

State Budget Committee Agenda
Tuesday, May 12, 2009
Statehouse Room 431
Indianapolis, Indiana

I. Election of Chairman

II. Agency Projects

1. Indiana Finance Authority (261) \$ 2,025,000
Public Water Supply Systems

The Indiana Finance Authority was authorized by the 2007 budget bill to investigate and recommend to the State Budget Committee solutions to increase the potable water supply to the counties of Decatur, Ripley and Jennings. Consistent with authorization provided in the budget bill, the Authority retained the services of an external consulting firm to assist with the analysis of needs and proposals from various suppliers. In addition, the Authority's Environmental Program staff solicited and received input from the newly-formed Vernon Fork Regional Water District, whose territory includes the three-county area. At the Authority's February Board meeting, the Board approved the grant proposal of Decatur County Rural Water Corporation in the amount of \$2,000,000 to construct infrastructure for the delivery of water to the Adam's Industrial Park in Decatur County. Pursuant to the provision contained in the budget bill, the Authority is requesting reimbursement of \$25,000 for the costs incurred engaging the engineering consultant. This recommendation by the Authority would provide a solution and increase the potable water supply in the Tri-County Area and satisfy the intent and requirements of the 2007 budget bill.

Funding: 2007 Build Indiana Fund

2. Office of Technology (067) \$ 2,185,542
Data Center Project
Project No. A83-B-01

The Office of Technology is undertaking a project to rehabilitate its Data Center, located in the Government Center North building. The Data Center currently houses 95% of state government servers and data processing equipment. Due to the server consolidation effort, the Data Center's capacity far exceeded its systems operational capabilities. Currently, heat generated by the Data Center reaches levels that require server shutdown and poses the risk of State Police, Department of Revenue, Department of Transportation, and other state agencies losing access

to critical information. The Data Center expansion made the current fire protection system deficient and incapable of adequately protecting against the threat of fire. Funding this request will provide the Data Center with the proper systems to maintain critical server processing capabilities while protecting against the threat of electrical fires.

Funding: 2007 General Fund

Department of Administration-Repair & Rehabilitation	\$ 99,500
Indiana Office of Technology Rotary Fund	\$ 2,086,042

3. Madison Correctional Facility (667) \$ 1,335,000
Renovation of Jayne English Building
Project No. D12-931

The Madison Correctional Facility requests funds to provide for the renovation of the Jayne English Building located in Madison, Indiana. Madison State Hospital was built in 1901 and has outdated interior building systems that are in dire need of replacement. This project will fund replacing and rehabilitating the heating, ventilation, and air conditioning system (HVAC), electrical system, steam lines, and sewer lines. In addition, this project will provide security features to the Jayne English Building, including security doors, screens, fencing, and security checkpoints.

Funding: 2007 Post War Construction Fund

Renovation of Jayne English Building

4. Branchville (675) and Correctional Industrial Facility (635) \$ 950,000
Perimeter Security System
Project No. D12-09-920

The Branchville Correctional Facility and Correctional Industrial Facility request funds to provide for the installation of perimeter security systems. The Correctional Industrial Facility was built in 1985 and houses 1,401 adult male high-medium security felons. The current perimeter security system is comprised of microwave detection systems and underground leaky cable seismic detection systems. Both security features are failing due to age and deterioration of the system components. The Branchville Correctional Facility houses 1,330 adult male felons within the boundaries of the Hoosier National Forest. The facility currently does not have a security perimeter fence, but only a chain link fence. This request will provide both facilities with the funds to construct perimeter security systems. These projects are being combined to achieve best pricing.

Funding: 2007 Post War Construction Fund

Wabash Valley Correctional- Perimeter Security System

III. University Projects

1. Indiana University – System (750) \$ 7,785,544
HEA 1001 2007 R&R Payment Delay – Draw 9
Project No. A-0-09-2-22

The Trustees of Indiana University request the allotment of Repair and Rehabilitation Payment Delay funds in the amount of \$7,785,544 from the 2007-2009 budget. These R&R Payment Delay funds will be used to fund several small projects, each under \$750,000.

This represents the university's 4th draw for fiscal year 2009. Cumulatively the University has drawn \$12,171,920, or 100%. For the biennium, this represents the university's 9th draw and brings the university draws to \$23,343,840, or 100%.

Funding: HEA 1001-2007 R&R Payment Delay
CHE Review: January 16, 2009

2. Indiana University – Bloomington (750) \$ 9,500,000
Auxiliary Library Facility – Phase II
Project No. A-1-08-1-26

The Trustees of Indiana University request approval to proceed with the construction of the Auxiliary Library Facility – Phase II project on the Bloomington campus. The project would construct a 22,540 gross square-foot addition to the current Auxiliary Library Facility with several four-hour separation, Maximum Fire-Loss walls built in order for the modules to be divided from one another. The facility will be located immediately south of the existing building. As technology changes and libraries evolve, fewer items are stored within the main library, with items being transferred and stored in the auxiliary facility. The existing facility will be entirely full by November 2009. This project would accommodate storage needs for the next ten years.

The project is expected to cost \$9,500,000 and is to be funded through the issuance of certificates of participation in capital lease purchase obligations between the University and the Indiana University Building Corporation (IC 21-33-3-5), and Capital Projects/Land Acquisition Reserve Funds. The project is not eligible for fee replacement appropriations or plant expansion funding. The permanent financing package is subject to approval by the State Budget Director.

Funding: Certificates of Participation/Lease Purchase \$ 7,250,000
Capital Projects/Land Acquisition Reserve Funds \$ 2,250,000
CHE Review: December 12, 2008

3. Indiana University - Bloomington (750) \$ 1,500,000
Carter House – Renovation
Project No. A-1-09-2-33

The Trustees of Indiana University request authorization to proceed with the renovation and addition to Carter House located at 1319 E. 10th St. on the Bloomington Campus. The project would create a new home for the School of Business Communications Department faculty and an addition to Carter House. It would also renovate the existing two-story building. The facility would provide office space for faculty, meeting space for student group work, and a video-conference room for the Department of Business Communications. The project would renovate 3,100 gross square feet of existing space and add approximately 5,500 gross square feet of new space. Exterior and interior finishes would be restored; mechanical, electrical, and plumbing systems would be replaced; and a new elevator along with fire-rated stairs would be installed.

The project is estimated to cost \$1,500,000 and is to be funded by the Kelley School of Business Reserve funds. This project is not eligible for plant expansion funding.

Funding: Kelley School of Business Reserves
CHE Review: May 8, 2009

4. Indiana University – Bloomington (750) \$ 1,000,000
Nelson Hall Renovation
Project No. A-1-09-2-27

The Trustees of Indiana University request approval to proceed with a project on the Bloomington campus to renovate 10,300 square feet of space on the first floor of Nelson Hall. This project would capture space vacated by the Indiana University Police Department for use by Residential Programs Services (RPS) and Student Ethics as well as remodel adjacent space for RPS conferences, and student government. Work would involve the demolition of remaining finishes, doors, walls, heating, ventilating and air conditioning (HVAC), lighting, and electrical systems. This project is expected to cost \$1,000,000 and is to be funded by Residential Programs and Services.

Funding: Residential Programs and Services
CHE Review: February 13, 2009

5. Indiana University - Bloomington (750) \$ 1,100,000
McNutt Quad – Asbestos Abatement
Project No. A-1-09-2-28

The Trustees of Indiana University request approval to proceed with the completion of asbestos abatement in Dejoya, Delgado, and Bocobo halls in McNutt Residence Center on the Bloomington campus. This project would remove all asbestos-containing material used as an acoustical-spray covering on the ceilings in 328 student rooms and would apply new leveling

materials to conceal form marks on the concrete ceilings. When the removal process is completed, new gypsum-based spray would be applied on the acoustical material. This project is estimated to cost \$1,100,000 and is to be funded by Residential Programs and Services.

Funding: Residential Programs and Services
CHE Review: February 13, 2009

6. Indiana University – Bloomington (750) \$ 2,000,000
Data Center Research Computing Pod Infrastructure
Project No. A-1-09-2-25

The Trustees of Indiana University request approval to proceed with the project to provide electrical power and cooling infrastructure to support the relocation of the Big Red computer from Wrubel to the new Cyber Infrastructure Facility located on the Bloomington Campus. The project would relocate data rack-mounted cooling units and provide mechanical and electrical infrastructures, chilled water taps and header piping necessary to support Big Red. This project is expected to cost \$2,000,000 and is to be funded by University Information Technology Services.

Funding: University Information Technology Services
CHE Review: March 13, 2009

7. Indiana University – Bloomington (750) \$ 4,450,000
Ashton Chilled Water Facility
Project No. A-1-09-1-24

The Trustees of Indiana University request approval to proceed with the completion of the new Ashton Chilled Water Facility located south of Stempel Hall on the Bloomington campus. This new facility would generate 1,500 tons of cooling, provide space for an additional 750 tons, and produce chilled water for the new Ashton Student Housing buildings. Two cooling towers would be located on the roof with space for an extra tower. A high voltage sub-station located in a separate electrical room inside the building would provide power to the facility. This project is estimated to cost \$4,450,000 and is to be funded by Residential Programs and Services.

Funding: Residential Programs and Services
CHE Review: March 13, 2009

8. Indiana University – Bloomington (750) \$ 2,200,000
SPEA Classroom Renovation
Project No. A-1-09-2-32

The Trustees of Indiana University request authorization to proceed with the renovation of space for classrooms and interview rooms in the School of Public and Environmental Affairs (SPEA) Building on the Bloomington campus. This project would benefit undergraduate students

by allowing SPEA to serve more students and making more effective use of tenure-track faculty in the classroom. In addition to classrooms and interview rooms, this project would also renovate restrooms and mechanical systems serving the affected area. The project is to be funded using reserve funds from the School of Public and Environmental Affairs and Kelley School of Business.

Funding: School of Public and Environmental Affairs Reserves \$ 1,700,000
Kelley School of Business Reserves \$ 500,000
CHE Review: May 8, 2009

9. Indiana University Purdue University - Indianapolis (750) \$2,452,704 annually
Restated & Amended Lease of Space from Health and Hospital Corporation
Project No. A-2-09-5-05

The Trustees of Indiana University request approval to enter into a restated and amended lease on behalf of the IUPUI campus for the use of the Indiana University School of Medicine. The premises consist of a total of 133,010 square feet throughout three different buildings: 90,691 square feet in Wishard Memorial Hospital, 22,787 square feet in the Regenstrief Health Center, and 19,532 square feet in the Krannert Institute of Cardiology. The space will be used by the School of Medicine for administration and research facilities.

The lease term is for eight years and six months, with an estimated cost of \$2,452,704 annually. Payments will be made from School of Medicine general funds.

Funding: IU School of Medicine General Funds
CHE Review: December 12, 2008

10. Indiana University Purdue University – Indianapolis (750) \$211,763 annually
Extension of Lease for Center on Philanthropy
Project No. A-2-09-5-31

The Trustees of Indiana University request approval to enter into a lease extension for the use of the Indiana University Center on Philanthropy. The Center on Philanthropy facilitates the development of and administers degree programs in philanthropy and non-profit studies and provides continuing education for over 8,000 individuals annually across the state and nation.

The rented premises consists of 11,294 square feet of office space in the Sigma Theta Tau building located at 550 W. North St. in Indianapolis. The Center on Philanthropy has occupied this location since July 1990. The proposed lease extension is for a period of three years with four one-year options for renewal. The estimated cost of this project is \$211,763 annually. Payments will be made from the Center on Philanthropy general funds.

Funding: Center on Philanthropy General Funds
CHE Review: March 13, 2009

11. Indiana University – Purdue University – Indianapolis (750) \$ 1,811,000
Wilson Street Garage – Structural Repairs
Project No. A-2-09-2-34

The Trustees of Indiana University request authorization to proceed with making structural repairs to the Wilson Street Garage located on the Indianapolis campus. The scope of work includes repairing all structural concrete slabs, spalled concrete and expansion joint materials, joint materials between precast double trees, and traffic-bearing membranes. Replacement of pavement striping and markings would be completed after renovation. This project is necessary due to age and normal structural wear and tear. The project is estimated to cost \$1,811,000 and is to be funded by IUPUI Parking Operations.

Funding: IUPUI Parking Operations
CHE Review: May 8, 2009

12. Indiana University – Northwest (750) \$ 1,800,000
Moraine Student Center – HVAC System Repairs
Project No. A-7-09-2-03

The Trustees of Indiana University request authorization to proceed with necessary repairs to the damaged Heating, Ventilation and Cooling Systems in Moraine Student Center located on the Northwest campus. Work includes the demolition of the old stand alone equipment plus mold and asbestos abatement; the replacement of ductwork, air handlers, pumps and motors; and the connection of the building to the central chilled water system. The project would also restore the heating and cooling systems damaged by floods in August 2007.

This project is estimated to cost \$1,800,000 and is to be funded by a combination of Risk Management Reserves and Insurance Proceeds.

Funding: Risk Management Reserves \$ 800,000
Insurance Proceeds \$ 1,000,000
CHE Review: January 16, 2009

13. Indiana State University (770) \$ 11,000,000
Sandison Hall Renovation
Project No. C-1-09-2-04

The Board of Trustees for Indiana State University requests authorization to proceed with the Sandison Hall Renovation project. The project will consist of reconfiguring existing space to accommodate double rooms with private baths, individual heat and air conditioning controls, and fire suppression systems with sprinklers and alarms in each room. The renovation will also allow for two student rooms to become ADA accessible. The reconfiguration is a continuation of the systematic upgrade of residence hall facilities in order to be attractive to prospective and returning students and to create an atmosphere conducive to living and learning.

The project is expected to cost \$11,000,000 and is to be funded from the University's Residence Hall Reserves and tax-exempt borrowing to be repaid from the University's Residence Hall System Operating Budgets. The project is not eligible for fee replacement appropriations or plant expansion funding. The permanent financing package is subject to approval by the State Budget Director.

Funding: Residence Hall Reserves and Interim Borrowing
CHE Review: May 8, 2009

14. Indiana State University (770) \$ 2,152,370
HEA 1001 2007 R&R Payment Delay – Draw 2
Project No. C-1-09-2-03

The Board of Trustees of Indiana State University requests the allotment of Repair and Rehabilitation Payment Delay funds in the amount of \$2,152,370 from the 2007-2009 budget. These R&R Payment Delay funds will be used to fund several small projects, each under \$750,000.

This represents the university's 1st draw, and is 100% of the appropriation balance for the fiscal year. For the biennium, this is the University's 2nd draw and brings the university to \$4,304,740, or 100% of the total biennial appropriation.

Funding: HEA 1001 - 2007 R&R Payment Delay
CHE Review: March 13, 2009

15. Purdue University (760) \$ 363,000
Small Project Debt Issuance
Psychology Sciences Building Masonry
Project No. B-1-09-2-26

The Trustees of Purdue University request approval to proceed with interim financing using the University's tax-exempt commercial paper program. This program was approved by the Budget Committee on March 3, 2008. The tax exempt commercial paper is expected to be refunded with long-term bonds at future dates as the amount and market conditions warrant. Purdue University would seek the approval of the Budget Director for the issuance of such refunding bonds at that time. This debt issuance is for one small R&R project with an expected cost of \$363,000. The permanent financing package is subject to approval by the State Budget Director.

Funding: 2006 R&R Student Fee Bonding Authority

16. Purdue University – West Lafayette (760) \$ 12,000,000
Wetherill Air Handler Units Replacement
Project No. B-1-09-2-25

The Trustees of Purdue University request approval to proceed with the Wetherill Air Handler Unit Replacement project on the West Lafayette campus. The project will replace, as necessary, the air handler units and associated systems throughout the Wetherill building. The scope will affect 475 rooms within the building and includes the replacement of fan coil units, fume hoods, fume hood control devices, fans, and general exhaust. The project will also improve the building humidity control and investigate opportunities to group fume hoods into manifold exhaust systems for heat recovery purposes.

The estimated cost of this project is \$12,000,000 and is to be funded from bonds issued for Repair and Rehabilitation as authorized by the General Assembly in P.L. 192-2006. The project is not eligible for fee replacement. The permanent financing package is subject to approval by the State Budget Director.

Funding: 2006 R&R Student Fee Bonding Authority
CHE Review: March 13, 2009

17. Purdue University – West Lafayette (760) \$ 2,000,000
Wetherill Laboratory of Chemistry Phase III
Project No. B-1-09-2-28

The Trustees of Purdue University request the approval of the third phase of the Wetherill Laboratory of Chemistry upgrades. This project will upgrade the electrical secondary distribution system throughout the Wetherill Laboratory of Chemistry building by replacing designated panels and associated feeders. This electrical upgrade will allow future laboratory renovations to take place by supplying the power required to support modern laboratory equipment.

The estimated cost of this project is \$2,000,000 to be funded from bonds issued for Repair and Rehabilitation as authorized by the General Assembly in P.L. 192-2006. The project is not eligible for fee replacement. The permanent financing package is subject to approval by the State Budget Director.

Funding: R&R Bond Proceeds
CHE Review: May 8, 2009

18. Purdue University – West Lafayette (760) \$ 1,356,500
Campus-Wide Utility Tunnel Repairs and Waterproofing Phase 1C
Project No. B-1-09-2-20

The Trustees of Purdue University request approval to proceed with the Campus-Wide Utility Tunnel Repairs and Waterproofing project on the West Lafayette campus. The project will consist of structural repair needs with full-depth replacement of the utility tunnel top along Third Street. A membrane waterproofing system will be applied and critical tunnel wall repairs

will be made along this same length. The project also includes replacement of steam anchors within the Third Street Utility tunnel.

The tunnel is beneath Third Street, and contains steam and telecommunications utility feeds for campus buildings. Temporary shoring has been installed to protect life and property; however, deterioration is such that structural integrity is a serious concern. Without repair and replacement, conditions will only worsen over time, and, should failure occur, utility services across campus would be disrupted for an extended length of time.

Total estimated cost of this project is \$1,356,500, to be funded from Repair and Rehabilitation Bond Proceeds, as authorized by the General Assembly in P.L. 192-2006, and 2008 Payment Delay Repair and Rehabilitation State Appropriated Funds (already drawn). The University intends to utilize its existing tax-exempt commercial paper program to issue the bond-funded portion. The project is not eligible for fee replacement. The permanent financing package is subject to approval by the State Budget Director.

Funding:	R&R Bond Proceeds	\$ 1,256,500
	R&R 2008 Payment Delay	\$ 100,000
CHE Review:	March 13, 2009	

19. Purdue University – West Lafayette (760) \$ 1,450,000
Airport Perimeter Fence Enhancements and Wildlife Deterrent
Project No. B-1-09-1-29

The Trustees of Purdue University request approval to begin the Airport Perimeter Fence Enhancements and Wildlife Deterrent project at the West Lafayette campus. The project will replace the existing 8' chain link fence with a 10' chain link fence with 2' of two-strand barbed wire on top and a wildlife deterrent barrier along the bottom.

The estimated cost of this project is \$1,450,000 and is funded by a Federal Aviation Administration grant under the American Recovery & Reinvestment Act.

Funding:	ARRA FAA Federal Grant
CHE Review:	May 8, 2009

IV. Review Items

1. 21st Century Research and Technology Fund
2. Department of Child Services Quarterly Reports
 - a. October-December 2008
 - b. January-March 2009

V. Discussion Item

1. Adjusted Revenue Forecast