

State Budget Committee Agenda
Friday, October 23, 2009
Indiana University
Bloomington, Indiana

I. **Approval of September Minutes**

II. **Agency Projects**

1. Department of Natural Resources (300) \$345,000
ADA Compliance
Project Number: 300AD4019002000

The Department of Natural Resources is requesting \$345,000 to make various facilities compliant with the requirements of the Americans with Disabilities Act. These include guest room compliance at Spring Mill Inn (\$225,000), restroom compliance at Potato Creek State Park (\$12,000), restroom compliance at Abe Martin Lodge (\$5,000), and restroom compliance at the Northeast Regional Office for Law Enforcement (\$3,000). Various projects at Fish and Wildlife facilities are also included in this request, including parking, handrails, signage, and other activities (\$100,000).

Funding: 2009 General Fund
General Administration-Repair and Rehabilitation

2. Department of Natural Resources (300) \$182,000
Falls of the Ohio Lease Payment
Project Number: 300SP4039114726

The Department of Natural Resources is requesting \$182,000 to pay the annual bond payment to Clarksville Riverfront Foundation. This bond supported the construction of the Falls Interpretive Center and is scheduled for a final payment in 2014.

Funding: 2009 General Fund
State Parks and Reservoirs-Falls of the Ohio Lease

3. Department of Natural Resources (300) \$250,000
Dam Repair and Rehabilitation
Project Number: 300AD4019020000

This request will cover repairs to two dams under control by the Department of Natural Resources.

Cherry Lake Dam is an earthen dam at Morgan Monroe State Forest which is experiencing water leaking around the concrete outlet chute, resulting in an inability to maintain normal lake level. This request will fund design and construction to repair the leaks and protect the fishing lake (\$200,000).

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Another earthen dam included in this request is Hominy Ridge Dam at Salamonie Reservoir. This dam has a pipe running through it that is visibly leaking. Requested funds will grout multiple pipes and also repair severely deteriorated concrete along the outlet chute (\$50,000).

Funding: 2009 General Fund
Division of Water-Repair and Rehabilitation

4. Department of Natural Resources (300) \$500,000
Falls of the Ohio Exhibits
Project Number: 300SP4039126726

The Department of Natural Resources is requesting funds to match a grant award from the Brown Foundation which would fund the design and replacement of exhibits at the Falls of the Ohio Interpretive Center. The Interpretive Center was built in the early 1990s to interpret the internationally recognized fossil beds on the Ohio River at Clarksville. The local Falls of the Ohio Foundation has also been raising funds in support of the project and has a goal of raising \$2,900,000. The Brown Foundation challenge grant matching deadline is December 1, 2009 and will be forfeited thereafter. In sum, the State would contribute \$500,000 towards a projected \$3,900,000 project.

Funding: 2009 General Fund
State Parks and Reservoirs-Repair and Rehabilitation

5. Department of Natural Resources (300) \$500,000
Forestry
Project Number: 300FR4099003000

The Division of Forestry has multiple aging systems that are out of compliance with local and state regulations. This request will fund the replacement/upgrade of dump stations at Morgan-Monroe and Yellowwood State Forests (\$40,000), replace a completely failed septic system at Fire Control Headquarters (\$60,000), and improve sewer and water lines at Clark State Forest (\$200,000).

After a timber stand sale, the Department of Natural Resources provides follow-up treatment such as tree planting, timber stand improvement, and invasive species control. This protects the area from uncontrolled re-growth and regeneration of non-valuable trees. Work will be contracted over 2 years at an estimated cost of \$60 per acre and will cover over 3000 acres (\$180,000). This project will cover 7 state forests, and is defined within the respective master plans. Separately, the Department of Natural Resources is requesting an additional \$20,000 to plant trees at Jackson-Washington State Forest.

Funding: 2009 General Fund
Forestry-Repair and Rehabilitation

III. University Projects

1. Ball State University (780) \$3,363,151
Miscellaneous Projects D-1-10-2-01 – FY09 R&R Draw 1
Infrastructure Projects D-1-10-2-02 – FY09 R&R Draw 1

Ball State University requests approval to proceed with eleven small miscellaneous repair and rehabilitation projects totaling \$3,363,151, to be funded by ARRA funds for FY09 restoration. Of these funds, \$2,338,869 is to be used for miscellaneous building projects, and \$1,024,282 is to be used on infrastructure projects. All projects are less than \$750,000. These projects would be the first draw from FY09 restoration funds, and represent approximately 71% of the total funds available to the University.

Funding: ARRA(a) - FY09 Restoration Funds - Draw 1
CHE Review: August 14, 2009

2. Indiana State University (770) \$1,755,000
Health and Human Services HVAC and Chiller Upgrade C-1-10-2-01 – FY09 R&R Draw 1

Indiana State University requests approval to proceed with the replacement of aged air handling units and temperature controls with high efficiency units in the oldest portion of the Health and Human Services Building. The cost of the project is estimated to be \$1,755,000, to be funded with ARRA funds for FY09 restoration. This project would be the first draw from the FY09 restoration funding and represents approximately 56% of the total funds available to the University.

Funding: ARRA(a)-FY09 Restoration Funds – Draw 1
CHE Review: October 9, 2009

3. Indiana State University (770) \$580,990
Holmstedt Hall Plaza and Walkway Replacement C-1-10-2-02 – FY09 R&R Draw 2

Indiana State University requests approval to proceed with the replacement of the plaza and accompanying walkways adjacent to Holmstedt Hall on the Indiana State University Campus. The concrete plaza and walkway area was originally constructed in 1966 and suffers from breakage and differential settlement resulting in a safety hazard. The plaza does not provide ADA accessibility to the Science Building, located immediately west of the plaza. The cost of the project is estimated to be \$580,990, to be funded with ARRA funds for FY09 restoration. This project would be the second draw from the FY09 restoration funding and represents approximately 19% of the total funds available to the University. Cumulative draws equal approximately 75% of the FY09 restoration funds available to the University.

Funding: ARRA(a)-FY09 Restoration Funds – Draw 2
CHE Review: October 9, 2009

4. Indiana University – Bloomington (750) \$900,000
Campus Electrical Distribution – FY09 R&R Draw 1
A-1-10-2-04

Indiana University requests approval to proceed with the replacement of an existing 12.47 kilovolt overhead circuit with a new underground circuit on the Bloomington campus. The existing circuit conductors are approaching 50 years in age and have recently experienced damage due to storm-related lightning strikes. Placing this circuit underground would reduce the chances that storms, car accidents, and other events would cause unplanned outages to several critical facilities in the vicinity. While a Duke Energy circuit serves most of the new Cyber Infrastructure Building/Data Center, this new circuit would act as a crucial back-up to the building and its functions. This project is estimated to cost \$900,000 and is to be funded by ARRA FY09 restoration funds. This project is the first draw from fiscal year 2009 restoration funds, and represents approximately 5% of the total restoration funds available to the University.

Funding: ARRA(a) - FY09 Restoration Funds – Draw 1
CHE Review: August 14, 2009

5. Indiana University – Bloomington (750) \$11,701,282
Capital Appropriations – FY09 R&R Draw 2
A-0-10-2-05

Indiana University requests approval to proceed with sixty-three repair and rehabilitation projects totaling \$11,701,282 to be funded by ARRA FY 2009 restoration funds. All projects are under \$750,000. These projects would be the second draw from FY09 restoration funds, and represents approximately 67% of the total FY09 restoration funds available to the University. Cumulative draws equal approximately 72% of the FY09 restoration funds available to the University.

Funding: ARRA(a) - FY09 Restoration Funds – Draw 2
CHE Review: August 14, 2009

6. Indiana University – Bloomington (750) \$6,340,000
HPER Courtyard – Build-Out
A-1-09-1-18

Indiana University requests approval to proceed with the Health, Physical Education, and Recreation (HPER) Courtyard Build-out project located on the Bloomington Campus. The project would allow the school to gain additional area for use as faculty offices and instructional space. The courtyard is entirely enclosed by the building and is not open for public use. The proposal would construct a roof over the courtyard and build three levels within the space. Access to the offices on the first level would be through an existing entry on the north side of the courtyard and through a new entry constructed on the south side of the courtyard. The courtyard measures approximately 8,800 square feet. The construction of three levels within the courtyard would yield approximately 22,000 additional gross square feet to the building, which equates to approximately 16,000 assignable square feet of new building space. The new building space would include an auditorium, faculty offices, and a conference room.

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The current HPER building was built in 1961 when there were approximately 500 students in the program. With 2,400 enrolled today, a modern facility with an auditorium and dedicated classrooms has become a necessity. The completion of this project would assist in addressing these issues.

Indiana University also requests authorization to issue certificates of participation (COPs) in capital lease-purchase obligations between the university and the Indiana University Building Corporation (IUBC) under IC 21-33-3-5. Repayment of the COPs would be made from legally available funds of the university, specifically indirect cost recovery funds, excluding mandatory student fees, state appropriations, and any interest earnings on such fees and appropriations.

The project is expected to cost \$6,340,000 and will be funded through gift funds, indirect cost recovery reserves, and issuance of certificates of participation in capital lease-purchase obligations between the university and the Indiana University Building Corporation.

This project is not eligible for fee replacement or plant expansion funding. The issuance of COPs and the related permanent financing package are subject to approval by the State Budget Director.

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| Funding: | Gift Funds | \$573,000 |
| | Indirect Cost Recovery | \$500,000 |
| | Certificates of Participation | \$5,267,000 |
| CHE Review: | October 9, 2009 | |

7. Ivy Tech Community College (710) \$2,537,042
General R&R Projects - FY09 Draw 1
F-0-10-6-02

Ivy Tech Community College requests approval to proceed with twenty small repair and rehabilitation projects totaling \$2,537,042. The projects are to be funded with ARRA(a) restoration funds and College Reserves. All projects are under \$750,000. This is the first draw from the FY09 restoration funds and represents approximately 46% of the FY09 restoration funds available to the University.

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| Funding: | ARRA(a) - FY09 Restoration Funds – Draw 1 | \$1,268,521 |
| | College Reserves | \$1,268,521 |
| CHE Review: | October 13, 2009 | |

8. Purdue University – West Lafayette (760) \$1,500,000
Math Sciences Window Replacement
B-1-08-2-12R

The Trustees of Purdue University request authority to proceed with the project to replace the original 1965 windows in the 12 story Mathematical Sciences building. The window seals are no longer providing adequate protection from air and water infiltration, consequently allowing for temperature control issues, as well as collateral damage to interior finishes. This project was previously reviewed by the State Budget Committee in December 2007 at a cost of \$1,000,000.

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New estimates now require an additional \$500,000 to complete the project. The additional \$500,000 will come from a reduction in scope to the Stanley Coulter Hall Roof and Gutter replacement project reviewed by the Budget Committee in December 2008.

The project is estimated to cost \$1,500,000 and would be funded from State Appropriations for R&R already drawn by Purdue for other R&R projects.

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| Funding: | 2007 General Fund-R&R "Previously Drawn" | \$1,000,000 |
| | 2007 General Fund- Payment Delay "Previously Drawn" | \$500,000 |
| CHE Review: | August 14, 2009 | |

9. Purdue University – West Lafayette (760) \$13,000,000
Marriott Hall
B-1-10-1-04

Purdue University requests approval to proceed with the Marriott Hall project located on the West Lafayette campus. Marriott Hall will house the College of Consumer and Family Sciences' Hospitality and Tourism Management (HTM) Program. The facility will create an open, flexible, and service-oriented ambiance consistent with the needs of guests, and will foster a close collegial experience between students, staff, and industry representatives. Current HTM facilities are outdated and insufficient to meet departmental needs. The project is expected to cost \$13,000,000, to be funded from Gift Funds and Capital Reserves for Buildings.

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| Funding: | Gift Funds | \$9,300,000 |
| | Capital Reserves for Buildings | \$3,700,000 |
| CHE Review: | October 9, 2009 | |

10. Purdue University – West Lafayette (760) \$3,200,000
Boiler No. 7 – Infrastructure Preparation and Warehouse Modifications
B-1-10-2-01

Purdue University requests approval to proceed with the Boiler No. 7 Infrastructure Preparation and Warehouse Modifications project on the West Lafayette campus. The project entails design, engineering and preparation of public works construction bid documents to support and complete the installation of a 200,000 lb/hr natural gas-fired package Boiler No. 7 steam generating unit in the Wade Utility Plant. Structural and foundation work is included as well as all necessary mechanical, electrical, instrumentation and auxiliary appurtenances for a fully operational steam generating unit. The project also modifies the existing Wade Warehouse Building by relocating the machine shop, instrument and electrical shop, and tool and parts room to facilitate installation of the new boiler. Current and projected campus steam demand has already resulted in a shortfall of steam generating capacity at the central utility plant. This addition will address continuing campus growth and associated heating demand on an ongoing basis, provide long-term ready stand-by capacity for the next 15 to 20 years, assist in the diversification of boiler fuels, and is projected to reduce nitrogen dioxide, sulfur dioxide mercury and particulate matter emissions. The estimated cost of this project is \$3,200,000 to be funded from Capital Reserves for Buildings.

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Funding: Capital Reserves for Buildings
CHE Review: August 14, 2009

11. University of Southern Indiana (775) \$560,963
General R&R Projects – FY09 R&R Draw 1
G-0-09-2-02

The University of Southern Indiana requests approval to proceed with three small repair and rehabilitation projects totaling \$560,963. The project is to be funded with ARRA(a) restoration funds. This is the first draw from the FY09 restoration funds and represents approximately 58% of the FY09 restoration funds available to the University.

Funding: ARRA(a) - FY09 Restoration Funds – Draw 1
CHE Review: September 11, 2009

12. University of Southern Indiana (775) \$409,640
General R&R Projects – FY09 R&R Draw 2
G-0-09-2-04

The University of Southern Indiana requests approval to proceed with two small repair and rehabilitation projects totaling \$409,640. The project is to be funded with ARRA(a) restoration funds. This is the second draw from the FY09 restoration funds and represents approximately 42% of the FY09 restoration funds available to the University. Cumulative draws equal 100% of the FY09 restoration funds available to the University.

Funding: ARRA(a) - FY09 Restoration Funds – Draw 2
CHE Review: October 13, 2009

Cost Summary

| October 23, 2009 | |
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| 2009 General Fund | \$1,777,000 |
| University Funds | \$23,808,521 |
| 2009 American Recovery and Reinvestment Act Section 14002(a) | \$20,539,547 |
| 2007 General Fund-R&R "Previously Drawn" | \$1,000,000 |
| 2007-2009 General Fund-Payment Delay "Previously Drawn" | \$500,000 |
| Total | \$47,625,068 |

IV. Review Items

1. IEDC EDGE for Retention Awards
2. 21st Century Research and Technology Grants
3. Midwest Institute for Nanoelectronics Discovery (MIND)-ARRA Appropriation
4. CHE MHEC Payment
5. Covington Community School Corporation – Loan request
6. Retirement Medical Benefits Account (SEA 501)

V. Discussion Item

1. Revenue Update
2. FSSA Eligibility Modernization Review