

STATE ARMORY BOARD

12 October 2022

The Indiana State Armory Board (SAB) convened at 10 o'clock, Wednesday morning, October 12, 2022, in the Adjutant General's Conference Room, located on the second floor of Building One, Indiana Joint Force Headquarters at Stout Field, Indianapolis, Indiana 46241, in compliance with Center for Disease Control (CDC) meeting guidelines, pursuant to notice given to all concerned.

MEMBERS PRESENT:

BG (Ret) Michael A. Kiefer - President
BG (Ret) Ronald W. Henry – Vice President
COL (Ret) Marjorie K. Courtney – Member
COL (Ret) Timothy R. Warrick – Member

OTHERS PRESENT:

Mr. Scott R. Collins – Director, State Operations
Mr. Jason Thompson – General Counsel, Adjutant General's Office
COL (Ret) John Silva – Controller
Mrs. Mary Carrico – Director, State Purchasing and Contracting Office
Mr. James Mahern – Director, State Facilities Office
Mr. Jason Brady—Acting Construction and Facilities Management Officer
Mrs. Stephanie Brossman – Field Auditor
Mr. Shaun Jenkins – Administrative Assistant to the Director, State Operations
Ms. Mary L. Barbee – Recorder, Business Administrator/Administrative Assistant to the
Controller

THOSE ABSENT:

MG R. Dale Lyles – The Adjutant General of Indiana – Secretary-Treasurer
MSG (Ret) Donivan J. Mahuron –Member
Mr. Steven Hines – Construction and Facilities Management Officer
Mr. Bradley Fernstrom—Cyber Academy Project Coordinator
Dr. Vonda K. Brooks—Indiana National Guard Solutions Group, Regional Business
Development Director

3. MINUTES OF THE LAST MEETING:

Brigadier General (Retired) Kiefer indicated the presence of three of the five Board Members allowed for a quorum. BG (Ret.) Kiefer opened the floor for a motion to approve the

Minutes of the August 4, 2022 Meeting which was made by Colonel (Retired) Courtney, seconded by Brigadier General (Retired) Henry, and carried.

4. TREASURER'S REPORT:

Colonel (Retired) Silva briefed the Board on their Status of Funds. He prefaced his report, indicating to the Board, there were no issues from the last State Board of Accounts' audit or the Board's accounts. He indicated there were some recommendations made to the manner in which funds were presented on the Balance Sheet. He stated these changes are cosmetic in nature as presentation is generally left to the individual auditing the account. He said he complied with the request of the most recent auditor and noted it would more than likely change with the next auditor, whom he looks forward to working with next year, as he continues to provide the evidence required to indicate good accountability.

As of the pre-meeting preparations on 23 September 2022, the balance for the Special Programs Account was \$315,168.36 and accounts receivable of \$13,828.72, mostly from Ivy Tech who pays within three to four weeks after they receive an invoice. Colonel Silva mentioned there would be changes to the balance due to Cyber Academy's desire to hire a contracted employee as well as purchasing quality of life items for the dormitories.

Colonel Silva discussed the Profit and Loss Statement for the Special Programs account, reminding the Board of the ten percent fee which is charged to entities who use Camp Atterbury; profit for this reporting period was \$3,117.04. There was also a profit from dormitory rent of \$17,717.80. He went through the expense lines, informing the Board of the payments which had been made since the August Board Meeting.

Old National Bank balance for the main operating account of the State Armory Board was \$2,362,287.21. Certificates of Deposit total \$900,000.00. Colonel Silva informed the Board interest rates were starting to go back up, reported rates vary from 1.98 to 2.7 per cent.

Liabilities for the State Armory Board are where State Board of Accounts recommended posting changes, moving some items to the Equity section since they were more annual amounts as opposed to being long-term amounts. With the long-term amounts: there is the Danville armory (\$3,562.68) closure while the armory becomes modernized, funds being held by the State Armory Board will be returned to the Danville Local Armory Board when the armory reopens. HYCA has a remaining fiscal year balance of \$502.93. Knightstown's remaining balance is \$65,251.10; and Muscatatuck's remaining balance is \$45,923.36. Total Liabilities for the State Armory Board are \$115,240.07

The amounts in the Equity section of the Balance Sheet are representative of current Fiscal Year remaining balances. Ceremonial Unit: \$117,467.11, Colonel Silva indicated in years past, this account would be at a lesser value; however, the horses are state property, and their boarding is now paid through appropriated dollars. Indiana Guard Reserve (IGR) has a remaining balance of \$66,108.39 The Lawrence Wellness Center incurred an expense for the renewal of their equipment's maintenance agreement, leaving them with \$2,751.83 on their account. The Adjutant General (TAG) Public Relations account has \$1,395.28 remaining;

however, Colonel Silva stated that a request would more than likely come before the Board to reestablish this amount to the annual \$10,000.00 requirement TAGs office seeks.

Total non-obligated funds for the State Armory Board are \$2,247,047.14.

Turning to the Profit and Loss Statement, Colonel Silva briefed the Board he would not go through each line on the Statement, rather he would highlight items the Board wished to discuss in detail, beginning with HYCA: he stated \$2,023.00 of the amount they had spent using Armory Board Funds would be reimbursed with appropriated dollars, pending the receipt of documentation needed to support those claims. He explained many items HYCA used the State Armory Board VISA card for are expenses which cannot be paid with a 'hard check,' he cited Google/Facebook advertising as the leading example of credit card use.

General Kiefer asked amount the \$2,500 Professional Fee, which Colonel Silva replied it was for TAGs annual Army of the United State Association dues, which would be reimbursed by appropriated dollars, pending upon the receipt of documentation to support the expense.

Motion to approve the Treasurer's Report was made by Colonel Warrick, seconded by Colonel Courtney, and carried.

General Kiefer asked General Henry to approach the Board with an item involving the Hoosier Youth Challenge Academy Foundation. General Henry approached the Board with a request in the amount of \$10,000.00 to cover the costs of hosting the Tri-State Challenge meeting scheduled for October 19,2022. Colonel Courtney made a motion to provide the Hoosier Youth Challenge Academy Foundation with \$10,000.00 to cover their current operational needs. Seconded by General Henry, and carried.

Additional motion was made by Colonel Courtney to place an additional \$8,604.72 into the Adjutant General's Public Relations Fund, bringing that total back to \$10,000.00 for the remainder of Fiscal Year 2023. Motion was seconded by General Henry and carried.

5. THE AGO PURCHASING AND CONTRACTING DIRECTORATE WILL PROVIDE AN UPDATE ON CURRENT STATE ARMORY BOARD CONTRACTS. - MRS. MARY CARRICO, DIRECTOR

Mrs. Carrico reported to the Board the below listed contracts which had been approved:

Connersville Boiler Replacement: \$413,182.00 (50% Federal Funding)
Camp Atterbury Water Utility Phase 3: \$1,595,500.00 (100% Federal Funding)
Gary FMS13 Modernization: \$2,875,610.00 (50% Federal Funding)
Danville Readiness Center Modernization: \$5,572,500.00 (50% Federal Funding)
Terre Haute Air Wing/Jefferson Proving Grounds: \$1,098,708.00 Repair of four historic bridges (100% Federal Funding)
Terre Haute Air Wing/Hulman Field: \$126,500.00 Demolition of Building 10 and Building 29 (100% Federal Funding)

MUTC Waterline Restoration/Renovations: \$1,614,850.00 (100% Federal Funding)

MUTC Phase 2 Environmental System Renovations of Building 1501: \$2,302,200 (100% Federal Funding)

Mrs. Carrico informed the Board projects are larger than they had been in the past due to modernization, of the armories throughout the state, and the duration of time to complete the projects is due to supply chain shortages. She informed the Board she would have information at the next meeting which would cover the total number and amounts associated with smaller purchase orders.

6. THE AGO FACILITIES DIRECTORATE WILL BRIEF ON AN ISSUE CONCERNING RIGHT-OF-WAY AND EASEMENTS FOR STOUT FIELD AND THE DIVISION ARMORY. MR. JAMES MAHERN, DIRECTOR

Referring to the enclosed map, Mr. Mahern approached the Board concerning the city of Indianapolis' desire for a right-of-way and easement surrounding State Armory Board property for the purpose of drainage and asphalt repair at the intersection of Holt Road and Minnesota Street. He indicated that his office, and general counsel were in the beginning stages of discussions relative to the cause of establishing ownership of the utilities involved. Mr. Jason Thompson, general counsel, stated this involves talking with the city of Indianapolis to take ownership of the utilities which run near the property, indicating that the utilities have long-term liabilities and financial risks for the Board, and he would rather those utilities be under the control of the city. Mr. Mahern stated he would approach the Board at their next meeting with further details about the project as the city of Indianapolis is at 75% completion with the design and they would like to go to bid late winter/ early spring (February/March) of 2023.

THE AGO FACILITIES DIRECTORATE WILL PROVIDE AN UPDATE OF THE ARMORIES AND PROPERTIES. – MR. JAMES MAHERN, DIRECTOR

Mr. Mahern stated 42% of the AGO Facilities' routine maintenance and repair budget has been expended, and his directorate is going through its funds very quickly. He anticipates toward the end of the Fiscal Year (June 2023) his availability of funds will have been depleted to the point where there may be a need for supplemental funds from the State Armory Board to support the projects. He stated there would be an increase to the number of maintenance/repair projects in Fiscal Year 2024: 16 projects at a total of \$30 million

Mr. Mahern gave a status update to some of the maintenance/repair projects currently underway:

Madison's roof is 99% complete—it will be complete once the warranty information has been received

Stout Field, Building 15, having received federal funds to upgrade their space to house the Cyber Battalion is 95% complete

Alexandria FMS 95% complete.
Shelbyville Water Utility Connection/Upgrade 95% complete.
Gary Readiness Center's boiler repair is 90% complete.
Hammond Readiness Center is 85% complete.
LaPorte Readiness Center: 75% complete.
Richmond FMS: 70% complete.

Mr. Mahern extended an invitation to the Board to tour the upgrades made at Building 15 after the next Board Meeting, as well as a tour of the renovations made to the parking lot and interior of the Hangar Building (Building 9).

7. THE SOLUTIONS GROUP ASKS TO MAKE A CHANGE TO THEIR FY2023 BUDGET BY REQUESTING ADDITIONAL FUNDING TO PURCHASE NEW WASHERS AND DRYERS FOR THE CYBER ACADEMY. – MR. BRADLEY FERNSTROM, PROJECT COORDINATOR

In the absence of Mr. Fernstrom and Dr. Brooks, Mr. Scott Collins, Director, State Operations, informed the Board the Solutions Group would like to amend their 2023 Fiscal Year budget to include the purchase of new washers and dryers; however, they did not complete the process required to make the adjustments; henceforth, they will make their request at the next Board meeting.

THE SOLUTIONS GROUP WILL PROVIDE AN UPDATE ON THE CYBER ACADEMY. – MR. BRADLEY FERNSTROM AND DR. VONDA BROOKS

Members of the Solutions Group were not in attendance at this meeting.

8. THE CONSTRUCTION AND FACILITIES MANAGEMENT OFFICE WOULD LIKE TO MAKE A REQUEST FOR FUNDING FOR THE SHELBYVILLE CONSTRUCTION-MODERNIZATION PROJECT. MR. JASON BRADY – ACTING CONSTRUCTION AND FACILITIES MANAGEMENT OFFICER

Mr. Brady informed the Board Construction and Facilities Management Officer, Colonel Steven Hines was currently on a deployment, and he would be filling in as CFMO in his absence. He stated the Shelbyville construction/modernization project is on-going and should be completed in April 2023. During the course of the project, Mr. Brady said bids were short on funding through the federal government, and his office received an additional \$2 million from National Guard Bureau. He mentioned that NGB did a 30% across-the-board increase on projects based on current inflation rates. He further stated his office's main concern is its contingency fund: it has approximately \$40,000.00 remaining; but there is the potential of \$250,000.00 in change orders. He stated that COL Silva has gone to the State Budget Agency to discuss the matter.

Colonel Silva stated he did approach the Budget Agency with the request for \$250,000.00, and they are taking it into consideration. He stated that possibly, the State Armory Board may need to cover those costs; however, he strongly feels it is more of a state responsibility, and not the Board's. Mr. Mahern added that normally, all projects set aside 10% for contingency, and that the facilities, controller, and contracting offices all work together through change orders.

Mr. Brady gave an update to the Danville Armory Modernization Project, stating that demolition had just started during the week of October 3rd. He stated the design phase of the Hamilton County Armory Project is 60% complete.

General Kiefer asked if there was an armory in South Bend that was being vacated; to which Mr. Brady replied that the Army Reserve was vacating that armory and the CFMO had expressed an interest in it, pending the Army Reserve to conduct an environment process to clear the building. He stated there was a maintenance shop on the property. He further indicated there had been a new roof installed on the building as well as resurfacing of the parking lot.

Mr. Mahern indicated if the building were to be taken over by the National Guard, it would be a real estate license transfer from the Army Reserve to the National Guard, much like the properties at Kessler and Lawrence, wherein the federal government would still own the property for a term of 50 years.

9. THE WORKING GROUP ASSIGNED TO THE DIVESTITURE OF THE MARION ARMORY WILL MAKE A REPORT. – COL (R) MARJORIE COURTNEY, SAB BOARD MEMBER

Colonel Courtney presented her brief to the Board concerning the Marion Armory. She stated the unit had vacated the building and was now located in Huntington. She stated the Wall of Honor for SSG King has been relocated to Bluffton at the request of the family, and the 38th Infantry Division is coordinating a placement ceremony in Bluffton.

She informed the Board the flagpole had been purchased for \$200.00. She stated this price was determined by the current cost of scrap aluminum, roughly \$0.92 per pound—the flagpole was roughly 217 pounds. A Memorandum for Record was drafted by Mr. Thompson for historical reference, and includes the basis, in accordance with state statutes for the sale of the flagpole. Included in the MOR are the state statutes, assessment and valuation process, terms of sale, and the removal of the flagpole. She stated the purchaser intends to remove the flagpole by October 15th.

In August, Colonel Courtney, Colonel Hines, Jason Brady, and Bianca Kearby met with Mayor Jess Alumbaugh to discuss the divestiture of the Marion Armory. A site visit was conducted, and Mayor Alumbaugh is very interested in the property, indicating he would be appreciative of receiving the armory as a gift to the city. Colonel Courtney explained to the Board they could take the mayor's suggestion into consideration; however, the final

determination on the divestiture of the property rests with the Indiana Department of Administration and the governor. Mr. Thompson concurred, stating that the divestiture decision rests completely with IDoA and requires the governor's signature. General Henry mentioned the armory at New Castle was gifted to the city when it was closed. Mr. Thompson echoed that the former Heslar Naval Armory was gifted, as was Boswell Armory and the Corbin Armory. Colonel Courtney also stated that an appraisal of the building would still need to be done by the State Armory Board.

Wrapping up her discussion on Marion, Colonel Courtney informed the Board Bianca Kearby has advised the Indiana 5th District representative, Victoria Spartz as well as senators Todd Young and Mike Braun that the Indiana National Guard has vacated the armory.

Colonel Warrick approached the Board with an update to the Linton Armory stating he had been approached by Linton Mayor John Wilkes concerning the future of the armory. Colonel Warrick stated he explained the divestiture process to Mayor Wilkes, who has written a letter to MG Lyles expressing his interest in the property.

Colonel Warrick also indicated Greene County General Hospital has also expressed an interest in the property, stating it was their desire to acquire the building and move their administrative offices there. Linton-Stockton School Corporation has also contacted MG Lyles to express their desire to acquire the property. Colonel Warrick stated all federal property has been removed from the Linton Armory and is currently maintained by a part-time state employee.

Colonel Courtney stated there are still concerns surrounding the Huntington Armory Kitchen. She stated the previous report of needing \$12,000 to \$15,000.00 to repair the kitchen was greatly underestimated. She stated the estimated cost of compliance with state code would cost approximately \$117,000.00 She stated the determination of what to be done with the Hammond kitchen should fall under the responsibility of the J4 and the 38th Infantry Division; but the Board would support them if needed.

10. PUBLIC COMMENTS.

There were no visitors and no comments from the public at this meeting.

11. CURRENT ACTIVITIES – INDIANA NATIONAL GUARD.

As MG Lyles and BG Mann were attending the annual meeting of the Association of the United States Army, Mr. Collins provided the Board with an update on the website of the Adjutant General's Office. He stated the AGO website and the SAB website were ready to merge under the state government portion of the official State of Indiana website, which would allow any Board member who wishes to update their biography to do so through website personnel.

Mr. Collins updated the Board on MSG (Ret.) Mahuron: he stated Master Sergeant Mahuron wanted the Board to know he cherished his time spent on the Board, that he appreciates all the members, and sends his best regards. Mr. Collins stated despite his dwindling health concerns, MSG Mahuron is still a member of the Board as the governor's office has not received a letter of resignation

12. ESTABLISH DATE AND TIME FOR NEXT MEETING.

Having determined there was no further business to conduct, Colonel Warrick made motion to adjourn the October 12, 2022 meeting of the State Armory Board. Motion was seconded by Colonel Courtney and carried at 11:45 A.M.

The next meeting of the State Armory Board will be held on Wednesday, December 14, 2022 at 10 o'clock in the Adjutant General's Conference Room at Joint Forces Headquarters in Indianapolis.

Michael A. Kiefer

BRIGADIER GENERAL MICHAEL A. KIEFER, INARNG (RET)
PRESIDENT, INDIANA STATE ARMORY BOARD

R. Dale Lyles

MAJOR GENERAL R. DALE LYLES, INNG
THE ADJUTANT GENERAL, SECRETARY-TREASURER