

**State Budget Committee Minutes
Friday, June 8, 2007**

MEMBERS:

Representative Jeffrey K. Espich, Chairman
Senator Robert L. Meeks
Representative William C. Cochran
Senator Frank Mrvan Jr.
Christopher A. Ruhl, State Budget Director

ALTERNATE MEMBERS:

Representative Lawrence L. Buell
Senator Lindel O. Hume
Representative Dennis Avery

Sen. Meeks called the meeting to order at 10:20am in the Habig Room of the French Lick Resort Hotel. He then made a motion to nominate Rep. Espich as Chair of the State Budget Committee. Sen. Mrvan seconded the motion. By unanimous decision, Rep. Espich was named Chair of the State Budget Committee.

Sen. Meeks moved that Amendment I, the consideration of a project by Ball State University to replace the boiler plant, be added to the agenda with subsequent committee approval of the project contingent upon approval from the Commission for Higher Education. Rep. Cochran seconded. Motion carried 5-0.

Rep. Cochran made a motion to adopt the agenda as amended. Sen. Meeks seconded the motion. Agenda adopted.

I. Election of Chairman

II. State Agency Projects

1. Indiana Department of Administration (061) \$114,000
Restoration of Statehouse Doors
Project No. 023-7-001

This project was originally approved for the repair and restoration of the south doors of the Statehouse. When the project was bid, alternatives for the repair and restoration of all Statehouse doors, plus the glass panels

adjacent to the east doors, were added. The Department of Administration is requesting an additional \$114,000 to expand the project as such.

Funding Source: 2005 General Fund
Department of Administration
Repair and Rehabilitation

2. Department of Natural Resources (300) \$331,000
Harmonie and Whitewater Cabins;
Charlestown State Park Campgrounds
Project No. 035013

Funds are requested to make an annual bond payment for the Harmonie and Whitewater cabins, and for campground development at Charlestown State Park.

Funding Source: 2005 General Fund
State Parks and Reservoirs
Repair and Rehabilitation

3. Department of Correction (615) \$516,735
LAN Infrastructure
Project No. D12-700

Funding is requested to begin the second phase of LAN infrastructure upgrades at several DOC facilities. The upgrade will enlarge the computer network footprint, thus improving efficiency and effectiveness of communication technology. Examples of work to be completed with this

funding include: expansion of network at Pendleton Correctional facility to allow for the integration of digital climate controls; expansion of the network at Plainfield Correctional facility to allow for the use of security cameras; and enhancements to the network at Putnamville that will allow for electronic monitoring of remote equipment.

Funding Source: 2003 Post War Construction
DOC – Projects

4. Logansport State Hospital (619) \$213,000
Building 9 ADA Compliance
Project No. B9-611

This project will upgrade Building #9 on the Logansport State Hospital campus, bringing it into compliance with the Americans with Disabilities Act (ADA). Building #9, which was built in 1888, is non-compliant as it relates to accessibility and mobility for persons with disabilities. Upgrades include, but are not limited to automatic doors, ADA-compliant door handles and ramps. The building houses the Human Resources division of LSH, the Superintendent's offices, the Purchasing Department and other administrative functions related to LSH.

Funding Source: 2005 General Fund
Logansport State Hospital
Repair and Rehabilitation

5. Indiana State Department of Health (400) \$7,393,017
Pandemic Influenza Antiviral Medication Purchase

The Department of Health (ISDH) requests funds to assist with the \$9.5 million purchase and warehousing of Pandemic Influenza Antiviral Medication (tablets). The Indiana Department of Health will fund \$1.5 million of the total cost.

In November, 2005, the U.S. Department of Health and Human Services (DHHS) issued the HHS Pandemic Influenza Plan. This plan provides a strategic approach in preparing for an influenza pandemic. DHHS negotiated a contract with a pharmaceutical vendor under which a state may place an order with the vendor for the antiviral medication.

Following the review of the DHHS strategy, ISDH recommended that the

State of Indiana purchase the antiviral medicines Tamiflu and Relenza. The State is eligible to receive a 25 percent DHHS reimbursement subsidy (\$3.2 million) for the purchase of these medications.

Funding Source:

2001 Health & Safety Contingency Fund	\$1,858,417
2003 Health & Safety Contingency Fund	\$1,500,000
2005 Health & Safety Contingency Fund	\$4,034,600

6. Indiana Veterans Home (570) \$400,000
Various Building Repairs
Project No. B-17-4-045/83

This is the last phase of this project, completing the replacement of the HVAC system in Ernie Pyle Hall. The building renovation began in the Fall of 2005 as a result of discovering severe environmental concerns. The original scope of work addressed hazardous material abatement, HVAC renovation, and the sprinkler system. The HVAC renovation will consist of control and connectivity upgrades for the HVAC systems, floor and ceiling repair work in Pyle Hall, and electrical and ventilation improvements in the cafeterias. This building houses residents, administrative offices (including the Superintendent and Business Office), main reception area, security staff, and a cafeteria.

Funding Source: 2005 Veterans' Home Building Fund
Repair and Rehabilitation

III. University Projects

1. Indiana University -South Bend (750) \$2,000,000
Land Acquisition
Project No. A-0-03-3-12

Indiana University requests authorization to proceed with the purchase of properties adjacent to the campus and within the campus master plan area. The properties are single-family homes and outbuildings on Hildreth Street, Bellevue Avenue, Esther Street, and commercial sites on Mishawaka Avenue. The properties will be razed or rented upon purchase and all will be demolished ultimately to provide parking that will be

displaced by planned campus development. This project is not eligible for plant expansion. The permanent financing package is subject to approval by the State Budget Director.

Funding: 2003 Bonding Authority \$2,000,000
Estimated Fee Replacement (20 years) \$ 170,847
No annual plant expansion requested
CHE Review: September 6, 2005

2. Indiana University - Bloomington (750) \$1,982,000
Wells Library: Exterior Repairs
Project No. A-0-07-2-19

Indiana University requests authorization to proceed with Wells Library exterior repair and rehabilitation project at IU-Bloomington. The projects would be funded from the SEA 345-2006 appropriation for R&R as a partial repayment of the higher education payment delays. This is the third draw by Indiana University against their SEA 345-2006 appropriation and represents 100% of their appropriation.

Funding: SEA 345-2006 R&R Appropriation
CHE Review: February 26, 2007

3. Indiana University – Purdue University Indianapolis (750) \$208,791
Lease Extension – 500 Place Building
Project No. A-2-07-5-14

The Trustees of Indiana University request authorization to enter into a four (4) year lease extension on behalf of the Indiana University School of Optometry for space in the 500 Place Building located at 501 North Indiana Avenue, Indianapolis, Indiana. The extension would begin on December 1, 2007 and would expire November 30, 2011 with one option to renew for a term of five (5) years. The lease provides 10,989 rentable square feet of clinic, office, and training space at a cost of \$19/rsf. The School of Optometry has operated a teaching clinic in the space since December 1991.

Funding: University Operating Funds
CHE Review: March 9, 2007

4. Indiana University – Bloomington (750) \$2,000,000
Telecommunication Duct Bank Replacement
Project No. A-1-07-2-18

The Trustees of Indiana University request authorization to proceed with the replacement of telecommunication ducts and manholes on the Bloomington campus. The existing duct bank has been damaged in several places due to the close proximity of a steam line. This relocation and replacement is necessary to maintain a reliable voice and data network that serves the Bloomington campus. The project will install twenty (20) four inch ducts in the duct bank on the east side of campus. The project will be funded using the University Information Technology Services – Wire and Cable Reserves.

Funding: UITS-Wire and Cable Reserves
CHE Review: May 11, 2007

5. Indiana University – Bloomington (750) \$600,000
Hutton Honors College – Increase in Scope
Project No. A-1-06-1-15

The Trustees of Indiana University request authorization to increase the scope of the Hutton Honors College project. The original project was approved at the September 2006 Budget Committee meeting and involves the construction on a new two-story building on the corner of Woodlawn and Seventh Streets on the Bloomington campus. The increased scope

would include the construction of an additional area in the basement, additional rubble limestone veneer to the exterior facades, and installation of a slate-stone roof. The cost of this scope increase is an additional \$600,000, which brings the total estimated cost of the project to \$3,600,000. The additional cost will be funded through a gift from Edward L. Hutton. This project is not eligible for plant expansion funds.

Funding: Gift Funds
CHE Review: May 11, 2007

6. Vincennes University-Vincennes (790) \$10,000,000
Clark Residence Hall Renovation
Project No. E-1-07-2-01

The Trustees of Vincennes University request authorization to proceed with the renovation of Clark Residence Hall located on the Vincennes campus. The renovation will include the conversion of double rooms into

suites and private rooms, replacement of electrical, mechanical, HVAC, and plumbing systems, and the installation of a new fire alarm and sprinkler system. The project will also address many code and life safety issues and make the building handicapped accessible per ADA specifications. The project is estimated to cost \$10,000,000 and will be funded by bonds to be repaid using student fees generated by residence hall operations. This project is not eligible for plant expansion. The permanent financing package is subject to approval by the State Budget Director.

Funding: Residence Hall Student Fee Bonds
CHE Review: May 11, 2007

7. Purdue University – West Lafayette (760) \$30,000,000
Wayne T. and Mary T. Hockmeyer Hall of Structural Biology
Project No. B-1-07-1-09

The Trustees of Purdue University request authorization to proceed with the construction of the Wayne T. and Mary T. Hockmeyer Hall of Structural Biology on the West Lafayette campus. The project will provide a new facility for the Structural Biology Group. The facility will include protein production, cell and virus culture, crystallization, x-ray diffraction, NMR Spectroscopy, and electron microscopy labs as well as open labs and offices. The project is estimated to cost \$30,000,000 and would be

funded from \$16,000,000 in gift funds and \$14,000,000 in Capital Reserve for Buildings funds. This project is not eligible for plant expansion

Funding:	Capital Reserve for Buildings	\$14,000,000
	Gift Funds	\$16,000,000
CHE Review: May 11, 2007		

8. Purdue University – Statewide Technology (760) \$847,050
Lease 2701 Enterprise Drive, Anderson, IN
Project No. B-1-07-5-11

The Trustees of Purdue University request authorization to enter into a five (5) year lease with five-year renewal options with Anderson University for the delivery of Statewide Technology programs. Purdue has been asked to vacate its current lease space. The new lease space at Anderson University will be available for Fall 2007 classes and will be designed based on specifications provided by Purdue's College of Technology. Purdue University would lease 11,294 sq. ft. of space on the

second floor of the Flagship Enterprise Center at Anderson University. Purdue University currently leases space in another building from Anderson University. The annual rent would be \$169,410 at a rate of \$13.75 per sq. ft., plus \$1.25 per sq. ft. utility allowance.

Funding:	State Approp & Student Fees	\$169,410/yr
CHE Review: May 11, 2007		

9. Ball State University (780) \$41,800,000
Boiler Plant Replacement
Project No. D-1-05-1-02

Ball State University requests authorization to proceed with the replacement and renovation of its Boiler Plant. The State Budget Committee approved \$3.1 million for architectural, engineering, and design of the proposed plant improvements in March 2006. Ball State is now requesting an additional \$41.8 million in bonding authority for a total project cost of \$44.9 million. One new 100,000 pph coal-fired Circulating Fluidized Bed (CFB) boiler will be installed in an addition to the existing heat plant building. The three existing natural gas boilers will be retained and one new gas/oil package boiler rated at 80,000 pph will be installed in the new heat plant. One of the four existing stoker coal-fired boilers will be decommissioned in place. The remaining stoker coal-fired boilers will remain in operation and will be decommissioned as the cost to maintain each becomes cost prohibitive. Existing fuel oil tanks will be relocated to

allow for the necessary expansion. Coal storage bunkers will be installed within the plant to eliminate the need to transport coal from the existing coal storage site. A new boiler feed water system will be installed in the new heat plant building to serve the new boilers. New equipment will include pumps, makeup water treatment, de-aerators, and condensate return storage. Electrical power service will be installed for the new boilers. Some switches in the sub station will require upgrading. New power equipment will be installed in the heating plant to support the coal and gas boilers and auxiliaries. A new control system will be installed in the heat plant to control all boilers. 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: 2005 Bonding Authority
Estimated Fee Replacement (20) years \$3,354,140/year
No annual plant expansion requested

CHE Review: June 8, 2007

III. Review Items

1. Indiana Bond Bank - Charleston Sewer Works
2. Department of Correction Energy Savings Contract
3. 21st Century Research and Technology Fund
4. ISTEP+ Remediation Distribution
5. INDOT – Building and Grounds
6. Department of Child Services Quarterly Report

Pursuant to the provisions of IC 4-12-1, IC 20-12 and IC 10-14-3-28, the State Budget Committee recommends approval of these projects.



Representative Jeffrey Espich, Chair



Christopher A. Ruhl, State Budget Director



Mitchell E. Daniels, Governor, State of Indiana