

State Budget Committee Agenda
December 20, 2013 10:00 A.M.
Indiana State House, Ways & Means, Room 404
Indianapolis, Indiana, 46204

I. Minutes

1. November 20th, 2013

II. Review Item

1. Indiana Motorsports Investment District - IFA

III. Discussion Items

1. Medicaid Forecast – FSSA
2. Revenue Forecast

IV. Agency Projects

1. Department of Natural Resources (300) \$775,030
Water/Wastewater System Repair

The Division of State Parks & Reservoirs requests funding to proceed with repairs and improvements to water and wastewater systems across 12 properties as well as inspections to various other properties. Many of these properties are in violation of permits from the Indiana Department of Homeland Security (DHS), the Indiana Department of Environmental Management (IDEM) and the Indiana State Department of Health. The focus of this project will be on wastewater treatment facilities, lift stations, pumping and booster stations, collection and distribution systems and their related facilities. Systems at these facilities are not currently failing, but continued degradation of the systems can result in poor service and loss of revenue. This request will also keep the various facilities clean and safe for public use.

Funding:	2013 General Fund – SP& R Water and Waste Water R&R	\$710,146
	2009 Previously Approved Capital Repair and Rehabilitation	\$64,884

2. Department of Natural Resources (300) \$298,800
Campground Rehabilitation – Restroom and Shower Facilities

The Division of State Parks and Reservoirs is requesting funding to rehabilitate 239 showers at 15 popular properties with the highest level of non-compliance. These facilities are aging and lack ADA capabilities. DNR has also received a number of complaints from the public regarding privacy and safety of these facilities.

Funding:	2013 General Fund – SP & Reservoirs Cabins and Campgrounds R&R
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3. Department of Natural Resources (300) \$250,000
Forest Certification

The Division of Forestry is requesting funding to continue the certification process of state forest lands and private woodlands in the Classified Forest & Wildlands Program which entails 700,000 acres of Indiana forests. This program ensures that the Indiana forest management system is ecologically and economically sound, and conforms to national and international standards of proper forest management. The project will update inventories conducted on tree and timber growth which is used to establish sustainable timber harvest levels and provide documentation required by all forest certification audits.

Funding: 2013 General Fund – Forestry R&R

4. Department of Natural Resources (300) \$450,000
Forest Restoration

The Division of Forestry is requesting funding to maintain the native forest composition to help ensure their forests are sustainable and able to maintain their current level of timber sales. In order to do this, DNR will need to reduce invasive plant species, apply timber stand improvement (TSI) best practices, and continue fire-trail maintenance. This restoration project covers approximately 7,000 acres in areas of recent or planned timber harvests and areas with significant invasive species problems.

Funding: 2013 General Fund – Forestry R&R

5. Department of Transportation (800) \$4,400,000
Fowler Sub District Construction

The Department of Transportation is requesting approval to begin the construction of a new building in its Fowler Sub-district. This new building will replace the existing building which was built in 1936. The new building will allow compliance with the American Disabilities Act (ADA) and will provide a truck wash bay thus eliminating wash water runoff. The new location and building will make INDOT compliant with IDEM and EPA storm water discharge regulations.

Funding: 2013 State Highway Fund

6. Department of Transportation (800) \$750,000
Fowler Sub district Salt Building Construction

The Department of Transportation is requesting approval to begin the construction of a salt building at a new location. The new salt building will be in the same location as the new Fowler Sub-district building requested above. The salt building will improve the loading and unloading conditions and reduce the number of snow routes thus making winter operations more efficient.

Funding: 2013 State Highway Fund

7. Evansville State Hospital (425) \$67,216
Anti-Ligature Project Change Order

Evansville State Hospital is requesting additional funding for a project that was approved in December 2012 to install anti-ligature hardware throughout their facility. During pre-construction meetings with the contractor, it was determined that the hardware ordered for the project did not provide the locking functionality necessary for patient safety. Also, the ordered escutcheons were not properly sized to cover the existing mounting holes. This change order represents the amount needed to exchange the lock hardware (\$54,928.50) and escutcheons (\$12,287).

Funding: 2013 Post War Construction Fund

V. University Projects

1. Indiana State University \$31,600,800
Downtown Terre Haute Student Housing Lease \$1,053,360/year
Project No. C-1-13-5-03

The trustees of Indiana State University request approval of a 30 year lease for student housing in downtown Terre Haute. The facility will be owned by a private developer and consist of retail space on the first floor with student housing on the upper three floors. Annual lease payments for the facility are estimated to be \$1,053,360. In addition to the annual lease payments, ISU is responsible for the operations and maintenance of the residential areas. Total expected cost over the 30 year lease term is \$31,600,800. This 103,547 GSF/84,236 ASF project is expected to house 228 students in four bedroom units with common living and dining areas. Funding will be provided by the University's Residence Hall System Operating budget.

Funding: Residence Hall System Operating Funds
CHE Review: June 13, 2013

2. Indiana University – Indianapolis \$37,400,000
IUPUI Office Building / University Hall Lease \$1,870,000/year
Project No. A-2-14-5-12

The Trustees of Indiana University request authorization to enter into a long-term lease-purchase agreement for a facility not to exceed 100,000 square feet of space for use by several university departments. The total estimated construction cost of \$22,000,000 will be funded by issuing certificates of participation in a lease-purchase agreement with the IU Building Corporation ("Lease Purchase Obligations") which will be repaid from university operating funds excluding student fees and state funds. The trustees request authorization to issue the Lease Purchase Obligations under IC 21-33-3-5. The university will enter into a land lease agreement with IUBC, for a term that is in excess of four years pursuant to IC 21-31-4-2. The facility will be leased-back to the university from IUBC. At such time as the lease purchase obligation debt is retired, the leases will terminate and the facility, including any future capital improvements, will revert to the university from IUBC. The university will enter into an agreement with a 3rd party to develop, construct, and deliver the project for the university under 21-35-7-1 et seq. Per the statute, the award for the development, construction and delivery of the project will not be final until approved by the Governor and the Budget Agency.

Funding: University Operating Funds
CHE Review: October 10, 2013

3. Purdue University – West Lafayette \$8,772,928
Seng-Liang Wang Hall EPE/ProSTAR Sublease \$393,662/year one
Project No. B-1-14-5-02

The Trustees of Purdue University request authorization to proceed with the proposed sublease from the Purdue Research Foundation, which will allow for the relocation of the Engineering Professional Education (EPE) program from the Potter Engineering Center, along with the College of Technology's Center for Professional Studies in Technology and Applied Research (ProSTAR) currently housed in the Engineering Administration Building, to the second floor of Wang Hall.

The relocation of EPE will allow for renovations to the Potter Engineering Center associated with the Engineering Strategic Growth Plan. ProSTAR will be relocated from the Engineering Administration Building, which will be demolished to make way for the construction of the Active Learning Center. The lease term is 20 years beginning June 1, 2014, with two five year extensions. The payment will be based on a total of 19,993 sq. ft. at a rate of \$19.69/sq. ft. in year one (\$393,662/yr) and increases to \$24.19/sq. ft. in year 20 (\$483,631/yr). The lease will be paid with University General Funds.

Funding: University General Funds
CHE Review: October 10, 2013

4. Purdue University – West Lafayette \$12,385,349
 Seng-Liang Wang Hall Engineering Strategic Growth Swing \$1,111,520/year one
 Space Sublease
 Project No. B-1-14-5-03

The Trustees of Purdue University request authorization to proceed with the proposed sublease from the Purdue Research Foundation, which will allow for the third and fourth floors of Wang Hall to be leased to accommodate office and lab space for new faculty and staff hires and to temporarily relocate faculty, graduate students, and staff during renovations to several buildings related to the Engineering Strategic Growth Plan. The lease term is 10 years beginning June 1, 2014, with two five year extensions. The payment will be based on a total of 56,451 sq. ft. at a rate of \$19.69/sq. ft. in year one (\$1,111,520/yr) and increases to \$24.19/sq. ft. in year 10 (\$1,365,550/yr). The lease will be paid with University General Funds.

Funding: University General Funds
 CHE Review: October 10, 2013

Cost Summary
12/20/2013

2009 Previously Approved Capital Repair and Rehabilitation	\$64,884
2013 General Fund	\$1,708,946
2013 Post War Construction Fund	\$67,216
2013 State Highway Fund	\$5,150,000
University Funds	\$90,159,077
Total	\$97,150,123

VI. Review Items

1. 21 Fund Investment Projects (Sword Diagnostics, Inc.) – IEDC
2. Medicaid State Plan Amendments - FSSA