

State Budget Committee Agenda
Thursday, June 23, 2011, 9:00 A.M.
State House Room 404
Indianapolis, Indiana

I. April Minutes

II. Agency Projects

1. Department of Natural Resources (300) \$250,000
Clark State Forest Comfort Station

The Department of Natural Resources requests approval to use previously approved funds from the Covered Bridge State Forest project which was cancelled due to land use complications. The requested project at the Clark State Forest will replace primitive toilet facilities that are subject to increased maintenance in order to meet State Board of Health requirements. Toilet pits will be replaced with a modern comfort station connected directly to the municipal sewer system. The comfort station will contain energy conserving features and will include three men's and three women's lavatories as well as six showers. This project will upgrade facilities from a "primitive" State Board of Health rating to a rating of "modern". Forestry personnel will assist with various stages of construction saving an estimated \$189,000.

Funding:	2007 General Fund "Previously Approved"	\$50,000
	2009 General Fund "Previously Approved"	\$200,000

2. Department of Natural Resources (300) \$375,000
Property Service Area Rehabilitation – Morgan Monroe State Forest

The Department of Natural Resources requests approval to rehabilitate the Division of Forestry's Central Garage facility and construct a seven-bay equipment and materials storage building to replace deteriorating structures at Morgan Monroe State Forest. The Central Garage, support garage, and storage and project shop area are deteriorating and need to be stabilized. Current issues include roof leaks, roof decking deterioration, siding falling off, masonry failures, lack of insulation, failing heating systems, broken guttering, poor site drainage, and foundation failures. The Central Garage is used to house emergency response equipment and the radio/communications shop for DNR law enforcement. It also supports the statewide rural lands fire management program.

Funding:	2007 General Fund "Previously Approved"	\$75,000
	2009 General Fund	\$300,000

3. Department of Natural Resources (300) \$290,000
Office/Visitor Center Consolidation

The Department of Natural Resources is requesting approval to renovate the existing office/visitor center at the Morgan Monroe State Forest. The renovation will provide space to consolidate administrative offices, functions, and staffs of three State Forestry Offices. The consolidation includes the Morgan Monroe State Forest, District forestry operations, and fire control headquarters. Renovations will include the expansion of office and visitor space, a redesigned entry, an electrical upgrade, a HVAC upgrade, energy improvements, and security and exterior upgrades. Renovation will result in an additional 750 square feet of space at the Morgan Monroe visitor center. The fire control headquarters will either be demolished or converted into 2,100 square feet of low cost storage. The consolidation will result in reduced costs in terms of staff and resources. Total annual savings are estimated at \$43,000. In addition, \$25,000 will be saved by utilizing in-house labor.

Funding:	2005 General Fund "Previously Approved"	\$31,484
	2007 General Fund "Previously Approved"	\$17,868
	2009 General Fund "Previously Approved"	\$12,648
	2009 General Fund	\$228,000

4. Department of Natural Resources (300) \$7,500,000
Greenfield Mills Settlement – Division of Fish and Wildlife

On May 18, 1998, employees for the Division of Fish and Wildlife opened a dam control structure at the Fawn River Fish Hatchery at Greenfield Mills reservoir. Downstream landowners alleged this action created a hydraulic dredging action of the reservoir's built-up sediment which resulted in sediment being deposited into the Fawn River system. The landowners filed multiple lawsuits against the Department of Natural Resources, with damage estimates approximating \$20 million. In order to avoid the uncertainty of litigation, all the actions were resolved in a single settlement. The Department of Natural Resources requests approval of \$7,500,000 to pay for the first installment of the \$8,500,000 settlement agreement.

Funding:	2005 General Fund "Previously Approved"	\$511,000
	2009 General Fund	\$6,989,000

III. University Projects

1. Ball State University (780) \$299,193
FY10 ARRA(a) Restoration R&R – Draw 2
Project No. D-1-11-2-04

Ball State University requests approval to proceed with the replacement of various campus sidewalks and drives located on the Ball State University campus. Additionally, the installation of gutters, associated landscaping, and lighting along the streetscapes will be included in the restoration project.

This represents Draw 2 of the FY10 ARRA(a) restoration funds and is approximately 8% of the FY10 restoration funds available to the university. This cumulatively represents 100% of the total FY10 funds available.

Funding: FY10 ARRA(a) Restoration R&R
CHE Review: April 19, 2011

2. Indiana University (750) \$80,000,000
Refunding of Series N, O, P, Q, R, and S Bonds
Project No. A-0-11-6-14

Indiana University requests approval to proceed with the issuance of student fee bonds to refund up to a par amount of \$80,000,000 currently outstanding student fee bonds comprising all or a portion of Series N, O, P, Q, R, and S bonds. The refunding transaction will not extend the maturity dates of the bonds being refunded. Bonds will be selected for the refunding transaction in a manner consistent with guidelines contained in the Indiana Finance Authority refunding policy and only if such bonds produce a positive net present value savings. The aggregate net present value of debt service savings for the entire refunding transaction will be no less than 3% of the refunded bonds. The permanent financing package is subject to approval by the State Budget Director.

3. Indiana University Purdue University – Indianapolis (750) \$8,700,000
Qualified Energy Savings Project – Phase 1
Project No. A-2-11-6-30

The trustees of Indiana University request authorization to initiate a Qualified Energy Savings Project (QESP) on the Indianapolis campus. The project will reduce energy costs by upgrading and/or replacing electrical and mechanical systems in four campus buildings (Medical Research and Library Building, Business/School of Public Environmental Affairs Building, Engineering and Technology Building, and Gatch Hall) as part of Phase I. Energy conservation measures are related to the following systems: lighting, variable frequency drives for pump and fan drives, electrical supply power factor corrections, heating and cooling system improvements, temperature control/energy management, and water use reduction strategies.

The project is estimated to cost \$8,700,000 and is to be funded through the borrowing authority for qualified energy savings projects for academic facilities pursuant to IC 21-33 and IC 21-34. The campus is to repay the debt with monies generated by the projected energy savings which

are expected to be in excess of \$1,300,000 per year. The cost of this project is not eligible for fee replacement appropriations. The permanent financing package is subject to approval by the State Budget Director.

Funding: QESP Bonding Authority
CHE Review: May 13, 2011

4. Indiana University Purdue University – Indianapolis (750) \$1,200,000
Michael A. Carroll Track and Soccer Stadium Field Replacement
Project No. A-2-11-2-29

Indiana University requests authorization to proceed with the replacement of the existing field at the Michael A. Carroll Track and Soccer Stadium located on the IUPUI campus. The project is estimated to cost \$1,200,000 and is to be funded with campus reserves. This project includes removal of the existing natural grass soccer surface, soil/sand sub-base, and irrigation systems. A larger synthetic turf surface and base system will be installed.

The existing natural grass turf is being replaced with a synthetic, artificial turf to facilitate more soccer events and to accommodate more frequent activity due to the wear and tear of natural turf.

Funding: Campus Reserves
CHE Review: May 13, 2011

5. Indiana University – Bloomington (750) \$2,275,000
Warehouse Renovation
Project No. A-1-11-2-26

The trustees of Indiana University request authorization to proceed with the renovation of the Indiana University Warehouse located on Range Road on the Bloomington campus. The project is estimated to cost \$2,275,000 and will be funded by Residential Programs and Services and Printing Services funds.

This project renovates a portion of the warehouse presently used for Surplus Stores and general storage to accommodate the relocation of the IU Food Services and the IU Printing Services from the Showers complex. Work will include new construction, renovation of existing spaces, and upgrades to the existing utility infrastructure. Relocation is necessary for the Food Services and the Printing Services due to Indiana University selling the Showers complex to the City of Bloomington and vacating those units.

Funding: Residential Programs and Services \$1,450,000
Printing Services \$825,000
CHE Review: May 13, 2011

6. Indiana University – Bloomington (750) \$38,000,000
New Third and Union Residence Hall Complex
Project No. A-1-11-1-27

The trustees of Indiana University request authorization to proceed with the construction of a new 155,000 gsf/93,000 asf residence hall complex located at the northwest corner of Rose and Jones Avenue on the Bloomington campus. This project is estimated to cost \$38,000,000 and is to be funded by auxiliary revenue bonds (I.C. 21-35-3).

The residence hall complex will consist of 450 beds comprised of an estimated 64 percent double occupancy bedrooms; 32 percent single occupancy/semi-suite bedrooms; and 4 percent single rooms. This facility will have common spaces, lounges, a study, restrooms, a resident hall office space, and building support spaces.

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

Funding: Residential Programs Auxiliary Revenue Bonds
CHE Review: May 13, 2011

7. Indiana University – Bloomington (750) \$16,000,000
New Third and Union Apartment Complex
Project No. A-1-11-1-28

The trustees of Indiana University request authorization to proceed with construction of a new 84,000 gsf/50,400 asf apartment building complex located at the north side of Third Street between Union Street and Rose Avenue on the Bloomington campus. The four-level apartment complex will consist of 106 units and will be comprised of an estimated 30 studio apartments, 60 one-bedroom apartments, and 16 two-bedroom apartments. This complex will have common spaces for the residents, including a large public entry; program/seminar spaces which can be used as classrooms, meeting rooms, or lounges; public restrooms; laundry rooms; and a storage area for apartment tenants. The building will also have support areas, including a staff housing assistant office, custodial office, and trash/recycling areas.

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

Funding: Residential Programs and Services
CHE Review: May 13, 2011

8. Ivy Tech Community College (710) \$302,000
FY10 ARRA(a) Restoration R&R – Draw 1
Project No. F-0-11-6-06

The Ivy Tech Community College Board of Trustees requests approval to proceed with the replacement of chillers at the Tech Center Building and the Fairbanks Building on the Ivy Tech Community College Indianapolis campus. The project is being funded with ARRA(a) restoration funds and university reserves.

This represents Draw 1 of the FY10 ARRA(a) restoration funds and is 100% of the FY10 restoration funds available to the university.

Funding:	FY10 ARRA(a) Restoration R&R	\$150,054
	University Reserves	\$151,946
CHE Review:	April 19, 2011	

9. Purdue University – West Lafayette (760) \$1,285,000
Hansen Life Sciences Research Building Partial Fourth Floor Renovation
Project No. B-1-11-2-18

The trustees of Purdue University request authority to proceed with the renovation of part of the fourth floor of the Hansen Life Sciences Research Building. This project is a complete laboratory renovation of rooms 413, 415, 417, and 419 and consists of approximately 1,932 gsf/asf. The estimated cost of this project is \$1,285,000 to be funded with gift funds and university rehabilitation funds. The project will convert existing small departmental lab spaces into an open lab space environment, and includes removal of non-load bearing walls, laboratory benches and new fume hoods.

The laboratory space to be renovated was custom designed two decades ago to accommodate the specific needs of a particular faculty member. The design used breaks up the space into a series of small rooms and connecting corridors, which is cumbersome, inefficient, and not people-friendly. This project is not eligible for fee replacement or plant expansion funding.

Funding:	Gift Funds	\$1,200,000
	University Rehabilitation Funds (non-state)	\$85,000
CHE Review:	June 1, 2011	

10. Purdue University – West Lafayette (760) \$1,853,500
Parking Lot Relocations
Project No. B-1-11-1-19

The trustees of Purdue University request authority to proceed with parking lot relocations on the West Lafayette campus. This project is to relocate parking lots lost due to the construction of the U.S. 231 Bypass, and provide parking lots to replace those that will be used for the construction of the Drug Discovery Facility and the Health and Human Sciences Research Facility.

New parking will be provided in the following locations: 195 spaces south and east of Discovery Park; 30 spaces west of Harrison Electrical Substation; 90 spaces south of Dauch Alumni Center; 40 spaces south of Lynn Hall; 80 spaces west of Birck Center; and 240 spaces east and north of the Purdue Airport. The project also includes constructing a 300-space replacement gravel lot for contractor parking east of the Purdue Airport and west of the U.S. 231 corridor so the existing contractor parking lot can be used for student parking to serve the south campus area. In addition, new light fixtures and emergency telephones will be included.

Funding:	Parking Facility Reserves	\$967,250
	INDOT Right-of-Way Acquisition Funds	\$886,250
CHE Review:	June 1, 2011	

11. Purdue University – Calumet (760) \$1,944,000
Schneider Avenue Building Energy-Efficiency and Water Institute Research Facility
Project No. B-2-11-2-17

The trustees of Purdue University request authority to proceed with the renovation of the Schneider Avenue Building Energy-Efficiency and Water Institute Research Facility on the Calumet campus. The estimated cost of the project is \$1,944,000 and is to be funded using Federal Grant Funds from the Department of Energy.

The project will construct two research laboratories in the Schneider Avenue Building. The Water Institute will occupy approximately 2,400 square feet of research space plus supporting offices. The Energy-Efficiency Center will occupy approximately 2,400 square feet that will house staff and research space. The proposed Water Institute Research Facility will enhance the research capabilities necessary to study water quality, water-energy interdependencies, water security, water infrastructure protection, and related policy issues. The proposed Energy Efficiency Research Facility will support businesses and industry in solving critical energy, research, efficiency, reliability and utilization issues. The Institute will provide practical approaches critical to local government and industry.

Funding:	Department of Energy Federal Grant Funds
CHE Review:	May 4, 2011

12. University of Southern Indiana (775) \$2,300,000
Advanced Manufacturing Center
Project No. G-0-11-1-01

The trustees of the University of Southern Indiana request approval to proceed with the construction of an Advanced Manufacturing Center to support the academic requirements of the advanced manufacturing degree program. The university requests approval to build a 16,198 gsf/11,200 asf industrial-type facility with truck access and a built-in crane. The project is estimated to cost \$2,300,000 to be covered by university reserves. Over \$2,600,000 in federal funds have been received for the purchase of advanced manufacturing equipment.

The advanced manufacturing laboratories currently located in the Technology Center are too small, not well equipped, and are not conducive to hands-on learning for students or to prepare them to lead and innovate in different production technologies. A building suited for heavy

industrial equipment will enable growth of enrollment in the engineering, advanced manufacturing, and industrial supervision programs and expand research capabilities of the faculty. Partnering with the USI Center for Applied Research and Center for Entrepreneurial Studies will promote economic and workforce development for the southwestern Indiana region. It will also support the development of a combined business and engineering degree program that will prepare students to assume leadership roles in industrial research and development, advanced manufacturing, entrepreneurial initiatives, management consulting, high-tech ventures, and innovative technology.

Funding: University Reserves
CHE Review: June 10, 2011

13. Vincennes University (790) \$2,000,000
Homeland Security / Public Safety Education Facility
Project No. E-1-11-2-01

The trustees of Vincennes University seek approval to renovate the 33,716 gsf/24,347 asf Printing Technology Building which was constructed in 1989. The Printing Technology Program was dissolved in 2010. The complete renovation of this facility will convert the building to a Homeland Security/Public Safety Education facility. The renovation will include the reorganization of spaces to fit new educational needs, new laboratories for the homeland security and public safety programs and new finishes throughout. The new facility is to include a new high tech forensics lab, an EMS lab, an emergency response command center, twenty staff offices, two conference rooms, eleven smart classrooms, and student lounge space.

Many of the homeland security and public safety classes rely on real work scenarios simulation to enhance the learning experience. The new forensics, EMS, and command center labs offer the space and equipment necessary for these simulations. The facility will also provide the technology integrated classroom spaces to support these labs with other strategies of learning.

Funding: University Rehabilitation Funds (non-state)
CHE Review: May 13, 2011

Cost Summary

June 23, 2011	
2005 General Fund "Previously Approved"	\$542,484
2007 General Fund "Previously Approved"	\$142,868
2009 General Fund	\$7,517,000
2009 General Fund "Previously Approved"	\$212,648
Auxiliary Revenue Bonds	\$38,000,000
FY10 ARRA(a) Restoration R&R	\$449,247
Grant Funds	\$1,944,000
Qualified Energy Savings Project	\$8,700,000
University Funds	\$27,065,446
Total	\$84,573,693

IV. Review Items

1. Remediation Distribution – Indiana Department of Education
2. 21st Century Research and Technology Grants – Indiana Economic Development Corporation
3. Local Health Department Account Distribution – Indiana State Department of Health
4. Public Television Distribution
5. Judicial Technology and Automation Project – Indiana Supreme Court
6. Public Deposit Insurance Fund

V. Election of Chairman

VI. Discussion Items

1. CHE presentation on universities' tuition and fee increases
2. Update on merger of ITPC into ISDH