

State Budget Committee
Meeting Minutes
March 15, 2016

Members:

Representative Tim Brown, Chairman
Senator Luke Kenley
Senator Karen Tallian
Representative Terry Goodin
Brian Bailey, State Budget Director

Alternate Members:

Representative Bob Cherry
Senator Ryan Mishler
Representative Sheila Klinker

Chairman Brown called the meeting to order at 10:00 AM in the Ways and Means Committee Room within the Indiana State House. Following introductory remarks, Representative Brown introduced the December Budget Committee minutes. Senator Kenley made a motion to adopt the December minutes, Senator Tallian seconded the motion. The minutes were adopted by consent of the committee.

After each agenda item was presented and discussed Mercer presented a study on the Indiana State Police salary matrix. It was noted that the study took into account the recent changes to comp-time and pension funding. A point was also raised that the Indiana State Police has had an estimated 2% turnover in State Troopers since 2011.

After the Review Items were discussed, Senator Kenley motioned to adopt the March agenda, Senator Tallian seconded the motion. The motion to adopt the proposed agenda was taken by consent of the committee.

The March Budget Committee Agenda is as follows:

I. Agency Projects

1. Department of Natural Resources (300) \$600,000
Tippecanoe Lake Complex Water Control Structures

Division of Water requests funding for repairs to the water control structure that regulates the water level of Tippecanoe, Oswego, and James Lakes; 1,133 acres of water. The structure was built in 1964 and last received structural work in the early 1990s. The proposed repairs will include an inspection of the slab foundation, replacing the corroded steel retaining gates with non-corroding stainless steel, and installing new concrete overflow structures. The Homeowners Association of Tippecanoe Lake raised \$100,000 to purchase the easement adjacent to the

control structure, this will ensure that the Department of Natural Resources can have full accessing when repairing and maintaining the structure without disturbing the residential properties.

Funding: 2015 General Fund – Water

2. Department of Natural Resources (300) \$350,000
Forestry Restoration

Division of Forestry requests funding to manage 4,000 acres to maintain productive timber capacity. Maintenance of these acres includes treatment of invasive species, removal of defective and low value trees, and reductions of growth-inhibiting vines. The 4,000 acres that are being targeted are located within 10 different state forests; including Clark, Harrison-Crawford, and Morgan-Monroe. These areas have either had recent timber harvests, or plan to have timber harvests in the near future. The restoration practices in the harvested areas encourage forest regeneration which produces long term sustainability in the state forests.

Funding: 2015 General Fund – Forestry

3. Department of Natural Resources (300) \$235,000
Harmonie Elevated Water Tank

Division of State Parks requests funding to rehabilitate the 75,000 gallon water tower at Harmonie State Park in Posey County. The rehabilitation will address deficiencies in interior and exterior coating and caulking, mechanical and structural issues, and several OSHA findings. The water tower was constructed in 1975 and last received funding for structural rehabilitation in 1990; the current repairs are needed to increase the life cycle of the tower. The water tower provides water pressure and fire protection for the Harmonie State Park as well as 25 residents in the town of New Harmony.

Funding: 2015 General Fund – State Parks

4. Department of Correction (690) \$250,000
Replace Roof on Powerhouse at Plainfield Correctional Facility

The Department of Correction is requesting approval to replace the 6,200 square foot roof of the powerhouse building at Plainfield Correctional Facility at a cost of \$40 sq/ft. This building was constructed in 1970 and it provides thermal energy in the form of steam to all three Plainfield facilities. The current coal tar roof was installed in 1989 and has been repaired and restored previously but now it now requires complete replacement. The interior of the structure has been upgraded but it has not had any exterior upgrades. The new roof will be a two ply modified bitumen roofing system with easier maintenance and a service life of twenty years or more.

Funding: 2015 Postwar Construction Fund – DOC

5. Department of Correction (690) \$406,600
Rehabilitate Locking Devices in Segregation Unit at Plainfield Correctional Facility

The Department of Correction is requesting approval to replace the doors, locking devices and controls for the 30 cell segregation unit at Plainfield Correctional Facility. The unit was constructed in 1982 and the current door controls are ran by relay technology and the current door drives are obsolete. The doors and controls experience regular failures, which forces staff to manually open the doors in a manner they were not designed for. The replacement doors will be the same modern and standardized doors used in all IDOC renovations and the controls will be replaced with computer driven technology that is used throughout the agency.

Funding: 2015 Postwar Construction Fund – DOC

6. Department of Correction (695) \$152,000
Replace Door Automation Computers at Reception and Diagnostic Facility

The Department of Correction is requesting approval to replace door automation computers at the Reception and Diagnostic Facility. This facility is the intake facility for all male offenders sentenced to the DOC. The automated cell door and lighting control systems were installed in 1993 and all of these units and systems are now obsolete. Parts are difficult to find and not generally available if the system needs repair. The current system will be replaced with non proprietary software that is used at every major DOC facility.

Funding: 2015 Postwar Construction Fund – DOC

7. Department of Correction (650) \$129,000
Replace Windows on Housing Unit at Putnamville Correctional Facility

The Department of Correction is requesting approval to replace the remaining 123 windows in the dormitory housing unit at Putnamville Correctional Facility. Budget Committee Approved \$807,000 in July 2015 for the 539 dormitory housing windows; however, due to rising costs of aluminum and other materials, the final dollar amount has increased. The housing units at this facility were constructed between 1985 and 1992. The windows installed during original construction have deteriorated and are no longer maintainable and do not seal properly to keep the weather out. The current windows will be replaced with commercial double hung windows that have been installed at this, and other DOC facilities. The current window openings have had a security screen installed over it to prevent offender abuse and tampering; those security screens will remain in place with the new windows.

Funding: 2015 Postwar Construction Fund – DOC

8. Richmond State Hospital \$550,000
Smokestack Demolition

Richmond State Hospital is requesting funds to demolish the steam plant smokestack which was originally constructed in 1957. The smokestack has been dormant since the facility switched from coal to natural gas in 2000. The smokestack has suffered through several lightning strikes which have drastically deteriorated its structural integrity. In the past, metal banding has been added around the smokestack to increase the integrity of the structure; however, that metal banding is beginning to show signs of failing. The structure runs from the basement of the steam plant through the roof, therefore, if a catastrophic failure were to occur the steam plant would be heavily damaged.

Funding: 2015 Postwar Construction Fund – FSSA

II. University Projects

1. Indiana University – Bloomington \$14,000,000
Kelley School of Business Career Services Addition
Project No. A-1-16-1-02

The Trustees of Indiana University request authorization to proceed with the construction of a 30,559 GSF/ 20,780 ASF addition to the north side of Hodge Hall on the Bloomington Campus. This facility will create new space for career services to Kelly School of Business students, supporting functions such as receptions, interviews, counseling, and job fairs. The addition will house a large reception space, multiple smaller-scale meeting and conference spaces, and offices to assist students with career planning and employment searches. The project also will create a new north entry to the school, and as a result, some remodeling of the existing structure will be necessary to connect with the new addition, as well as reconfiguration of the service and receiving area. Additionally, a new mechanical system will be required as the current system is not sufficient to serve the new space and nearby underground utilities will need to be relocated.

The project is estimated to cost \$14,000,000 and will be funded by gifts through the Indiana University Foundation.

Funding: Gifts through IU Foundation
CHE Review: December 10, 2015

2. Indiana University – Bloomington \$10,000,000
 Marching Hundred Hall
 Project No. A-1-16-1-03

The Trustees of Indiana University request authorization to proceed with construction of a 33,662 GSF/ 21,880 ASF facility for the Indiana University Marching Hundred Band on the Bloomington campus. Located on the southeast corner of North Woodlawn Avenue and 17th Street, the structure will provide convenient access to Assembly Hall and Memorial Stadium for students, faculty, and staff in support of University athletic events. The facility will be composed of a 6,000 square foot rehearsal space with two additional smaller rehearsal rooms at 2,600 square feet each that will provide additional flexibility for simultaneous practice of smaller ensembles. Instrument storage and repair, a music library, and uniform storage associated with support spaces round out the balance of the program.

The project is estimated to cost \$10,000,000 and will be funded by gifts through the Indiana University Foundation.

Funding: Gifts through IU Foundation
 CHE Review: February 11, 2016

3. Indiana University – South Bend \$7,000,000
 Administration Building and Riverside Hall Renovations
 Project No. A-8-16-2-01

The Trustees of Indiana University request authorization to proceed with the renovation of Administration Building and Riverside Hall on the South Bend campus. Renovations at the Administration Building (41,643 GSF) will provide updated and more appropriate space for multiple units, and in particular, those whose mission is student service-oriented, including Admissions, Financial Aid, Administrative and Fiscal Affairs, Student Services, Human Resources, Career Services, the Testing Center, and the Titan Success Center. The total cost of the projects at the Administration Building will be \$3.6 million. Renovations at Riverside Hall (11,198 GSF) will establish modern clinical space for health sciences curricula, including health and wellness, radiology, clinical lab sciences, medical support pharmacy, and related space for offices, classrooms, and other support areas. The total cost of the projects at Riverside Hall will be \$3.4 million.

The project is estimated to cost \$7,000,000 and will be funded through Campus Renovation Funds, Auxiliary Service Revenues, gifts through the Indiana University Foundation, and 2013 – 2015 Regional Campus Special Repair and Rehabilitation for Deferred Maintenance. As of March 1, 2016, the balance in the Campus Renovation Fund is \$5,852,356 and the balance in Auxiliary Services Revenues is \$518,974.

Funding:	Campus Renovation Funds	\$3,312,847
	Auxiliary Services Revenues	\$488,653
	Gifts through IU Foundation	\$2,483,500
	2013-15 Regional Campus R&R for Deferred Maintenance	\$715,000

CHE Review: December 10, 2015

4. Indiana State University \$64,000,000
College of Health and Human Services Renovation and Expansion
Project No. C-1-15-2-02

The Trustees of Indiana State University request authorization to proceed with the renovation and expansion of the College of Health and Human Services facility on the campus of Indiana State University. The instructional spaces currently in use by the College have not been significantly upgraded since the construction of the facilities in 1961 and 1986 and are inadequate to accommodate current instructional technologies and meet contemporary safety standards. The addition of several new academic programs within the College has created the need for additional classroom and laboratory space. The renovated and new space will allow six of the seven departments in the College of Health and Human Services to be housed in one location as opposed to the current physical configuration of the College that includes three different buildings and an off-campus site. The total existing gross square footage (GSF) of the building is 293,846 with 179,081 of assignable square feet (ASF). An expansion of the facility to house new academic programs within the College as well as to accommodate departments within the College located elsewhere on campus is planned to add 87,000 GSF/ 50,000 ASF.

The estimated cost of the project is \$64,000,000 and will be funded by Fee Replacement Bonding Authority per House Enrolled Act (HEA) 1001-2015. The debt service on the bonds will begin in fiscal year 2017.

Funding: HEA 1001-2015 Fee Replacement Bonding Authority
CHE Review: February 11, 2016

5. Ball State University \$5,000,000
Emens Auditorium Lobby Renovation and Expansion
Project No. D-1-16-2-01

The Trustees of Ball State University request approval to proceed with the renovation and expansion of Emens Auditorium. The 10,614 GSF/ 7,430 ASF auditorium has served as a preeminent community and university main stage since opening in 1964. Except for some interior renovations in the audience seating arena and some technical upgrades to the theatrical systems, there have been no major renovations to the facility in 50 years. The venue has hosted world-class artists, entertainers, and lecturers as well as local events such as graduations, concerts, recitals, and convocations. The project will include the expansion of the lobby to provide space for gatherings of pre-event, intermission, and post-event crowds. Additionally, restrooms will be added to the first floor level for the convenience of guests, and the box office will be relocated from the vestibule to an interior location. A second floor above the lobby expansion will provide space for a hospitality room, food staging area, and other support space. The new addition will also require new site work to accommodate patron flow to and from the new addition. Finally, some interior renovations to the existing structure and systems are necessary to accommodate the addition, including asbestos abatement, utilities connections, and refreshing of existing finishes.

The estimated cost of the project is \$5,000,000 and will be funded from private gifts received by the University and internal university reserve funds. As of March 3, 2016, the balance of the internal university reserve funds was \$36 million.

Funding:	Private Gifts and Donations	\$1,500,000
	Internal University Reserves	\$3,500,000
CHE Review:	February 11, 2016	

6. Purdue University – West Lafayette \$65,000,000
Player Performance Complex
Project No. B-1-16-5-05

The Trustees of Purdue University request approval to enter into a lease amendment between Purdue University and the Ross-Ade Foundation to fund the renovation of the West Lafayette Mollenkopf Athletic Center facility which is in need of repair, renovation, and modernization, including the construction of a new football performance complex. The football performance complex will be a 110,000 square foot facility including a locker room, team meeting room, sports performance training area, sports medicine facility, coaches' offices, and enhanced academic support facilities. The Mackey Renovation lease, which was reviewed by Budget Committee on December 11, 2008, is an already approved 40-year lease and lease-back agreement executed in 2008 for the renovation of Mackey Arena and surrounding athletic support facilities, of which construction has been completed. Purdue University will partner with the Ross-Ade Foundation to deliver the project.

The Ross-Ade Foundation will finance and construct the facility with an estimated cost of \$65 million to be financed through certificates of participation to be retired through annual lease payments by the University to the Foundation. The University will reacquire the new facilities at the end of the lease term. Funding for the lease payments will be exclusively from the Athletic Department.

Funding:	Certificates of Participation
CHE Review:	February 11, 2016

7. Purdue University – West Lafayette \$2,200,000
Marsteller Street Parking Garage Demolition and Parking Lot Installation
Project No. B-1-16-1-03

The Trustees of Purdue University request permission to proceed with the demolition of the Marsteller Street Parking Garage and the subsequent installation of a new asphalt parking lot. The Marsteller Street Parking Garage, a five-level precast concrete parking structure, was constructed in 1976 and is currently deteriorating in condition. After demolition of the current structure, a new asphalt parking lot with concrete curbing, lighting, and green space landscaping will be constructed. The removal of the parking garage will eliminate risks associated with the deteriorated condition of the garage and the need for extensive repairs.

The estimated cost of the project is \$2,200,000 and will be funded from Parking Facilities Reserve Funds. The balance of Parking Facilities Reserves as of 3/2/2016 is \$10,861,772.

Funding: Parking Facilities Reserve Funds
CHE Review: December 10, 2015

**Cost Summary
March 15th 2016**

2015 General Fund	\$1,185,000
2015 Postwar Construction Fund	\$1,487,600
University Funds	\$10,216,500
University Gift Funds	\$27,983,500
HEA 1001-2015 Fee Replacement Bonding Authority	\$64,000,000
Certificates of Participation (Debt to be repaid by annual lease payment)	\$65,000,000
Total	\$169,872,600

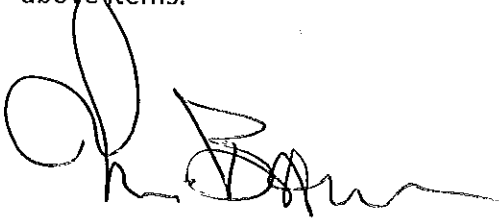
IV. Review Items

1. Medicaid State Plan Amendments – FSSA
2. Indiana State Police Salary Matrix – Mercer

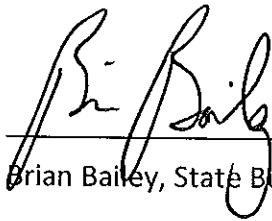
V. Reports Received (Sent)

1. Annual Report – IEDC (1/22/16)
2. 21 Fund Quarterly Report – IEDC (2/19/16)
3. Population Report – DOC (2/9/2016)
4. Special Education Count Letter, I.C. 20-43-4-4 – DOE (2/5/2016)

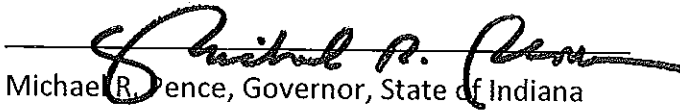
Pursuant to the provisions of IC 4-12-1, the State Budget Committee has reviewed the above items.



Representative Tim Brown, Chairman



Brian Bailey, State Budget Director



Michael R. Pence, Governor, State of Indiana

