

**State Budget Committee Agenda
June 18, 2004, 10:00 A.M., Indianapolis Time
Walb Student Union, Union Ballroom
Indiana University-Purdue University Fort Wayne, Fort Wayne, Indiana**

I. State Agency Projects

1. Adjutant General (110) \$418,000
Roof Replacement at Stout Field
Project No. A6-1-04

The roof consists of 32,300 square feet and is fourteen years old. Since January of 2002, repairs to the roof have totaled \$20,000. The building is headquarters for the Joint Forces of the National Guard. The roof decking is constructed of steel, therefore when leaks occur at the seams the water generally travels some distance before falling and damaging the ceiling. Since the water travels, it is difficult to find the exact location of the water damage. The leaks are causing the insulation to lose its R value. Roofs today have a much shorter lifespan than in the past, roofs constructed during the 1970's used materials which helped prolong the life of roofs but these materials are no longer used in today's construction, giving them a shorter lifespan. The agency is requesting replacement of the roof to prevent any deterioration or collateral structural damage.

From: 2003 General Fund R & R – Adjutant General
Appropriation: \$1,637,900
Available Balance after 50% Reserve: \$ 589,644

2. Adjutant General (110) \$153,000
Roof Replacement at Rensselaer National Guard Armory
Project No. A6-3-04

The center is 15,000 sq. ft and the roof is 30 years old. The center provides training, storage and administrative space for the 2nd Battalion. The roof has been repaired for leaks on numerous occasions, since January of 2002 repairs have amounted to \$5,000. The leaks continue to cause damage and deterioration to the interior of the building. The agency is requesting the roof be repaired to prevent further repair cost and eliminate further damages to the interior.

From: 2003 General Fund R & R – Adjutant General
Appropriation: \$1,637,900
Available Balance after 50% Reserve: \$589,644

3. Indiana State Police (100) \$200,000
New Roof for District and Regional Lab, Lowell Post District 13
Project No. A2-4-344E

The roof covers the district office and lab has major leaks. The roof is 19,589 square feet and was last replaced in 1984. A new roof is needed to keep water out of the kitchen area and radio room. All of the computer equipment is located in the radio room, causing serious concern. The four regional labs will continue to operate when the new Indianapolis lab is operating. Therefore, building related repairs will still be needed.

From: 2003 State Police Building Fund R & R – State Police
Appropriation: \$1,919,950
Available Balance: \$1,919,950

4. Indiana State Police (100) \$225,000
New Roof for Breman Post District 24
Project No. A2-4-345E

The roof is 22 years old and 13,696 square feet, it has been repaired frequently in the past 6-12 months for leaks. The roof also has bubbles, when they are stepped on they create a leak. No mold has been found at this time; however there could be a mold problem if the roof is not replaced soon.

From: 2003 State Police Building Fund R & R – State Police
Appropriation: \$1,919,950
Available Balance: \$1,919,950

5. Indiana State Prison (620) \$1,163,797
Study and Replacement of Underground Water and Sewer Utilities
Project No. B1-305

This is the second phase of a three phase project. The initial phase began in 2003 and has been allotted \$1,320,000 to date. The project will include design and estimated costs, in addition to including removal of remaining interconnections existing between the facilities sanitary sewers and storm sewers.

From: 2003 Post War R & R – State Prison
Appropriation: \$5,008,595
Available Balance: \$3,708,595

6. Pendleton Correctional Facility (630) \$171,108
Replacement of Boiler Feed Water Pumps
Project No. B2-304

The facility is 40 years old and the water pumps have been rebuilt several times. The pumps generate steam to heat the facility and assists the food industry component of the adjoining Correctional Industrial Facility. It is best to exchange the pumps during the summer. Nine (9) of these boiler feed water pumps need replaced. This facility houses approximately 1,685 Level 4 offenders and 215 Level 1 offenders.

From: 2003 Postwar R & R – Pendleton Correctional Facility
Appropriation: \$2,710,103
Available Balance: \$1,941,353

7. Putnamville Correctional Facility (650) \$309,000
Rehabilitation of Maximum Security Cell Doors
Project No. B3-307

Rehabilitation is necessary for the maximum security doors at the Putnamville Correctional Facility. The Maximum Security Unit was built in 1981 and holds 50 offenders. The manufacturer of the door operators is no longer in business; therefore repair parts for the door operators are no longer available.

From: 2003 Postwar R & R – Putnamville Correctional Facility
Appropriation: \$1,896,230
Available Balance after 50% Reserve: \$1,896,230

8. Department of Natural Resources – State Parks and Reservoirs (300) \$4,600,000
General Rehabilitation

State Parks and Reservoirs have several properties in need of maintenance. The projects are for repairs to restrooms, comfort stations, utility systems and campgrounds on some 32 properties. The Parks and Reservoirs must maintain over 180,000 acres of land consisting of permanent buildings, campsites and cabins for approximately 16 million visitors each year. These properties need regular maintenance to ensure prompt compliance with state health and safety codes and adequate upkeep of highly used visitor facilities. Rehabilitation includes repairing or replacing failing equipment essential to maintaining the grounds and facilities. Delaying maintenance results in loss of use of the facility loss of revenue and more costly future maintenance.

From: 2003 General Fund R & R – DNR State Parks and Reservoirs
Appropriation: \$29,400,000
Available Balance after 50% Reserve: \$7,602,000

9. Department of Natural Resources – Nature Preserves (300) \$200,000
Nature Preserves- General Rehab

Funding is requested to address critical safety issues concerning old electrical wiring and heating systems at the state's Nature Preserves. Many of the trails through the preserves need replacing due to rotting and many of the structures, parking lots, fences and interpretive signs need to be repaired and or replaced due to vandalism and wear and tear due to heavy use. A number of nature preserve properties (Hoosier Prairie, Biesecker Prairie) consist of fire dependent natural communities. Prescribed burning is required to reduce fuel which consequently reduces wildfire hazard. The preserves are surrounded by subdivisions which increase the risk of vandal set fires. Funding is requested to allow for fire fuel reduction in portions of properties adjacent to subdivisions. It will also provide for the installation of fire lanes and increase the division's ability to accomplish safer burns.

From: 2003 General Fund R &R – Nature Preserves
Appropriation: \$1,202,200
Available Balance after Reserve: \$393,480

10. Department of Natural Resources – Historic Sites (300) \$765,000
Historic Sites

Due to severe weather some of our historic sites are in need of emergency repairs which affect the health and safety of visitors. The repairs are mostly due to water damage. The Whitewater Canal has numerous large projects which need to be repaired. The request is for a lock door replacement on Millville Lock and masonry and undercarriage repairs. Currently the Temple structure roof at Angel Mounds State Historic Site in Evansville is caving in. The Temple structure and the Mound were reconstructed in 1971 to replicate a prehistoric Mississippian Indian temple. Currently there is infestation of hornets and wasps inside and out of the wall sections where there are holes. The facility is currently closed to the public due to these conditions. The request is to remove the structure as it is posing a definite public safety hazard.

From: 2003 General Fund R &R – DNR Historic Sites \$720,000
Appropriation: \$2,000,000
Available Balance after 50% Reserve: \$720,000

From: 2003 General Fund R &R – DNR Enforcement \$45,000
Appropriation: \$500,000
Available Balance after 50% Reserve: \$180,000

11. Department of Natural Resources – Forestry (300) \$1,153,074
Resources Management

Funding is requested to wage the war against the Gypsy Moth. Our 4,000,000 + acres of forest are subject to the threat of the Gypsy Moth and other invasive species (Sudden Oak Death) that can now be controlled. The spread rate of the Gypsy Moth will increase without the proper aerial treatment. Indiana currently has over 150 million ash trees. Ash is a valuable species used in various everyday products. The Emerald Ash Borer (EAB) is threatening our northern Indiana counties with infestation of our ash trees. These funds are requested to minimize these threats and preserve our forest and other private lands through proper treatment and early detection.

Starve Hollow Lake has a severe weed problem. Without herbicides the weeds become so thick that some areas of the Lake are unusable to swimming and fishing which are big revenue generators of the lake. If the beach is closed due to loss of revenue it could be more costly and time consuming to restore a good reputation for the lake. The funding is requested for weed and vegetation control.

From: 2003 General Fund R &R – DNR Forestry
Appropriation: \$5,119,650
Available Balance after 50% Reserve: \$1,843,074

II. University Projects

1. Indiana University-Purdue University Indianapolis (750) \$123,724/year
Renewal of Lease – Polis Center
Project No. A-2-04-5-07

Indiana University requests review from the Budget Committee for renewal and consolidation of two leases associated with the Polis Center on the Indiana University-Purdue University Indianapolis (IUPUI) campus. The term of the lease is two (2) years, with three (3) one (1) year renewal options available. The lease includes renewal of 9,000 square feet of office space and consolidation of 960 square feet, currently being occupied under a separate lease, into the renewed lease. The total square footage is 9,960. Both spaces are located at 1200 Waterway Boulevard, Indianapolis, Indiana. Annual cost of the lease agreement is \$123,724 (\$12.43 per square foot) per year totaling \$247,447 over two years. The center has been a tenant of the building since August 1, 1999.

Funding: Polis Contract and Grant Income - \$247,447 over 2 years
CHE Review: April 22, 2004

2. Indiana University – Purdue University Indianapolis (750) \$308,532/year
IUPUI School of Medicine Sublease Agreement
Project No. A-2-04-5-04

Indiana University requests review from the Budget Committee to enter a sublease on behalf of the Indiana University – Purdue University Indianapolis Campus (IUPUI), in conjunction with the Indiana University School of Medicine. The sublease will last 5 years and 6 months with no option to renew. The office space is 13,440 square feet and is located at the Safeco Building at 550 North Meridian Street in Indianapolis. The space, currently operated by the Indiana University Medical Group – Specialty Care, will provide office space for the School of Medicine Dean’s office administrative operations. Total cost of the sublease is \$1,696,923; \$352,923 is a one time payment due at the signing of the sublease. The remaining \$1,344,000 is due on a monthly basis over the 5 year, 6 month term of the sublease. The average cost per square foot is \$15.67 over the life of the lease. Funding for the sublease will be paid through the School of Medicine’s existing operating funds.

Funding: School of Medicine Existing Operating Funds - \$1,696,923 – 66 month period
CHE Review: May 20, 2004

3. Indiana University – Purdue University Indianapolis (750) \$168,221/year
IUPUI School of Dentistry Renewal of Lease Agreement – Oral Health Research Institute
Project No. A-2-04-5-13

Indiana University requests review from the Budget Committee to authorize the renewal of its lease at Walker Plaza, on behalf of the Indiana University – Purdue University Indianapolis Campus, in conjunction with the Indiana University School of Dentistry and the School of Informatics. The lease space is located on the 1st Floor at the Walker Plaza building located at 719 Indiana Avenue, Indianapolis, Indiana. The renewal, which is over five (5) years, will consolidate space in Walker Plaza that is currently occupied by the School of Dentistry. The new consolidated space of 9,356 square feet will cost \$168,221 annually over the five (5) year period (\$17.98 per square foot), plus a proportionate share of increases in building operating expenses. The newly consolidated space will house current operations for the School of Dentistry’s Oral Health Research Institute, as well as the Dean’s Office, faculty and staff offices and student services related to the School of Informatics. In addition, two robots will be housed in the leased space for the School of Informatics as well as space to conduct classes for current degree programs. Even as the completion of the ICTC/CAB is near, IUPUI believes the additional space in Walker Plaza is necessary to house the Laboratory Informatics program as well as address the growth in faculty, staff and students involved in the program. Funds for the leased space will be paid from the School of Dentistry sponsor funds and the School of Informatics existing operating funds.

Funding: School of Dentistry Sponsor Funds \$841,105 over 5 years
School of Informatics Existing Operating Funds
CHE Review: June 14, 2004

4. Indiana University – Purdue University Indianapolis (750) \$42,250,000
Information Sciences Building - Construction
Project No. A-2-04-1-05

Indiana University requests review and approval from the Budget Committee for financing and construction of the Information Sciences Building, located at the intersection of 10th Street and Martin Luther King Boulevard, as part of the Indiana University – Purdue University Indianapolis campus, in Indianapolis, Indiana. The 166,000 gross square foot building (\$255 per square foot) will be a multi level facility, with five levels in the north tower and three levels in the south tower. The purpose of the Information Sciences Building, which is an Energize Indiana project, is to create and house critical functions related to the School of Medicine’s computation science. The project calls for a computing intensive environment for academic research and data analysis, teleconferencing facilities, classroom and seminar rooms and other assembly areas to conduct meetings and workshops for researchers from across the country and world. Currently, facilities like this are not available on the IUPUI campus; the School of Medicine is in need of additional research space and consolidation of related programs dispersed around campus. Cost of the Information Sciences Building is \$42,250,000 of which \$27,250,000 will be funded through gifts and grants to the School of Medicine and \$15,000,000 through bonding authority, approved by the 2003 General Assembly. The project is eligible for fee replacement, estimated at \$1,203,639 and will begin no sooner than Fiscal Year 2008. In addition, plant expansion has been requested at an estimated cost of \$1,865,176. The permanent financing package is subject to the approval of the State Budget Director. Review by the Budget Committee does not constitute a commitment to future funding for plant expansion.

Funding: 2003 Bonding Authority - \$15,000,000
 Gifts and Grants to the School of Medicine - \$27,250,000
Est. Fee Replacement - \$1,203,639
Est. Plant Expansion - \$1,865,176
CHE Review: June 11, 2004

5. Indiana University (750) \$12,092,100
Refinancing of Facilities Revenue Bonds - Series 1994A
Indiana University requests review and approval from the Budget Committee to proceed with the issuance of bonds related to the refinancing of Series 1994A Facilities Revenue Bonds. Indiana University proposes to refinance its Series 1994A bonds in the amount of approximately \$12,092,100 plus costs associated with the refunding, as well as issue bonds for the permanent financing of the Barnhill Parking Garage at IUPUI, previously approved by the Budget Committee on September 26, 2003. By refinancing the Series 1994A Facilities Revenue Bonds, IU estimates it will recognize \$1,447,323 in present value savings. These are facilities revenue bonds, so all savings associated with the refinancing will be realized by the university, not the state. The bonds are not eligible for

fee replacement. The permanent financing package is subject to the approval of the State Budget Director.

Refinancing of Series 1994A Facilities Revenue Bonds: \$12,092,100 (est.)
Net Present Value Savings from Refinancing: \$1,447,323 (est.)

6. Purdue University – Calumet (760) \$567,620/year
Lease Agreement – Academic Learning Center
Project No. B-2-04-5-14

Purdue University requests review from the Budget Committee to enter into a lease with the Purdue Research Foundation for space at the future Academic Learning Center in Merrillville, IN, in connection with Purdue University – Calumet. The Purdue Research Foundation plans on building the Academic Learning Center, a new 47,880 GSF facility with classrooms, computer labs, study areas, conference rooms, offices and support areas as part of Purdue University-Calumet's expansion to the southern part of Lake County. Purdue University-Calumet will pay an annual lease payment of \$567,620 (\$11.86 per square foot) for a period of twenty-five years for a total of \$14,190,500, renewable for five year periods after twenty-five years at \$1 per year. Purdue University-Calumet will assume all operating costs and capital expenditures associated with the Center, as well as fund annually a reserve to pay for building repairs. The estimated initial operation budget for the center is \$583,160. Purdue University-Calumet will use student fee revenue generated from the Center to cover lease payments and other operating costs. However, a subsidy from the main Purdue University-Calumet campus for the first two years will be necessary, roughly \$950,000. Purdue is not seeking additional state funds to pay for the lease.

Funding: PU-Calumet existing operating funds- \$14,190,500 over 25 years
CHE Review: May 17, 2004

7. Purdue University – West Lafayette (760) \$10,000,000
e-Enterprise Center Construction
Project No. B-1-04-1-12

Purdue University requests review from the Budget Committee for financing and construction of the e-Enterprise Center in Discovery Park at the Purdue University campus in West Lafayette. Estimated cost of the center is \$10,000,000 (\$295.78 per square foot), which is entirely paid for with gift funds, with 33,810 gross square feet of space available. The facility includes offices and IT labs to support various research projects and learning opportunities in digital technology. Also included, are offices and support spaces for e-Enterprise staff and cyber infrastructure development and maintenance staff. The Center will provide Purdue University with ample workspaces to conduct projects and research related activities focusing on digital technology in business, government and society for faculty, post doctoral students, graduate and

undergraduate students. Currently, the e-Enterprise Center is located in a leased office (2,675 square feet) at the Purdue Research Park with enough room for current staff and not enough room for projects and research activities. Funding for the Center will be made through Gift Funds; the project is not eligible for fee replacement. Purdue University has requested plant expansion for this project to begin in March of 2006. Review by the Budget Committee does not constitute a commitment to future funding for plant expansion.

Funding: Gift Funds - \$10,000,000
Est. Plant Expansion - \$167,784 beginning March 2006
CHE Review: June 11, 2004

8. Purdue University – West Lafayette (760) \$7,100,000
Renovation of Forney Hall of Chemical Engineering
Project No. B-1-04-2-13

Purdue University requests review from the Budget Committee for financing and renovation of the Forney Hall of Chemical Engineering at the Purdue University campus in West Lafayette, Indiana. Plans for the renovation include replacement or upgrade of mechanical, electrical, plumbing and telecommunications systems in the existing building to accommodate modern research and teaching functions. In addition, renovation and remodeling will provide facilities compatible with the addition to Forney Hall which is currently under construction. Funding for the renovation will be paid through Gift Funds to Purdue University at a cost of \$7,100,000. Roughly 80,000 gross square feet of space will be renovated and remodeled (\$88.42 per square foot) through a series of phases over several years, as gift funds are accumulated. The project is slated to begin in November of 2004 and be completed in September of 2007, a time period of 34 months. Purdue University has not requested plant expansion and the project is not eligible for fee replacement.

Funding: Gift Funds - \$7,100,000
CHE Review: May 17, 2004

9. Purdue University – West Lafayette (760) \$20,000,000
Computer Sciences Building – Phase I Construction
Project No. B-1-01-1-04

Purdue University requests review and approval from the Budget Committee for financing and construction of the Computer Sciences Building – Phase I at the Purdue University campus in West Lafayette, Indiana. The Computer Sciences Building will be constructed in three phases, when completed the facility will be a three story academic building with basement, and will house the entire computer sciences program. Phase I will provide 100,000 gross square feet (\$200 per square foot), which will be developed to

include entry, public and services areas, teaching and research labs, academic classrooms and administrative space. Currently, the Computer Sciences building is located in a renovated gymnasium. Development of Phase I will work agreeably with the existing Computer Science building as the two buildings will coexist for several years. The Computer Sciences Department has seen increased enrollment in the Computer Science major, more than doubling since 1994-1995. In addition, enrollment of non-Computer Science majors taking various computer related courses has increased. The total cost of Phase I of the Computer Sciences Building is \$20,000,000, of which \$13,000,000 will be funded through bonding authorization by the General Assembly and \$7,000,000 through Purdue's Gift Funds. The bonding portion of the project is eligible for fee replacement, which is estimated at \$1,043,154 and will begin no sooner than fiscal year 2008. Purdue University is requesting plant expansion for Phase I of the project cost and is estimated at \$402,453 to begin in December of 2005. The permanent financing package is subject to the approval of the State Budget Director. Review by the Budget Committee does not constitute a commitment to future funding for plant expansion.

Funding: 2001 Bonding Authority - \$13,000,000
Gift Funds - \$7,000,000
Est. Fee Replacement – \$1,043,154 per year
Est. Plant Expansion - \$402,453 beginning December 2005
CHE Review: June 2, 2004

10. Ivy Tech State College - Valparaiso (710) \$15,843,000
Valparaiso New Construction Project – Phase I
Project No. F-0-02-1-08

Ivy Tech State College requests review and approval from the Budget Committee for financing and construction of a new academic building located at Eastport Centre in Valparaiso, Indiana. Currently, Ivy Tech owns 26.32 acres of land where the proposed Phase I of the new construction project will begin, consisting of a 84,445 gross square foot (\$218.40 per square foot) free standing facility. Growth at Valparaiso campus has been steadily increasing since the main campus was opened. The new academic building will address many issues on the Valparaiso campus, including the need for adequate classrooms and laboratory space to provide modern facilities for instruction. The new academic Phase I construction will include classrooms, classroom laboratories, distance learning labs, offices and support space. Support space includes faculty offices, student lounge, wellness center and auditorium. The Phase I project will result in relocation of the Technology, Business and Public Service Divisions from current leased space to the new campus site. Funding for Phase I construction will be paid through bonding authority granted under the 2003 General Assembly in the amount of \$15,843,000. The General Assembly previously approved funding for architectural and engineering costs in 2001 associated with the Valparaiso campus in the amount of \$2,600,000, as did the Budget Committee in its February 4, 2003 meeting. The Phase I project is eligible for fee replacement at an estimated cost of \$1,271,283 which will begin no sooner than Fiscal Year 2008. Ivy Tech has requested plant expansion for the construction project in the amount of \$488,200. The permanent financing package is subject to the approval of the

State Budget Director. Review by the Budget Committee does not constitute a commitment to future funding for plant expansion.

Funding: 2003 Bonding Authority - \$15,843,000
 Est. Fee Replacement - \$1,271,283
 Est. Plant Expansion - \$488,200
 CHE Review: June 2, 2004

11. Ivy Tech State College - Marion (710) \$250,000
 A&E for ITSC Marion
 Project No. F-0-04-1-04

Ivy Tech State College requests review and approval from the Budget Committee for financing and architectural planning for a new construction project located at a site to be determined in the city of Marion, Indiana near State Road 18. The Architectural and Engineering scope of the project will acquire land as part of the project for parking and future expansion in Marion, Indiana. The new campus facility will be a free standing, steel framed, two story building. The building will meet the needs of steadily increasing enrollment growth in the Marion area, reduce the number of leased spaces currently being used by ITSC Marion and provide additional degree programs. The 2003 General Assembly approved bonding authority in the amount of \$250,000 for the architectural planning associated with ITSC Marion. The project is eligible for fee replacement with the cost estimated at \$20,061 which will begin no sooner than Fiscal Year 2008. The permanent financing package is subject to the approval of the State Budget Director.

Funding: 2003 Bonding Authority - \$250,000
 Est. Fee Replacement - \$20,061
 CHE Review: May 17, 2004

Summary

2003 General Fund:	\$	7,289,074
2003 State Police Building Fund:	\$	425,000
2003 Post War:	\$	1,643,905
Bonding Authority:	\$	56,185,100
Use of Own Funds:	\$	68,325,975
Total:	\$	133,869,054

III. Review Items

ISTEP Remediation Distribution

IPBS Operating Distribution

City of Bloomington CRED

City of Marion CRED Expansion

City of Muncie CRED

IV. Discussion Items

Medicaid Reimbursement – Special Education

Higher Education - Capital Presentation

Dept. of Administration – Public Works

Dept. Of Natural Resources – Use and Occupancy agreement for Clifty Falls