

February 2022 Minutes

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Budget Committee
February 2022 Minutes

State Budget Committee Minutes
February 15, 2022 4:00 PM EST
Indiana Statehouse
Senate Appropriations Committee Room 431
200 W. Washington Street, Indianapolis, IN 46204

Members:

Senator Ryan Mishler, Chair
Representative Tim Brown
Senator Fady Qaddoura
Representative Gregory Porter
Zachary Jackson, State Budget Director

Alternate Members:

Senator Liz Brown
Representative Bob Cherry
Representative Carey Hamilton
Joe Habig, Deputy Budget Director

Chairman Ryan Mishler called the meeting to order at 4:03 PM EST.

Chairman Mishler introduced the minutes from the December 2021 meeting. Representative Bob Cherry motioned to approve the minutes. Senator Fady Qaddoura seconded the motion. The December 2021 minutes were adopted by the Committee.

The agency projects, federal stimulus item, university projects, and review item were presented.

After all agenda items had been presented, Representative Tim Brown motioned to approve the February 2022 agenda. Senator Fady Qaddoura seconded the motion. The agenda was adopted by the Committee.

Representative Gregory Porter expressed concerns regarding Indiana Department of Administration's (IDOA) statewide asset inventory and facilities assessment project and how IDOA will meet supplier diversity goals.

Following no further business, the meeting adjourned at 4:34 PM EST.

I. **Minutes**

1. December 2021 Minutes

II. **Agency Projects:**

1. **Indiana War Memorial Commission (315)** \$6,375,000
Soldiers and Sailors Monument Plaza Waterproofing

The Indiana War Memorial Commission requests funding to perform extensive repairs on the Soldiers and Sailors Monument Plaza. The basement of the monument has been closed since June 2017 due to the water infiltration issues. Further, there are several sections of the plaza in which the stone has deteriorated, areas where the granolithic needs to be replaced, and large portions with no sealant that are taking on significant amounts of water. Water is finding its way to interior portions of the buildings where it is causing biological growth, structural damage, and physical hazards to visitors. The funding will provide replacement of granolithic pavement, leak pattern remediation, installation of a waterproofing and drainage system, sealant replacement in the north and south stairs and at the plaza level, skylight repairs, limestone tread replacement, and façade work such as dutchman repairs in limestone. Once the plaza has been waterproofed and sealed, a new HVAC system will be installed in the basement/museum level to ensure there is proper air flow and conditioning of the space. The repercussions of not addressing the problem include continued water infiltration into basement level which has already taken on a significant amount of damage, structural risks, inability to keep the monument open to visitors and events. Upon completion of this project, the basement space will be a museum containing two-dimensional paper exhibits and signage displaying the construction and history of the monument.

Funding:	HEA 1001: 2019 General Fund (Conservation and Environment R&R 19729 – 2021)	\$3,000,000
	HEA 1001: 2019 General Fund (General Government Line Items 19721 – 2020)	\$3,375,000

2. **Logansport State Hospital (435)** \$302,140
Power Lines and Transformer Replacement

Logansport State Hospital is requesting funds to replace an aged transformer and deteriorating power lines that currently pose a safety risk to staff and patients. Both the power lines and transformer play a necessary role in supplying power to essential sections of the campus and are hazardous in their current condition. The power lines have not undergone an upgrade since 1970 and the transformer, that of which was installed in 1919, must be replaced in its entirety. Without intervention, the power lines and transformer are likely to experience continued degradation and exacerbate the risk of power outages throughout the campus. The scope of the project includes the removal of the failing utility infrastructure and will allow the new utility lines to be buried. The transformer is planned to be both replaced and relocated as it is currently sitting at eye-level in an aged building. The project is anticipated to improve conditions at the Logansport State Hospital campus by decreasing the likelihood of power outages and removing hazardous infrastructure.

Funding: HEA 1001: 2021 State Construction Fund
(State Construction Fund – FSSA R&R 59952 – 2022)

3. **Indiana Finance Authority (261)** \$ 20,000,000
Water Infrastructure Assistance Program

The Indiana Finance Authority (IFA) requests funding for the Water Infrastructure Assistance Program. The Program, when funded, will provide low interest loans and grants for utility infrastructure projects. The IFA currently manages the EPA-funded State Revolving Fund (SRF) Loan Program that provides low interest loans for utility infrastructure projects, which have saved Indiana rate payers over \$1 billion dollars over the last ten years. Over 900 SRF loans have been funded to a total of over \$6 billion dollars over 30+ years. In 2018 the Water Infrastructure Task Force recommended that an appropriation should be made to fund the Program created by IC 5-1.2-14. This appropriation will enable the IFA to fund additional loans to Indiana utilities consistent with past available EPA funding.

Funding: HEA 1001: 2021 General Fund
(Leases Construction 19736 – 2022)

4. **Indiana Department of Administration (61)** \$2,500,000
Statewide Asset Inventory and Facilities Assessment

In order to better plan for future preventive maintenance and repair/rehabilitation appropriations, the Indiana Department of Administration (IDOA) requests funding to conduct a statewide asset inventory and facilities assessment. The goal of the assessment is to determine the replacement value of every state asset and determine the asset's condition. The assessment will evaluate the structural, architectural, mechanical, plumbing, and electrical components of each state asset.

Funding: HEA 1001: 2019 General Fund
(General Government Line Items 19721 – 2020)

5. **Adjutant General (110)** \$829,360
Stout Field Building #3 Roof

The Adjutant General’s Office requests funding to replace the 35,208 square feet of thermoplastic polyolefin (TPO) roofing material on the Stout Field administrative building #3, which houses critical communications equipment and servers. The current roofing system is approximately 28 years old and has numerous leaks occurring thus creating service interruptions and health risks due to biological growth. This project will include demolition and disposal of the existing roofing system, replacement of any deteriorated decking material, and installation of a new ethylene propylene diene terpolymer (EPDM) roofing system. Due to an agreement between Indiana and the Federal Government, the cost of these projects is shared between both parties.

Funding:	HEA 1001: 2009 ‘Change of Use’ General Fund	\$306,864
	(Adjutant General Construction Fund 19060 – 2009)	
	Federal Funds	\$522,496

III. Federal Economic Stimulus Item:

1. **State Board of Accounts (80)** \$ 2,538,720
Federal Audits of Local Units

The State Board of Accounts (SBOA) requests review of Coronavirus Relief Fund (CRF) funding to contract with CPA firms to perform audits on state and local units of government. Recent disbursements of federal funding to state and local units have increased the annual number of federal single audits from 240 to nearly 340. To ensure all units of government required to be audited are completed in a timely manner, SBOA plans to contract with private examiners to complete some of these required audits.

Funding: Coronavirus Aid, Relief and Economic Security (CARES) Act, Coronavirus Relief Fund

IV. University Projects:

1. **Ivy Tech Community College** \$10,500,000
Culinary and Conference Center
Project No. F-0-22-3-05

The Ivy Tech Community College State Board of Trustees request authorization to transfer the Ivy Tech Community College Culinary and Conference Center building (C4) from the Ivy Tech Foundation to the College. In late 2010, the Lilly Endowment provided the Ivy Tech Foundation with funds to purchase and partially renovate the old Indianapolis Stouffer Hotel. The building is now home to the Ivy Tech Community College Culinary and Conference Centers ("C4"). When the College takes ownership of the building, it will then be considered an asset on the College's financial statements to be included in its overall net financial position. The total cost is \$10,500,000 to be funded with Operating Funds.

Funding: Operating Funds
CHE Review: November 18th, 2021

2. **Indiana University Bloomington** \$51,900,000
Wright Quadrangle Renovation
Project No. A-1-22-2-02

The Trustees of Indiana University request authorization to proceed with the renovation of Joseph A. Wright Quadrangle on the Bloomington campus. This project will upgrade building systems throughout the complex, including installation of a central air conditioning system with digital controls, connectivity to the campus chilled water and steam loops, new domestic water and heating water systems, fire alarm and sprinkler systems, electrical systems, LED lighting, security/access systems, data and telecom systems, and a new emergency generator. Selected kitchen equipment will be upgraded, and external masonry will be cleaned and repointed. Accessibility improvements will include a new accessible entrance to the complex and a new elevator located at the existing north breezeway. The residential wings will receive new flooring in student rooms and corridors, new ceilings, two new staff apartments, restroom upgrades, and accessible and all-gender restrooms will be added. Windows will also be replaced in the residential wings. This project is planned in two construction phases, with the first phase completing in the 2022-23 academic year and the second phase completing in 2023-24, enabling approximately half of the facility to be in use during each phase. The total cost of this project is \$51,900,000 to be funded through Non-Fee Replaced Debt, with payments made from Auxiliary Housing/Dining funds.

Funding: Non-Fee Replaced Debt – Auxiliary Housing/Dining
CHE Review: November 18th, 2021

3. **Indiana University – IUPUI** \$175,000,000
 Ground Lease Agreement and Medical Education Building
 Project No. A-2-22-1-03

The Trustees of Indiana University request authorization to enter into a long-term ground lease at no cost with Indiana University Health, Inc. for approximately four acres of IU Health-owned real estate located in Indianapolis near 16th Street and Capitol Avenue for a term of ninety-nine years. On the site, Indiana University proposes to construct, maintain, and operate an approximately 323,000 gross square foot Medical Education Building for the Indiana University School of Medicine, creating a new primary site for IU medical education programs and potential future construction of additional IU facilities and improvements. The IU medical education facility will be co-located with the Indianapolis Academic Health Center in development by IU Health to include an IU Health Flexible Platform of Care facility consolidating Methodist and University Hospitals at the southwest corner of 16th Street and Capitol Avenue in Indianapolis. The estimated cost of this project is \$175,000,000 to be funded by Operating Funds and Gift Funds.

Funding:	Gift Funds	\$145,000,000
	Operating Funds	\$30,000,000
CHE Review:	November 18 th , 2021	

Cost Summary

2009 'Change of Use' General Fund	\$ 306,864
2019 General Fund	\$ 8,875,000
2021 General Fund	\$ 20,000,000
2021 State Construction Fund	\$ 302,140
Coronavirus Relief Fund, CARES Act	\$ 2,538,720
Federal Funds	\$ 522,496
Gift Funds	\$ 145,000,000
Non-Fee Replaced Debt – Auxiliary Housing/Dining	\$ 51,900,000
Operating Funds	\$ 40,500,000
Total	\$ 269,945,220

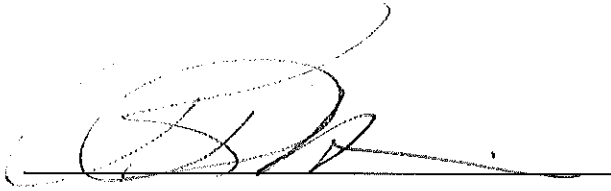
V. Review Item

1. Salary Matrix Adjustment - HEA 1001 – 2021 - Indiana State Police

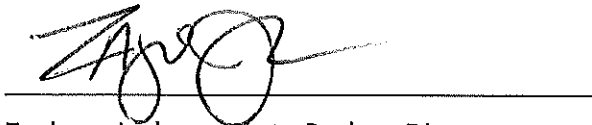
VI. Reports Received

1. Annual Report, IC 5-33-5-11 - Indiana Destination Development Corporation - (1.24.2022)
2. Managed Long-Term Services and Supports Report, HEA 1001 – 2021 - Family and Social Services Administration - (2.1.2022)

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A handwritten signature in black ink, appearing to be 'RM', written over a horizontal line.

Senator Ryan Mishler, Chairman

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Zachary Jackson, State Budget Director