

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance
Consent

AGENDA ITEM: 5 – N
DATE: December 11-12, 2024

SUBJECT

FY26 AES M&R Projects

CONTROLLING STATUTE, RULE, OR POLICY

[SDCL § 38-20A-4](#)

[SDCL § 38-20A-59](#)

[BOR Policy 6.6](#) – Maintenance and Repair

BACKGROUND / DISCUSSION

Maintenance and repair projects for the Agricultural Experiment Station (AES) are funded by the pesticide tax, enacted by the South Dakota Legislature in 1998 and amended by the 2020 Legislature (SB24). For each annual application fee of \$165.00 collected, the Agricultural Experiment Station receives \$15 and the Cooperative Extension Service receives \$10.

IMPACT AND RECOMMENDATIONS

The pesticide fee revenue allotted to AES is to be used entirely for AES maintenance and repair projects. The pesticide fee revenue for AES is projected to be \$200,000; however, the attached project list total is greater than the estimated revenue generated. AES will supplement the pesticide funds with available local funds to ensure the projects can be accomplished. Other additional funding sources will be identified when the project work orders are submitted.

A portion of the funding for the Poultry Unit Storage Building A will be sourced from insurance proceeds, as this facility was among those destroyed in the derecho several years ago. Authorization for this project was granted through HB1032 during the 2023 legislative session.

Approval of the FY26 AES M&R projects will allow SDSU to begin project planning and completion in a timely manner.

ATTACHMENTS

Attachment I – FY26 AES M&R projects requested by SDSU

DRAFT MOTION 20241211_5-N:

I move to approve the AES M&R projects for FY26 as requested.

**SOUTH DAKOTA STATE UNIVERSITY
 AGRICULTURAL EXPERIMENT STATION (AES)
 FY26 Maintenance & Repair Projects**

FY26 Pesticide Revenue Projection: \$200,000

Project (Activity #)	Building Name	Project Name	M&R Category ⁽¹⁾	M&R Class ⁽²⁾	Cost Estimate
3AE261	Campus	West River	E. Campus Infrastructure	A. Maintenance	\$10,000
3AE26X	Campus	East River	E. Campus Infrastructure	A. Maintenance	\$26,000
3AE26X	West River Center	HVAC Upgrades & Teller Renovations	B. Building Integrity	B. Repair	\$280,000
3AE26X	Animal Science Complex	Planning & Design Meat Lab Upgrades	B. Building Integrity	B. Repair	\$164,000
3AE26X	SE Farm	Fence Repairs	B. Building Integrity	B. Repair	\$20,000
3AE26X	Animal Science Complex	Laboratory Equipment Upgrades	C. Programmatic Suitability	C. Renovation	\$218,000
3AE26X	Poultry Unit Storage Building A	Rebuild Storage Building	B. Building Integrity	D. Alteration	\$1,250,000
3AE26X	Sturgis Research Facility	Repair Metal Roof & Vents	B. Building Integrity	B. Repair	\$130,000
				FY26 M&R Projects Total	<u>\$2,098,000</u>

**Note: The projects on the list are for the full amount and may include funding above and beyond the Pesticide M&R funds.
 As work requests for the individual projects are approved, the additional fund sources will be identified.

Refer to BOR Policy 6:6 Maintenance & Repair

⁽¹⁾ M&R Category

- A. Public Health, Safety, and Compliance
- B. Building Integrity
- C. Programmatic Suitability
- D. Energy and Utility Savings
- E. Campus Infrastructure

⁽²⁾ M&R Class

- A. Maintenance
- B. Repair
- C. Renovation
- D. Alteration