

State Budget Committee
Meeting Minutes
Thursday, September 15, 2011

Members:

Representative Jeffrey K. Espich, Chairman
Senator Luke Kenley
Senator John Broden
Adam M. Horst, State Budget Director

Alternate Members:

Senator Karen Tallian
Representative Eric Turner

Representative Espich called the meeting to order at 9:00 A.M. in Tirey Hall on the campus of Indiana State University.

Representative Espich introduced and discussed the August Budget Committee minutes. After committee discussion, Director Horst made a motion to adopt the proposed minutes. Senator Kenley seconded. The motion to adopt the minutes carried.

After each agenda item was presented and discussed, Senator Kenley motioned to adopt the proposed agenda. Senator Broden seconded. The motion to adopt the proposed agenda carried.

I. August Minutes

II. Agency Projects

1. Department of Transportation (800) \$400,000
Lebanon Unit Land Purchase

The Department of Transportation (INDOT) requests approval to proceed with the Lebanon Unit land purchase. The construction of the new Lebanon Unit Building was approved by the Budget Committee in FY 2011. Currently, the existing Lebanon Unit site does not have city water, sewer, or 3-phase power. The estimated cost to extend these utilities to the existing site is \$863,000. The new site already has city water, sewer, and 3-phase power, making it a much more cost effective option.

Funding: 2009 State Highway Fund "Previously Approved":
Buildings and Grounds

2. Department of Transportation (800) \$462,600
West Lafayette Research Building HVAC Replacement

The Department of Transportation (INDOT) requests approval to proceed with the replacement of the West Lafayette Research Building HVAC system. The HVAC system is original to the building, constructed in 1966, and the cost of repair would approach replacement. Currently, the building is operating with marginal efficiency as air handlers, chillers, and the boiler are failing.

Funding: 2009 State Highway Fund "Previously Approved":
Buildings and Grounds

III. University Projects

1. Ivy Tech Community College (710) \$215,100.54 per year
Combine Liberty Crossing Lease Agreements in Bloomington
Project No. F-0-11-5-07

The trustees of Ivy Tech Community College request approval to combine three current leases and lease additional space for property located at Liberty Crossing on Liberty Drive in Bloomington, Indiana. The College entered into its first lease for 10,779 GSF on July 1, 2010. The College entered into its second lease also on July 1, 2010 for 6,000 GSF. The College entered into its third lease on September 1, 2010 for 2,450 GSF and asks to add 4,000 GSF with this request due to increased enrollment and demand at the Bloomington location.

The request is to provide space for the Hospitality Program and other instructional spaces and produces a projected savings of approximately \$72,000 over the life of the five-year lease. Continued leasing of this facility helps the College increase program offerings to meet local workforce needs. Annual payments will be \$215,100.54 for the initial five-year term. There is a two-year renewal option for this lease.

Funding: Ivy Tech Community College Operating Fund
CHE Review: August 12, 2011

2. Purdue University – West Lafayette (760) \$2,900,000
Northwest Chiller Plant 2700-ton Chiller No. 6 Installation
Project No. B-1-11-2-20

The trustees of Purdue University request approval to begin installation of the Northwest Chiller Plant 2,700-ton Chiller No. 6 on the West Lafayette Campus. The chiller will be installed to accommodate the increase in the demand for chilled water cooling as a result of campus expansion. The addition of this chiller will fill the satellite plant to capacity and is needed in order to continue to provide reliable and adequate cooling to all campus facilities being served by the central chilled water cooling system.

The infrastructure is in place to complete this \$2,900,000 expansion to be funded from Infrastructure Reserves. This project is not eligible for plant expansion funding.
Funding: Infrastructure Reserves

Funding: Infrastructure Reserves
CHE Review: August 12, 2011

3. Purdue University – West Lafayette (760) \$764,496
Lilly Hall Flat Roof Sections A, B, D, D1, F, M and N Replacement – Increase
Project No. B-1-12-2-01

The trustees of Purdue University request an increase of \$19,496 for the Lilly Hall Flat Roof Sections A, B, D, D1, F, M and N Replacement to replace the roofing for several sections of the Lilly Hall of Life Science building. The original estimate for this project was reviewed by the Budget Committee as part of a larger list of ARRA funded projects in December of 2009, and at

Budget Committee September 2011 3 the time was estimated at \$745,000. However, the current estimated total cost of this project is now \$764,496 and will be funded by ARRA (a) funds as well as university funds. The roof replacement project is part of an on-going plan to maintain and repair roofs on campus facilities.

Funding: R&R – ARRA (a) Funds “Previously Approved” \$706,500
R&R – University Funds \$57,996
CHE Review: August 23, 2011

4. Purdue University – West Lafayette (760) \$803,819
Third Street Tunnel Top Replacement, Repairs, and Waterproofing – Increase
Project No. B-1-12-2-02

The trustees of Purdue University request an increase in funding of \$153,819 for the Third Street Tunnel Top Replacement, Repairs, and Waterproofing project. The original estimate for this project was reviewed by the Budget Committee as part of a larger list of ARRA funded projects in December of 2009 and at the time was estimated at \$650,000. However, the current estimated total cost of this project is now \$803,819 and will be funded by ARRA (a) Funds as well as university funds.

This project will replace, repair, and waterproof approximately 140 feet in tunnel length of the Third Street utility tunnel tops from Russell Street to Waldron Street. Work will start approximately 250 feet east of the intersection of Russell and Third Streets and continue east to the center of the intersection with Waldron Street.

Funding: R&R – ARRA (a) Funds “Previously Approved” \$745,000
R&R – University Funds \$58,819
CHE Review: August 23, 2011

5. Purdue University – West Lafayette (760) \$850,000
Young Hall Fire Alarm System Update and Installation
Project No. B-1-12-2-03

The trustees of Purdue University request approval for the Young Hall Fire Alarm System Update and Installation project. This project will update and install a new fire alarm system in Young Hall and continues a campus wide upgrade to building fire safety. The new system will provide protection against a potential catastrophic failure as replacement parts become unavailable. An upgrade to voice annunciated capabilities will also provide the building occupants with an increased level of safety.

Funding: R&R – ARRA (a) Funds “Previously Approved” \$765,000
R&R – University Funds \$85,000
CHE Review: August 23, 2011

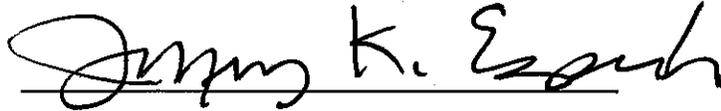
Cost Summary

September 15, 2011	
2009 State Highway Fund "Previously Approved"	\$862,600
R&R – ARRA (a) Funds "Previously Approved"	\$2,216,500
University Funds	\$3,101,815
Total	\$6,180,915

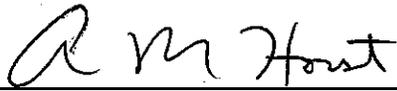
IV. Review Items

1. Annual Report – Department of Child Services
2. Public Mass Transportation Fund (PMTF) – Indiana Department of Transportation
3. Degree Link – Indiana State University
4. Indiana Sports Corporation – Indiana Office of Tourism Development

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



Representative Jeffrey K. Espich, Chairman



Adam M. Horst, State Budget Director



Mitchell E. Daniels, Jr., Governor, State of Indiana