

STATE BUDGET COMMITTEE MEETING MINUTES
June 20, 2003

MEMBERS:

Senator Vi Simpson, Chairman
Representative William C. Cochran
Senator Robert Meeks
Representative Jeffrey K. Espich
Marilyn F. Schultz, State Budget Director

ALTERNATE MEMBERS:

Senator Lindel O. Hume
Representative Dennis T. Avery
Senator Luke Kenley
Representative Lawrence L. Buell

The business meeting was held at 10:00 AM on June 20, 2003 at the University Center at Indiana University Southeast in New Albany. Forty-three action items, one review item, and one discussion item were considered.

Senator Simpson called the meeting to order. Representative Cochran made a motion to consider the agenda. Representative Buell seconded the motion. The motion passed with all ayes. Senator Meeks nominated Representative Cochran to be the new Chairman and Representative Buell seconded the nomination. Representative Cochran accepted. Director Schultz nominated Senator Simpson to be the Vice-Chairperson and Representative Cochran seconded the nomination. Senator Simpson accepted. After discussing the agenda, Senator Simpson moved to pass the agenda as amended and Director Schultz seconded the motion. The motion passed with all ayes.

Action Items:

1000 378810	<u>Logansport State Hospital (435)</u>	\$2,745,000
700001	New Maintenance Facility	

Logansport State Hospital's Maintenance Department currently occupies 10 buildings, all of which were constructed between 1890 and 1960. Four of the existing buildings have been demolished for the construction of the new Isaac Ray High Security building, leaving six buildings that are in desperate need of structural, electrical, and mechanical maintenance and repair. The total cost to repair, maintain, and operate the existing six maintenance buildings over the next 10 years is approximately \$4 million. Demolition costs for the six existing maintenance buildings are estimated at \$245,000. Asbestos remediation has been completed. Construction costs for a new state-of-the-art maintenance facility are estimated at \$2.5 million. This new facility will consolidate all maintenance functions into one, 20,000 square foot building. Utility costs for this new building are estimated at 30% of the current utility costs. The cost savings to construct and operate a new maintenance facility versus the cost to repair, maintain, and operate existing buildings will save the State approximately \$1 million over the next 10 years. Additional cost savings will be realized if the project is completed at this time, as the State Office Building Commission (SOBC) is currently constructing the new Isaac Ray Treatment Facility at

Logansport. The SOBC will use these funds to construct the new maintenance facility.
(2001 General Fund Construction)

3800 378820 700001	<p><u>Muscatatuck State Developmental Center (470)</u> Underground Steam and Return Piping Project No. B13-203</p> <p>The underground steam and return piping at Muscatatuck must be replaced with new steam and condensate lines from Building #3 to Building #70. The existing lines have numerous leaks and could fail totally, leaving this critical building without heat. The repair of this line will allow us to not have an auxillary boiler on standby during the winter months, saving \$73,500 annually. (3800/341660 Repairs to Laundry Water and Heating Systems)</p>	\$140,000
1000 378820 700001	<p><u>Indiana School for the Blind (550)</u> Install New Security System Project No. B19-303</p> <p>The Indiana School for the Blind is an “open” campus and has twenty-four hour a day, five days a week (during the school year) responsibility for student and staff safety. Based on several recent threats of harm to students and staff it is imperative to protect the school by completing the following projects: installation of building access control system; installation of building security camera system; and installation of campus entry control system. (2001 General Fund Construction)</p>	\$300,000
1000 378830 700001	<p><u>Indiana School for the Blind (550)</u> Install New Lighting Fixtures & Controls Project No. B19-304</p> <p>Existing lighting must be removed and new lighting fixtures and controls installed in dormitories and classrooms. The existing lighting in the learning and living areas are outdated and inadequate. The lighting is incandescent or fluorescent cool white lighting, neither of which is energy efficient nor provides visually impaired students the quality and/or variability of lighting that is needed in the students learning and living environments. Lighting controls are needed for those students who are extremely sensitive to light. (2001 General Fund Construction)</p>	\$195,000
1000 378840 700001	<p><u>Indiana School for the Blind (550)</u> Upgrade Powerhouse Project No. B19-301</p> <p>The existing electrical distribution systems in the Powerhouse must be upgraded, including disconnect switches, electrical panels, and electrical wiring. The Powerhouse has numerous electrical code violations due to its age and the amount of electrical load currently on its systems. The electrical panels are full and obsolete. There is no room for expansion, as all electrical panels are full. The electrical wiring is old and the insulation is breaking down and falling off the wiring, which could lead to a Powerhouse shutdown or electrical fire. The school is also experiencing serious voltage drops that could result in premature equipment and mechanical failures. (2001 General Fund Construction)</p>	\$225,000

- 1000 378850 Indiana Department of Administration (061) \$2,403,000
 700001 Upgrade Air Conditioning System at Statehouse/IDOA
 Project No. 023-1-003
 The air-conditioning systems for the State Capital must be completely renovated. All fan coil units, HV/AC units, and VAV boxes must be replaced throughout the State House. These units have out-lived their useful life and in many cases are health hazards. The State House does not meet the minimum indoor air standards as set by ASHRAE. This condition is creating inconsistent and inadequate cooling. The lack of proper cooling and dehumidification is causing harmful mold and excessive dirt conditions throughout the Capital.
 (1999 General Fund Construction)
- 1000 378860 Department of Natural Resources—General Administration (300) \$1,000,000
 700001 ADA Compliance
 Project No. 019050
 Funds will be used to remove barriers to access by people with disabilities at DNR properties across the state. In 1993 an evaluation of the accessibility of DNR sites identified a number of areas where modifications are necessary in order to become ADA compliant. The vast number of identified barriers have not been adequately addressed.
 (1999 General Fund Construction)
- 1000 377020 Department of Natural Resources – Historic Sites (300) \$252,000
 700001 Whitewater Canal
 Project No. 149459
 The Whitewater Canal Historic Site is facing devastating problems, and possibly extinction, from soil and silt issues that may result in the closure if immediate measures are not taken to stop further damage and correct the continual silting problem. The Whitewater Canal is the only aqueduct canal in existence in the U.S.
 (1999 General Fund Construction)
- 1000 376810 Department of Natural Resources – State Parks and Recreation (300) \$1,850,000
 700001 Dunes Rehab
 Project No. 031800
 Indiana Dunes State Park has one of the most serious deferred maintenance problems among DNR properties. The campground needs to be replaced along with the comfort stations and all underground utilities. The historic pavilion is in need of significant rehab. This property receives a great deal of pressure from visitation, vandalism, and extreme weather conditions. The utilities are in very bad condition within the campground and fail regularly. Recently a sewer collapsed within this campground.
 (1999 General Fund Construction)
- 1000 377490 Department of Natural Resources – State Parks and Recreation (300) \$450,000
 700001 Trail Repair
 Project No. 039460
 Trail rehab funds are needed to repair, replace, or resurface the trails on the following properties: Patoka, Spring Mill, McCormick’s Creek, Clifty Falls, Fort Harrison, and other locations. DNR has over 400 miles of trails of all surface types and uses. It remains a challenge to keep them all in a safe and useful condition.
 (1999 General Fund Construction)

- 1000 378200 Department of Natural Resources – Water (300) \$318,000
 70001 Control Structure Rehab
 Project No. 069640
 This work will include the design and rehabilitation of two control structures on public freshwater lakes: one on the Barbee Lakes Chain in Kosciusko County and the other on Little Turkey Lake in LaGrange County. The state is responsible for maintaining the legal lake levels for public freshwater lakes. The foundation at Barbee has been undermined and the water is eroding the soil around Little Turkey. The erosion could result in failure of the function of the structure.
 (1999 General Fund Construction)
- 1000 376850 Department of Natural Resources – State Parks & Recreation (300) \$1,299,226
 700001 Prophetstown Development
 Project No. 039510
 This project request will supplement the continued acquisition and development of Prophetstown State Park located in Tippecanoe County. Phase One construction includes: gatehouse and sign, service area rehab, campground 110 sites, picnic area, continued road system, utilities, and habitat restoration.
 (1999 General Fund Construction)
- 1000 376860 Department of Natural Resources – State Parks & Recreation (300) \$1,778,000
 700001 Charlestown Development
 Project No. 039520
 Charlestown State Park is expected to receive an additional 2,700 acres of land from the Military Reuse Authority in the next three to six months. Upon transfer, development of a needed Ohio River boat ramp, parking area, road access, and other facility construction may begin. Adding the boat ramp, picnic areas, and related infrastructure will greatly expand the property’s revenue and attendance. Habitat restoration will be needed for invasive species eradication and the service area within the black powder plant area eventually completed. All of these facilities will be within the land transferred later this year. The park’s development and use by the public will be greatly enhanced once the remaining land is transferred by the Military Reuse Authority. The delay in this transfer has been the main stumbling block to further development and increased visitor use.
 (1999 General Fund Construction)
- 1000 376870 Department of Natural Resources – State Parks & Recreation (300) \$1,310,500
 70001 Ft. Harrison State Park Development
 Project No. 039530
 This project includes the construction of a large family picnic area, rest rooms, shelters, rehab of various structures, trails, utilities, other related projects, and underground utility work. Transfer of remaining federally owned property is expected soon. Increased use of the property justifies the need for improvements.
 (1999 General Fund Construction)
- 1000 377050 Department of Natural Resources – General Administration (300) \$3,500,000
 700001 Dams
 Project No. 011002
 This project includes design and construction work on unsafe dams located at Clark State Forest, Grouse Ridge State Fishing Area, Jackson-Washington State Forest, Morgan-Monroe State Forest, White Oak State Fishing Area, and Yellowwood State Forest. Studies have shown that these dams need repairs

and/or upgrades to meet current dam safety standards. Without these repairs, the dams represent a threat to life and property. There are eight dams involved in this project. Six of them were constructed between 1934 and 1945. The other two were constructed in 1964-65. All dams have deficiencies in their abilities to safely handle storm flows.

(2001 General Fund Construction)

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| 1000 376810
700001 | <u>Department of Natural Resources – Forestry (300)</u>
Septic/Sewage Treatment Rehab
Project No. 091001
This project includes upgrades to aging sewage treatment plants at Deam Lake and Starve Hollow State Recreation Areas that are over 35 years old. It also includes replacement of non-ADA toilets at Greene-Sullivan State Forest and replacement of aging dump station at Ferdinand State Forest. Any delays in obtaining funding to make appropriate repairs could pose a threat to public safety and create a serious impairment to the property operations.
(2001 General Fund Construction) | \$330,000 |
| 1000 378720
700001 | <u>Department of Natural Resources – State Parks and Recreation (300)</u>
Water and Wastewater Projects
Project No. 031410
Funding is needed to continue the rehab of water and wastewater plants so they comply with IDEM’s standards and schedule. The following properties will be concentrated on for IDEM compliance: Turkey Run, Brown County, Chain O’Lakes, Pokagon, Shakamak, Spring Mill, Versailles, Huntington, Mississinewa, Raccoon, and Salamonie. Major utility failures have started to occur at park and reservoir properties. This request will assist in continuing the corrective phase to help prevent unplanned loss of services to customers, and help comply with various regulatory requirements.
(2001 General Fund Construction) | \$2,000,000 |
| 1000 378870
700001 | <u>Department of Natural Resources – Historic Sites (300)</u>
Health and Safety
Project No. 141456
Funding is needed for health and safety projects at the following locations: New Harmony, Corydon Capital, Culbertson Mansion (New Albany), New Harmony Dormitory, Lanier Mansion (Madison), and the Commandant’s Home (Lafayette). Repairs to roofs, structural damage, and drainage will be made.
(2001 General Fund Construction) | \$359,500 |
| 1000 378870
700001 | <u>Department of Natural Resources – Historic Sites (300)</u>
Preserve Existing Buildings
Project No. 141467
Funding is needed for preservation repairs at the following locations: Whitewater Canal (Metamora), Vincennes, Corydon, and New Harmony. Restoration and replacement repairs must be made to preserve historic buildings.
(2001 General Fund Construction) | \$300,000 |
| 1000 378730
700001 | <u>Department of Natural Resources – Forestry (300)</u>
Health and Safety
Project No. 091009
Funding is needed to provide for employee safety and compliance with IOSHA and OSHA requirements by providing materials and safety equipment replacement schedule for various Forest properties. This project is also intended | \$126,000 |

to replace and maintain a working cache of firefighter protective equipment and materials for the division. Delay in initiating repairs and purchase of materials and equipment will result in possible program reductions and in some cases a threat to public and employee safety.
(2001 General Fund Construction)

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| 1000 378640
700001 | <u>Department of Natural Resources – Water (300)</u>
Unity 2000 Enhancements
Project No. 061090
Enhancements to the Unity 2000 Database such as broadening search capabilities, standardizing screens, and reformatting information will enable the user to find the exact information they need more quickly and easily. This database is essential to the division in its administration of state statutes regarding floodplain regulation, environmental review, dam safety, water resources availability, and water supply.
(2001 General Fund Construction) | \$100,000 |
| 1000 378640
700001 | <u>Department of Natural Resources – Water (300)</u>
Control Structure Rehab
Project No. 061110
This project includes geotech services on an as needed basis and design and rehabilitation of two control structures on public freshwater lakes – Big Long Lake in LaGrange County and Lake of the Woods in Steuben County. The state is responsible for maintaining the legal lake levels for public freshwater lakes. Lake of the Woods has been repaired multiple times over the past two years and needs a new structure. Big Long Lake needs the sheet piling replaced before the structure fails, resulting in a loss of lake level and expensive repairs.
(2001 General Fund Construction) | \$100,000 |
| 1000 378200
700001 | <u>Department of Natural Resources – Water (300)</u>
Digitizing Floodplain Mapping
Project No. 061130
DNR has jurisdiction over construction, excavation, and fill activities that occur within the floodway of rivers, streams, and waterways throughout the state. Floodplain maps are used by DNR to review permit applications for these activities and completion of a technical assessment as to whether or not a project will adversely affect the efficiency or capacity of a floodway or pose an unreasonable threat to the safety of life or property. The Federal Emergency Management Agency (FEMA) publishes floodway maps. Although currently available in paper form, FEMA is in the process of converting the maps into a digital format for ease of use and distribution. The first have of the state has been completed.
(2001 General Fund Construction) | \$100,000 |
| 1000 378660
700001 | <u>Department of Natural Resources – Nature Preserves (300)</u>
Nature Preserves Rehab
Project No. 061001
The furnace and plumbing at the Shrader-Weaver residence is over 30 years old and must be replaced; the furnace should be converted to a more efficient LP gas from existing fuel oil. A safe work area (away from Crooked Lake residence) with utilities is needed for mixing herbicide. Fuel reduction and firebreaks are needed at preserves near dwellings. Fire safety equipment is needed for prescribed burns/ wildfire response. Open foundations and other hazards need to be capped. General rehab is needed at many preserves. | \$229,000 |

(2001 General Fund Construction)

1000 378880 Department of Natural Resources – Forestry (300) \$899,870
 700001 Resource Protection/ Management
 Project No. 091003
 The Division of Forestry manages 150,000 acres of state forest of which 90,000 acres is managed for forest products. This project is needed to maintain resource management activities, such as forest resource inventory, timber stand improvement, fire control, aquatic weed control, lake management, plantation management, GIS and soil management. Funding will allow for needed resource protection and conservation and expands the amount of public forest land available for multiple use.

(2001 General Fund Construction)

1000 377640 Department of Natural Resources – Law Enforcement (300) \$100,000
 700001 Quartermaster Buildings
 Project No. 111305
 The Law Enforcement Division’s Quartermaster facility includes five buildings, over 15 years old, that are utilized for issuance for duty gear and equipment, storage of various parts, materials and supplies, law enforcement lighting and radio equipment installation to vehicles, minor vehicle repair service, office settings, and disposition/ storage of confiscated/seized items. Two of these buildings need repairs. The buildings have metal roofs that have “rust creep” on the underneath side. As these metal roofs decay, leaks increase. If repairs are not made, new rafters and trusses will need to be installed. Overhead and walk through doors must also be replaced. Huge gaps in the door seams allow weather and rodents to enter, causing damage to stored items; inadequate sealing limits the use of the buildings.

(2001 General Fund Construction)

1000 376850 Department of Natural Resources – Parks & Recreation (300) \$1,750,000
 700001 Prophetstown Development
 Project No. 039510
 Phase two development of Prophetstown State Park includes expansion of the campground, two picnic areas, trail development, related infrastructure and acquisition. These funds are needed to acquire the land necessary for Phase two and to create contiguity for the park. Phase one is being completed thanks to securitizing a dedicated portion of the Tippecanoe County Inn keepers tax, and is expected to be completed in 8-10 months. Prophetstown will fill a recreational need for the only area of the state not within an hour’s drive of a state park or recreation area. Located near I-65, Prophetstown is expected to be in high demand and to generate significant revenue when the entire campground is completed. Prophetstown is the only state park being constructed partly from local funds in many years.

(2001 General Fund Construction)

1000 377110 Department of Natural Resources – Fish & Wildlife (300) \$534,700
 700001 Structural Integrity
 Project No. 02-1002
 The Division of Fish & Wildlife must maintain existing offices, hatcheries, service buildings, and residences used by their employees and the public in order to sustain or increase their utility. Neglecting to perform routine maintenance or deferring this necessary work leads to more cost repairs later. Aging facilities require more maintenance and upkeep and delays in performing this work results

in more expensive repairs and increases the down time for public facilities. Various small projects across the state require repairs to prolong the life of structures and avoid long term replacement costs; two property residences must also be purchased.
(2001 General Fund Construction)

1000 377100 Department of Natural Resources – Fish & Wildlife (300) \$296,300
700001 Public Access Site Acquisition
Project No. 02-1003
Funds will be used for repairs, construction, and rehabilitation of existing public access sites, plus the purchase of new sites across Indiana on lakes, streams, and rivers. Land will be purchased from willing sellers to provide free access to Indiana waters for anglers and hunters. The purchase of land for public access site development is 75% reimbursable to the state through Federal Aid.
(2001 General Fund Construction)

1000 377130 Department of Natural Resources – Outdoor Recreation (300) \$202,529
700001 General Repair & Rehab
Project No. 101010
The project includes repair and rehabilitation of statewide canoeing, bicycling, hiking, snowmobiling, and off-road vehicle facilities, most of which are over 20 years old.
(2001 General Fund Construction)

1000 377260 Department of Natural Resources – General Administration (300) \$100,000
Gypsy Moth and Exotic Pests
Project No. 041001
Exotic pests, including the gypsy moth and emerald ash borer, threaten Indiana forests and crops. These funds provide DNR with limited emergency response capability, and permit DNR to conduct responsive pest survey. In the event of an outbreak or survey for newly detected pests, these funds provide critical resources to enable rapid response and public education.
(2001 General Fund Construction)

Universities:

Purdue University West Lafayette (760) \$4,200,000
Young Hall Remodel Floors 6, 7, 8
Project No. B-1-03-2-25
Purdue University requests approval to proceed with the renovation of three floors at Young Hall to convert residential space to office space. This renovation is consistent with one of the key investment areas of Purdue University’s strategic plan – to increase faculty numbers and their participation in undergraduate instruction. The project work will consist of modifying student residence space to office use and remodeling restrooms and showers. The project also includes updates to the telecommunications infrastructure, fire sprinklers and alarms, and various ADA modifications. The project will be funded primarily through several reserve accounts. A small portion of funding will come from the School of Engineering Gift Funds account. The project is eligible for plant expansion. Review by the Budget Committee does not constitute a commitment to future funding for plant expansion.

Funding: Central Technology Reserves \$1,580,000
Special Project Reserves \$525,000

Vice President Information Technology Reserves \$1,125,000
Provost Reserves \$250,000
School of Engineering Gift Funds \$720,000
Estimated plant expansion request: \$122,315
CHE Review: April 11, 2003

Purdue University West Lafayette (760) \$782,000

Airport Terminal Apron and Hangar 5 Apron
Project No. B-1-03-2-26

Purdue University requests approval to proceed with the rehabilitation of the airport terminal apron to prevent possible aircraft damage from concrete deterioration. This project will replace the existing concrete with 10" and 8" concrete on lime treated subgrade. The project will be funded through several administration and development funds.

Funding: Federal Aviation Administration \$703,800
Indiana Department of Transportation Airport Development Approp. \$39,100
PU Airport Development Fund \$39,100
CHE Review: April 11, 2003

Purdue University Calumet (760) \$16,500,000

Student Housing
Project No. B-2-03-2-27

Purdue University requests approval to proceed with the construction of three student housing buildings. Several needs assessment analysis have shown that demand for student housing has increased steadily in the past couple of years and that this trend is expected to continue into the future. The project will consist of three five story buildings with a total of 90 apartments and 360 beds. Each apartment includes four bedrooms, two bathrooms, a kitchen, and a living room. Group study areas, meeting rooms, and laundry facilities will be located on each floor. All buildings and apartments will be handicapped accessible and include an elevator. The project will be funded primarily through bonds, repaid by student rental fees. Gift funds of \$2 million will also be raised to reduce the amount of bond issuance and to pay debt service. The project is not eligible for fee replacement or plant expansion. The permanent financing package is subject to the approval of the State Budget Director.

Funding: Student fee bonds (I.C. 20-12-8) \$16,500,000
CHE Review: May 9, 2003

Purdue University West Lafayette (760) \$600,000

Elliot Hall of Music Reroof
Project No. B-1-03-2-29

Purdue University requests approval to proceed with the re-roofing of Elliott Hall of Music. This repair and rehabilitation project was deemed critical as it poses an immediate threat to the integrity of the building. The project will be funded from the 1999 - 2001 appropriation for repair and rehabilitation, which has already been drawn and was held back and reallocated within the University's R&R plans to pay for critical repairs.

Funding: 1999 - 2001 PU Repair and Rehabilitation
CHE Review: May 27, 2003

Purdue University West Lafayette (760) \$1,900,000

Ultra Performance Nanotechnology Center Authority Increase

B-02-1-13R

Purdue University requests approval to proceed with the construction of the Ultra Performance Nanotechnology Center (ULTEC) at the West Lafayette campus. This project was originally reviewed by the State Budget Committee on November 13, 2002 in the amount of \$56,400,000. Bids on this project exceeded the authorized amount by \$1.9 million. \$1.9M in additional gift and federal monies have been secured to cover the additional needed funds. The ULTEC will provide a leading Nanotechnology research facility that will support interdisciplinary research teams and industry partnerships with six types of specialized laboratory space. The project is funded through a combination of gift funds, federal funds, and state funds.

Funding: Federal Funds \$969,000

Gift Funds \$931,000

CHE Review: May 27, 2003

Purdue University West Lafayette (760) \$2,000,000

Campus-Wide Single-Mode Fiber Plant Upgrade

B-1-03-1-28

Purdue University requests approval to proceed with a campus-wide upgrade to their network system. The renovation is consistent with Purdue's long range goal to create an information network that provides users access to needed resources and leverages research expertise to establish itself as a leading "wired university". The project will establish four new network mode distribution centers as well as new interconnecting fiber for a complete turnkey system. The project will be funded from the Telecommunications Reserves Fund.

Funding: Telecommunications Reserves Fund \$2,000,000

CHE Review: May 27, 2003

Purdue University West Lafayette (760) \$52,490/year

Lease of Space in Exponent Building

B-1-03-5-30

Purdue University requests approval to enter into a lease agreement with the Purdue Student Publishing Foundation for 3,610 GSF of space on the third floor of the Exponent Building located at 460 Northwestern Avenue. Research staff associated with sponsored programs in the area of nanotechnology will utilize the office space. The lease will be for five years and will be funded by the National Science Foundation and National Aeronautics and Space Administration. This project is not eligible for plant expansion.

Funding: National Science Foundation

National Aeronautics and Space Administration

CHE Review: June 5, 2003

Indiana University Northwest (750) \$2,000,000

Qualified Energy Savings Project

Project No. A-7-03-2-16

Indiana University requests approval to proceed with the qualified energy savings project at the Gary campus. This project will reduce energy costs by replacing outdated and inefficient electrical and mechanical systems in the buildings as

well as in the central chilled water plant. The project will be funded by Qualified Energy Savings bonds. Debt service on these bonds must be paid from the realized savings resulting from this energy project. The permanent financing package is subject to the approval of the State Budget Director.

Funding: Qualified Energy Savings bonds (I.C. 20-12-6) \$2,000,000
 CHE Review: April 11, 2003

Indiana University Indianapolis (750) \$11,500,000
 Herron/Law Project Revised Authority Increase
 Project No. A-2-93-1-06b

Indiana University requests approval to proceed with the third and final phase of the Herron/Law project authorized by the 1995 and 1997 General Assemblies. The project was originally reviewed by the State Budget Committee on April 23, 1998 in the amount of \$45,000,000. As a result of successful fundraising efforts, the third phase of the project was expanded to include \$11.5 million in new construction, which shall be funded through gift funds. The total building size is now 165,348 GSF (99,571 ASF), which is 55,160 GSF (25,452 ASF) larger than the original building size planned for the Herron Art School and previously reviewed by the Budget Committee. This phase includes both renovations and additions to the former IUPUI Law School to house the Herron School of Art. The first phase of this project was the construction of a new IUPUI Law School. The second phase of this project was new construction for the Foundry Building to house Ceramics and Sculpture programs. Both phase one and phase two have been completed. The project will be funded through bonds authorized in the 1995 and 1997 General Assembly and gift funds. The project is eligible for plant expansion. Debt service began in FY98 for the Herron/Law project and was fully funded as of FY00. No additional fee replacement will be required by this revision. 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.

Gift funds \$11,500,000
 Estimated plant expansion request: \$79,982
 CHE Review: April 11, 2003

Ivy Tech State College (710) \$100,000/year
 First Avenue Plaza Center Lease
 F-0-03-5-01

Ivy Tech State College requests approval to enter into a lease agreement with Ivy Tech Foundation upon the Foundation's purchase of the First Avenue Plaza building in Evansville for continued use of space in the First Avenue Plaza building. The Ivy Tech Foundation is purchasing the property at an IRS bargain sale from an Ivy Tech supporter. Ivy Tech State College currently leases five of the eleven units in the First Avenue Plaza building, utilizing 9,836 GSF (7,498 ASF) of the 21,700 GSF (16,298 ASF) of space for a bookstore, Workforce Certification Center, Child Development lab, and faculty offices. The annual lease payment will be \$7,860 higher than the current lease payment of \$92,140, covering the Foundation's loan payments as well as a small handling fee. Additional Ivy Tech State College costs will include building maintenance, utilities, taxes, insurance, and non-rented unit's costs that could range from an annual savings of \$70,384 to annual additional costs of \$43,390 depending on the number of vacancies in the First Avenue Plaza building. The initial term of the lease will be for approximately one year (ending June 30, 2004). Lease

payments will be funded from existing operating funds. This project is not eligible for plant expansion.

Funding: Existing operating funds
CHE Review: June 9, 2003

Ivy Tech State College (710) \$173,748/year
Modular Classroom Unit Lease
F-0-03-5-02

Ivy Tech State College requests approval to enter into a lease agreement with Innovative Modular Solutions for 21,600 GSF (15,945 ASF) of space in the Fort Wayne State Development Center located at 4900 St. Joseph Road, Fort Wayne, Indiana. Ivy Tech Fort Wayne has maximized all of the campus classroom and laboratory space and needs temporary classroom space to house continued enrollment growth while a new permanent facility is being built. The lease will be for 6 years and will be funded by 2003 General Assembly plant expansion.

Funding: 2003 General Assembly plant expansion
CHE Review: June 9, 2003

Ball State University (780) \$8,500,000
McKinley Parking Structure
D-1-00-1-08

Ball State University requests approval to proceed with the construction of the McKinley Parking Structure. The structure will provide 600 spaces to replace surface parking eliminated by construction to several buildings as well as satisfy increased demand for guest parking. The design of the structure will be compatible with the surrounding architecture of the buildings. The project will be funded by Parking Revenue Bonds. Debt service on these bonds will be paid from campus parking user fees. This project is not eligible for fee replacement or plant expansion.

Funding: Parking Revenue Bonds \$6,500,000
General operating \$2,000,000
CHE Review: June 13, 2003

Item Reviewed

Department of Correction - \$5,000,000 transfer from Community Correction Programs to Adult Contract Beds within the Department of Correction.

Item Discussed

Criteria for prioritizing university projects.

Pursuant to the provisions of IC 4-12-1 and IC 20-12, the State Budget Committee recommends approval of the foregoing projects.

Chairperson

Governor

Budget Director