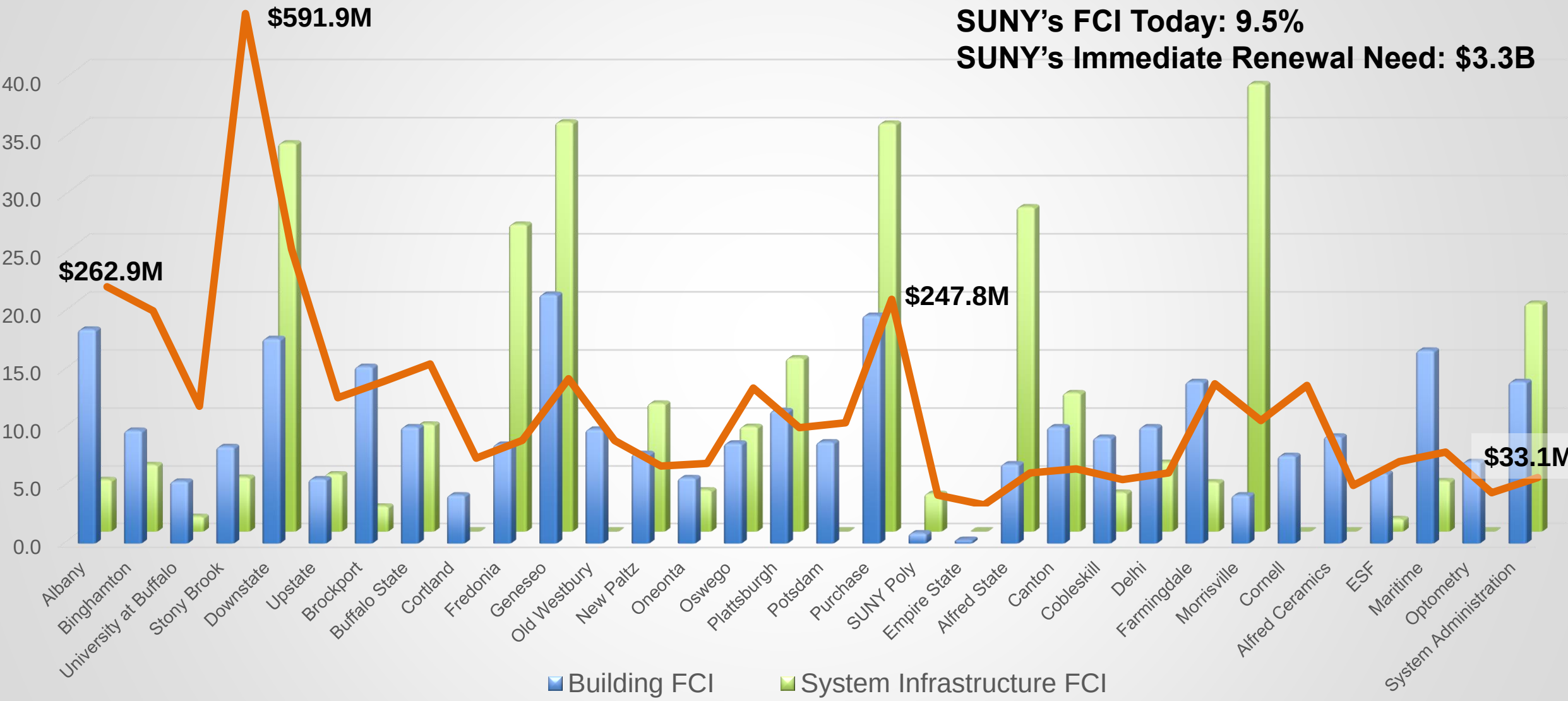
MAJOR ASSET TYPE



Funding Impacts FCI



Specific Campus FCI & Immediate Renewal Costs



BOILERS, HVAC, AND ELECTRICAL

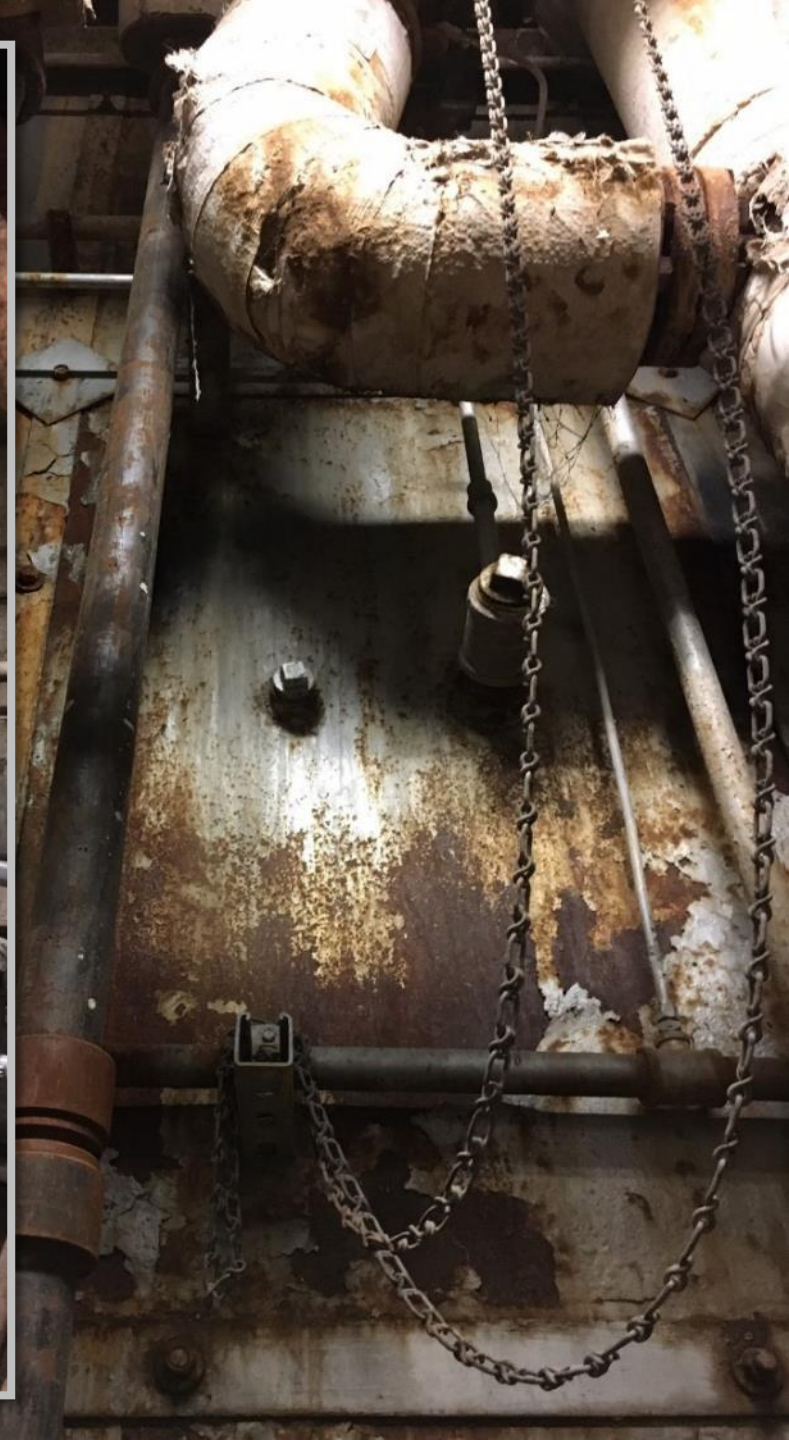
Boilers: \$77M

HVAC: \$54M

Electrical: \$37M

\$168M





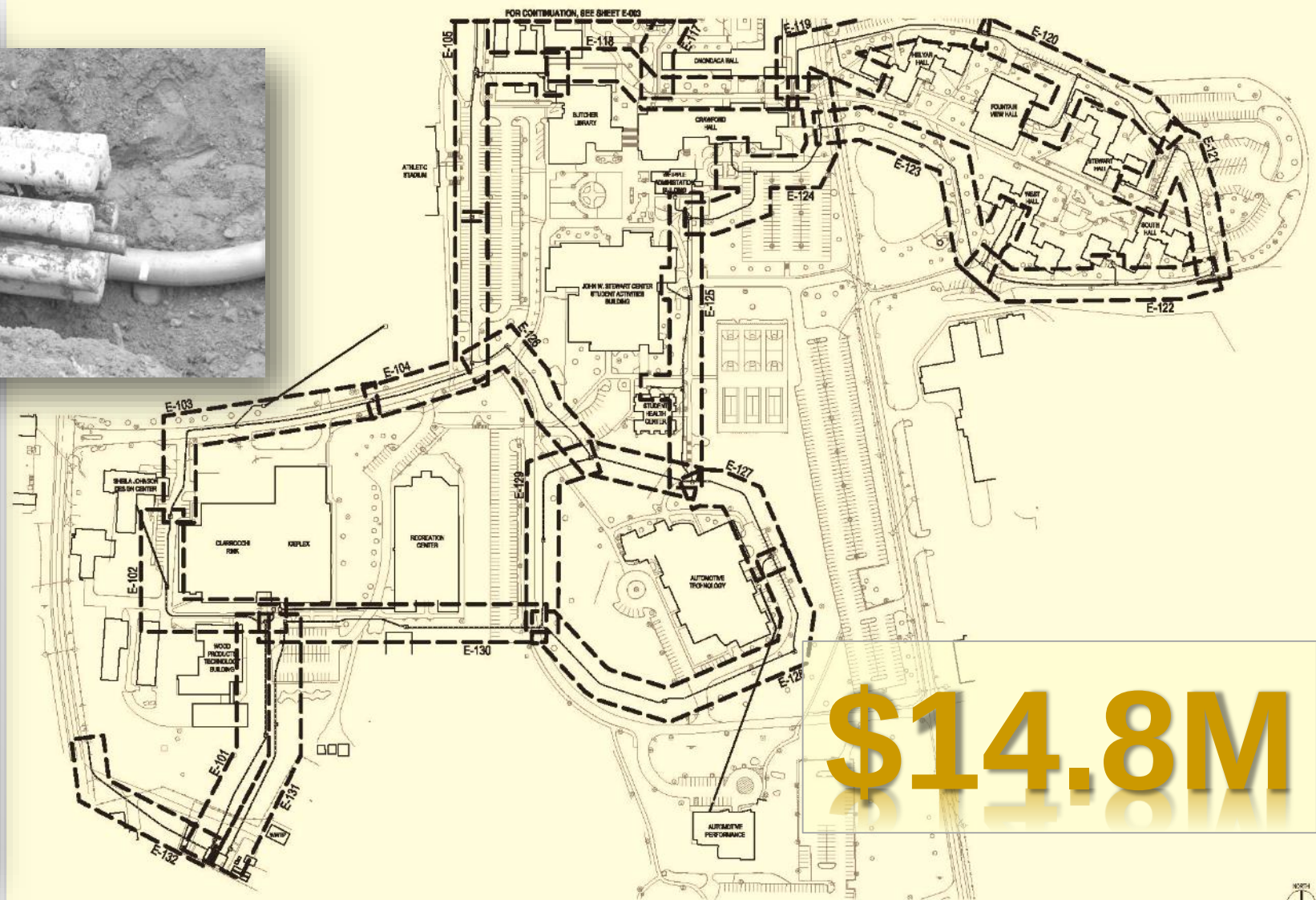
UTILITIES AND ELECTRICAL

Replace underground utilities, improve site surfaces, and upgrade various electrical equipment such as switchgear, transformers and switches.



ELECTRICAL

Rehabilitate Electric Feeder and Distribution System



\$14.8M

CHEMISTRY BUILDING

- ✓ SCIENCE BUILDING
- ✓ BUILT IN 1973, 317,524 GSF
- ✓ FCI = 28.8%
- ✓ IMMEDIATE RENEWAL = \$62.3M





STOP!
DO NOT DISCARD
CHEMICALS DOWN
THE SINK





ATHLETIC SPACE



- ✓ **ATHLETICS/SUPPORT SPACE/PROGRAM**
- ✓ **BUILT IN 1963, 82,770 GSF**
- ✓ **FCI = 48.1%**
- ✓ **IMMEDIATE RENEWAL = \$19.1M**





STRENGTHENING THE TEAM



WHAT THE FUND IS WORKING ON:

- **Advocating for a larger capital program**
- **Improving our Design / Construction Contracts – thank you!**
- **Trying new approaches to Project Assignments and delivery of Fund services**
- **Building upon DOB relationships**
- **Onboarding new Fund and Campus staff**
- **Monitoring proposed legislation**

HOW CAMPUSES CAN HELP:

- **Keep campus asset and life cycle data current**
- **Engage in continuous planning**
- **Ensure the campus plan addresses immediate renewal**
- **Propose those projects that keep us *all* up at night**
- **Collaborate with the Fund – Be part of the process**
- **Communication is essential – *especially* during budget season**

A photograph of a modern, multi-level building interior. The space features white walls, glass railings, and a blue patterned wall on one level. Several people are walking on different levels, and a group is gathered on a balcony. The word "QUESTIONS?" is overlaid in large, bold, dark green letters.

QUESTIONS?