

**STATE BUDGET COMMITTEE MEETING MINUTES**  
**June 2, 2006**

**MEMBERS:**

Senator Robert Meeks, Chairman  
Representative Jeffrey K. Espich  
Senator Vi Simpson  
Representative William C. Cochran  
Charles E. Schalliol, State Budget Director

**ALTERNATE MEMBERS:**

Senator Thomas Wyss  
Representative Lawrence Buell  
Senator Lindel O. Hume  
Representative Dennis Avery

The business meeting was held at 9:30 AM on June 2, 2006 at the Ivy Tech State College in Valparaiso, Indiana. Twenty-two items and four review items were on the agenda. In Senator Meek's absence, Representative Espich served as Chairman. Representative Espich called the meeting to order. Senator Simpson made a motion to amend the agenda by adding Amendment 1, construction of Advanced Manufacturing Training Center at Vincennes University. Representative Cochran seconded the motion. After discussion of the projects, Director Schalliol moved to pass the agenda as amended and Representative Cochran seconded the motion. The motion passed with four ayes. The committee then discussed the four review items.

**State Agency Projects**

<u>Department of Natural Resources (300)</u> Emergency Dam Repair Project No. 065002	\$100,000
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This request will allow the DNR to respond to unforeseen potential emergency dam repair situations. As many of the dams are over 50 years old, these structures have often deteriorated and need to be repaired quickly to alleviate threatening conditions. There are about 1,100 dams throughout the state that require oversight. While most of these structures are privately owned and require routine maintenance, several have often been neglected. Having this money available will allow the DNR to immediately respond in emergency situations.  
(2005 General Fund – R&R Division of Water)

<u>Department of Natural Resources (300)</u> Lake Level Control Structures Project No. 065003	\$170,000
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The DNR is authorized to seek establishment of a legally created normal water level through local circuit courts. The agency is then responsible for assuring that the water level is maintained through construction of new, and maintenance of existing lake level control structures. The requested funds will be used to reconstruct and/or repair lake level control structures for Lake-of-the Woods (Steuben County), Big Long Lake (LaGrange County), Pretty Lake (LaGrange County), Carr Lake (Kosciusko County), and other lakes that may need repair work.

(2005 General Fund – R&R Division of Water)

Department of Natural Resources (300) \$183,520

Rehab Various Historic Sites

Project Numbers: 145457, 145464, 145459, 145466, and 145772

This request will rehabilitate and make repairs to various historic site structures and grounds. The DNR will utilize funds to paint some of the buildings and conduct a feasibility study for the Gene Stratton-Porter property, perform erosion correction activities for Angel Mounds, remove sediment from Whitewater, replace some of the interpretive signs at the Fort Knox II site, and replace various aged equipment on historic properties throughout the state.

(2005 General Fund –R&R Museums and Historic Sites)

Department of Natural Resources (300) \$350,000

Unity Database

Project No. 065001

The Division of Water is seeking to make enhancements to its Unity database system, which assists in the administration of floodplain regulation, environmental review, dam safety, water resources availability, and water supply. The enhancements will automate the current manual procedures within the permit application review process and improve field access. In addition, the changes will improve efficiency of permit application reviews, and automation of the system will provide savings to the division by reducing paper, postage and labor costs.

(2005 General Fund – R&R Water)

Department of Natural Resources (300) \$401,000

F&W – Health & Safety

Project No. 025001

This request is to address human and environmental safety concerns for fish and wildlife area facilities and shooting ranges. The fish and wildlife division will rehabilitate the Atterbury shooting range, redevelop and rehab a production well and upgrade an emergency generator for the Fawn River property, and rehab a hatchery restroom at Mixsawbah. These repairs will enable the facilities to remain open for public and employee use, and will keep the facilities in compliance with county health ordinances and IOSHA guidelines.

(2005 General Fund – R&R Fish and Wildlife)

Department of Natural Resources (300) \$2,700,000  
Engineering Dam Upgrades  
Project No. 015001

DNR will utilize funds for this request to upgrade and repair safety deficiencies on dams. Dams in need of repair include Tri-County FWA on Goldeneye Lake, Yellowwood SF on Yellowwood Lake and Crooked Lake, Sugar Ridge FWA (Augusta Lake), Clark SF (Bowen Lake), and Morgan-Monroe SF (Prather Lake). Studies have indicated deficiencies on these structures. The request also includes funding for design work for Yellowwood and Goldeneye's structures.

(2005 General Fund – R&R General Admin, Water - Dam Repair and Rehab)

Department of Natural Resources (300) \$2,437,000  
Parks & Reservoirs General Rehab  
Project No. 035003

State Parks and Reservoir properties need regular maintenance in order to prevent serious health and safety issues and to make a positive impression on visitors who use the facilities. Delaying general rehab projects may result in either a loss of service or more costly deferred maintenance. This request will complete general rehab projects at the Amphitheatre at McCormick's Creek State Park, Turkey Run, Pokagon, Lincoln State Park, and signage for the Interpretive program.

(2005 General Fund – R&R State Parks and Reservoir Management)

Department of Natural Resources (300) \$3,000,000  
Parks & Reservoirs Water-Wastewater  
Project No. 035004

Funding is needed from the water and wastewater appropriation in order to continue to rehabilitate water and wastewater plants so that they are in compliance with IDEM standards. This request will complete a water service project at Turkey Run State Park, and finish wastewater projects at Indiana Dunes, Chain of Lakes, Potato Creek, and Shades of Roush Lake. In addition, sewer collection, lift station, and water plant improvements will be made at McCormicks Creek, Salamonie, Mississinew, Raccoon, Pokagon, and Tippecanoe State Parks.

(2005 General Fund – Parks/Reservoirs – Drinking Water & Wastewater)

Department of Natural Resources (300) \$1,000,000  
Parks & Reservoirs Pool Rehab  
Project No. 035010

This request will allow for the completion of the construction phase at McCormicks Creek and make repairs to Lieber and Shakamaks failing pool decks. The request will also complete repairs and replace water features at Shakamak,

Mounds, and McCormicks Creek to enhance revenue and improve customer expectations of the pool facilities.

(2005 General Fund – R&R State Parks and Reservoir Management)

Department of Natural Resources (300) \$180,000  
Preservation of Facilities  
Project No. 095002

The campground at Deam Lake has been under-utilized for the past few years. The DNR would like to convert a portion of the campground area to campsites for horses. The agency is working with the Trail Riders Association on this project. Funding for this request will provide for the construction of horse barns and modification of the grounds to accommodate horses. The DNR anticipates that this project will pay for itself within 3 to 5 years.

(2005 General Fund – R&R Forestry)

Department of Natural Resources (300) \$405,000  
Nature Preserves General Rehab  
Project No. 165001

Weathering, normal wear and tear, and vandalism necessitate a need for periodic repairs to the 85 properties managed by the division of Nature Preserves. The division is seeking to control invasive species and design a storage shop building for the Gene Stratton Porter State Historic site/Limberlost Wetlands restoration project with this request. Funds will be matched by federal dollars from the U.S. Fish & Wildlife Service and the Lake Michigan Coastal Program.

(2005 General Fund – R&R Nature Preserves)

Department of Natural Resources (300) \$139,500  
Nature Preserves Health/Safety Risk Reduction  
Project No. 165002

This request will help the Division of Nature Preserves remove invasive woody species, which increase the chance of wildfires endangering individuals' property. Funds will be used to procure fire safety equipment that will aid in safer prescribed burns on nature preserves throughout the state. These funds will be matched by federal dollars from the U.S. Forest Service.

(2005 General Fund – R&R Nature Preserves)

Department of Administration (061) \$100,000  
Government Complex Locker Facility

INShape Indiana aims to encourage Hoosiers to move more, eat better, and stop smoking. This project request represents the state's commitment to improving the health and wellness of the 10,000 state employees who work in or near the Indiana Government Center. This funding, along with other funding partners, will

provide a women's and men's locker facility. The shower and locker facility will reduce barriers to bicycle and foot commuting to work. Additionally, it will allow employees to more easily exercise before and after work, and during the lunch hour. This funding will demonstrate the state's willingness to lead by example to improve the health of its workforce.

(2003 General Fund – Health and Safety)

Indiana Veterans' Home (570) \$220,000  
Pyle Hall Fire Protection Installation

The agency is requesting approval of funds to install sprinklers in every room. Currently, only corridors in the building have sprinkler coverage. The Federal Veteran's administration requires all remodeled or renovated facilities to have sprinklers installed before re-occupancy. If the project is not completed, the State will lose V.A. per diem for 42 beds.

(2001 Veteran's Home Building Fund – Energy Management System)

Putnamville Correctional Facility (650) \$208,060  
Perimeter Lighting

The agency is requesting approval of funds to increase the scope of a perimeter lighting project that was reviewed by the Budget Committee in September of 2005. This proposed project includes replacement of all perimeter lighting at Putnamville Correctional Facility. The current perimeter lighting at Putnamville Correctional Facility consists of low output street lighting. As the facility has increased its population capacity and strengthened its physical security this lighting has been identified as inadequate. Security towers are unable to adequately observe several areas due to lighting levels. Different bulbs and fixtures have been installed and have helped with the problem but to remove the hazard, replacement is warranted. A large percentage of the lighting poles were installed in the 1940's and have degraded due to oxidization and weathering.

(2003 Post War Construction Fund – R&R Correctional Units)

(2003 General Fund – R&R Putnamville Correctional Facility)

Little Calumet River Basin Commission (885) \$3,000,000  
Little Calumet River Basin Development Commission

The agency is requesting approval of funds to acquire right-of-ways, carry out utility relocations, and support a required cash match on Federal construction contracts. This is a request for a combination of funds that were appropriated during the 2003-2005 biennial budget, which together will complete over 45% of protection for the city of Hammond, and all of the town of Highland construction. In addition, the appropriation will provide much needed flood protection, by enhancing the levees, which could encourage economic development in the area.

(2003 General Fund – Match for Federal Earmarks)

(2005 General Fund – Little Calumet River Basin Development Commission)

**University Projects**

Indiana University – Bloomington (750) \$34,054,530  
Central Heating Plant  
Project No. A-1-06-2-13

The Trustees of Indiana University request authorization to proceed with renovation of the central heating plant on the Bloomington campus. New federal regulations, set to take effect in mid-2007, place additional limitations on air emissions that the current plant will not be able to meet without compromising needed heating capacity. Renovation of the facility will allow the university to maintain fuel flexibility and continue to burn coal, while meeting the new air emissions standards. This upgrade will refurbish/replace existing equipment in order to extend the useful life of the facility at least 25 years. This project is not eligible for plant expansion. The permanent financing package is subject to approval by the State Budget Director.

Funding: 2005 Bonding Authority \$34,054,530  
Estimated Fee Replacement (20 years) \$2,909,057/year  
No annual plant expansion requested  
CHE Review: May 12, 2006

Indiana University - Southeast (750) \$1,800,000  
University Center North Building Expansion  
Project No. A-9-06-1-0

The trustees of Indiana University request authorization to proceed with a two-story addition to University Center North on the Indiana University Southeast campus. The project involves the addition to the west side of the building to expand the seating area of the commons on the ground floor and the conference center on the first floor. The project works in concert with a previously approved renovation of the existing building. This project is not eligible for plant expansion.

Funding: Capital Projects/Land Acquisition and Auxiliary Reserves  
\$1,800,000  
No annual plant expansion requested  
CHE Review: April 20, 2006

Indiana University – Bloomington (750) \$1,800,000  
Law School – Second and Third Floors Renovation  
Project No. A-1-06-2-09

The Trustees of Indiana University request authorization to proceed with the renovation of approximately 9,965 ASF of the Law School and Law Library on the Bloomington campus. This project will convert some existing space into classrooms and reorganize other space to meet current needs. The project will reconfigure current areas to include more instructional spaces, and to renovate space for International Programs, Admissions, a teaching suite, marketing and business offices and a rare-book room. Renovation will include new walls, ceilings and finishes. This project will also address heating and ventilation, plumbing, electrical systems and lighting. This project is not eligible for plant expansion.

Funding: Capital Projects/Land Acquisition \$1,800,000  
No annual plant expansion requested  
CHE Review: April 20, 2006

Indiana University – Bloomington (750) \$2,100,000  
Northeast Campus – Utility Upgrades  
Project No. A-1-06-2-10

The Trustees of Indiana University request authorization to upgrade utilities located near the corner of 10<sup>th</sup> and Union Streets on the Northeast area of Bloomington campus. Utility upgrades include: steam, condensate and domestic water. This project is not eligible for plant expansion.

Funding: Residential Programs and Services Reserves for Infrastructure, R  
& R \$2,100,000  
No annual plant expansion requested  
CHE Review: April 20, 2006

Purdue University – West Lafayette (760) \$1,525,000  
Discovery Park Site Development Phase V  
Project No. B-1-06-1-16

The Board of Trustees for Purdue University request authorization to proceed with the development of the site north of the Birck Nanotechnology Center as the primary mall in Discovery Park. The mall will include landscaping, sidewalks, seating areas, lighting, and a wide pathway for emergency vehicle access. This project is not eligible for plant expansion funds.

Funding: Discovery Park Development Funds (Gift Funds) \$1,525,000  
No annual plant expansion requested  
CHE Review: May 19, 2006

Vincennes University (790) \$11,550,000  
Advanced Manufacturing Training Center  
Project No. E-1-01-1-04

The trustees of Vincennes University request authorization to proceed with the construction of the Advanced Manufacturing Training Center on the Vincennes campus. The facility will be the centerpiece of the University's INTRAIN (Indiana Training) Initiative. The cost of the facility includes equipment and furnishings necessary to operate the facility. The facility will feature state-of-the-art training facilities with "smart" classrooms and labs designed to be flexible and highly adaptable to business and industry training needs. Recommendation and/or approval of this project and its financing by the Budget Committee do not constitute a commitment to plant expansion. The permanent financing package is subject to approval by the State Budget Director.

Funding:	2002 Bonding Authority	\$7,000,000
	Vincennes University Foundation	\$ 500,000
	Vincennes University Reserves	\$1,000,000
	Federal Funds	\$ 500,000
	Workforce Investment Council Partnerships	\$ 400,000
	Private Industry Funds	\$2,000,000
	Lilly Foundation	\$ 150,000
	Estimated Fee Replacement (20 years)	\$597,964
	Estimated Plant Expansion	\$200,000

CHE Review: December 10, 2004

**Review Items**

21<sup>st</sup> Century Fund – SBIR/STTR Matching Grant Program

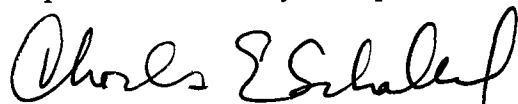
Department of Homeland Security – Public Safety Training Report (HEA 1099)

INDOT Building and Grounds Budget

Public Television Distribution

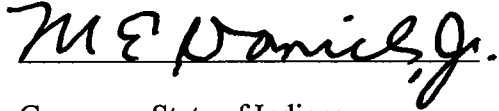
Pursuant to the provisions of IC 4-12-1 and IC 20-12, the State Budget Committee recommends approval of these projects.

  
Representative Jeffrey K. Espich

  
Charles E. Schalliol, Budget Director



Pursuant to IC 20-12, the Governor of the State of Indiana hereby approves the bond issuances for the related university projects approved herein.

A handwritten signature in black ink, reading "M E Daniels, Jr." with a horizontal line underneath the text.

Governor, State of Indiana