

**STATE BUDGET COMMITTEE MINUTES
December 14, 2004**

MEMBERS:

Representative William C. Cochran, Chairman
Senator Vi Simpson
Senator Robert Meeks
Representative Jeffrey K. Espich
Marilyn F. Schultz, State Budget Director

ALTERNATE MEMBERS:

Senator Lindel O. Hume
Representative Dennis T. Avery
Senator Patricia Miller
Representative Lawrence L. Buell

The business meeting was held at 11:00 AM on December 14, 2004 in Ways and Means Room (Room 404) in the State House, in Indianapolis, Indiana. Eight projects were reviewed and three review items were considered. Representative Cochran called the meeting to order. Senator Simpson made a motion to consider the agenda and Director Schultz seconded the motion. Motion passed by five ayes. Director Schultz made a motion to change the amount for the Indiana State University Land and Acquisition from \$225,000 to \$225,500 and Senator Simpson seconded the motion. The motion passed by five eyes. After discussion of the agenda, Director Schultz moved to pass the agenda and Senator Simpson seconded the motion. The motion passed by five ayes.

State Agency Projects

1000 371170	<u>FSSA - Division of Mental Health (410)</u>	\$ 205,125
700001	Demolition Projects	

FSSA is requesting funds for the demolitions of Morgan and Schricker Halls, which have already taken place because of an emergency order for demolition issued by the Department of Administration. Funding for the demolition of Welsh Hall is also being requested because of the health and safety issues involved with the vacant and decaying building. These are the only buildings that have been demolished or will be demolished on the Fort Wayne campus in the near future. FSSA currently has about 250 patients at the Fort Wayne campus, and plans to downsize this number to about 150 by the end of fiscal year 2006 and 100 by the end of fiscal year 2007
(2001 General Fund – Asbestos, IOSHA and Demolition)

University Projects

	<u>Purdue University (760)</u>	\$ 360,000/year
	OnePurdue Project Lease Space – West Lafayette Project No. B-1-05-5-15	

The Purdue University Board of Trustees requests favorable recommendation from the State Budget Committee to enter into a lease with the Purdue Research Foundation (PRF) for a 30,000 square foot building to house the OnePurdue Program on the Purdue campus in West Lafayette. The lease agreement will allow Purdue University to lease the facility

from the Purdue Research Foundation for a length of three (3) years, with one (1) option for a one (1) year renewal. The lease agreement calls for an annual payment of \$360,000 a year, for a total of \$1,080,000 over the three year term. The building will house the new OnePurdue Program, which is part of Purdue's strategic plan and will be launched in 2004-2005. The OnePurdue Program is a four year, system wide technology and business-redesign initiative. The program will replace Purdue's aging administrative computing applications with one easily accessible system that will be used and benefit everyone in the university system. The new program will integrate three major administrative systems: student services, finance and human resources. The 30,000 square foot facility, located in Purdue Research Park, will house 170 staff (pooled from various areas of Purdue to work specifically on this project) associated with the OnePurdue Program. All costs associated with the OnePurdue Program, including the lease, furniture and equipment for the building, annual operating budgets, maintenance services and miscellaneous expenses will be paid through three sources: cash pool earnings, benefits reserves and reallocations. After the 3 year lease, the property will revert back to the PRF and all staff associated with the project will return to their normal duties. No state funds are being requested for the lease or costs associated with the lease. Funding: OnePurdue Program Resources - \$1,080,000 over 3 years
CHE Review: December 10, 2004

Purdue University (760) \$12,500,000
McCutcheon Drive Parking Garage Addition – West Lafayette
Project No. B-1-05-1-10

The Purdue University Board of Trustees requests favorable recommendation from the State Budget Committee for the financing and construction of an addition to the south of McCutcheon Drive Parking Garage on the Purdue campus in West Lafayette. The parking garage addition would add 1,060 new parking spaces to the south of McCutcheon Drive Parking Garage at a cost of \$11,792 per space. With the proposed new student housing complex located west of the Fowler House, 400 residence hall parking spaces will be eliminated. Also, additional parking spaces for the new Replacement Student Housing project, as well the elimination of current parking spaces south of McCutcheon Parking Garage are needed to provide adequate parking for residents in on campus residence halls who will be displaced by future construction. The new parking addition will allow students living in residence halls to continue to park on campus, alleviating congestion and enhancing student access to campus. The 320,000 gross square foot parking garage will cost \$12,500,000 and will be funded through Purdue's Housing and Food Service Reserves. This project is not eligible for fee replacement and no state funds have been requested.
Funding: Housing and Food Service Reserves - \$12,500,000
CHE Review: November 22, 2004

Purdue University (760) \$2,050,000
Extension of Campus Infrastructure at University and Third Street – West Lafayette
Project No. B-1-05-1-11

The Purdue University Board of Trustees requests favorable recommendation from the State Budget Committee for the financing and construction of the Extension of Campus Infrastructure at University and Third Street at Purdue University on the West Lafayette campus. The proposed construction plan would extend campus utilities to the new Computer Science Building, which is outside current campus boundaries. The extension

will cover several hundred feet before branch connections can be made to the new facility. The project includes the extension of tunnels, steam supply and condensate return, telecommunications cable, chilled water, domestic water, high voltage electrical and storm and sanitary sewers to and from existing infrastructure. In addition, the project calls for the replacement and waterproofing of approximately 80 feet of tunnel top and the waterproofing of an additional 200 feet of tunnel top. The approximate cost of the project is \$2,050,000 which will be funded through Purdue's Special Projects Reserve. No state funds are being requested for the extension.

Funding: Special Projects Reserve - \$2,050,000

CHE Review: November 3, 2004

Purdue University (760)

\$950,000

Smith Hall Renovation of Rooms 174 and 178 – West Lafayette
Project No. B-1-05-2-13

The Purdue University Board of Trustees requests favor recommendation from the State Budget Committee for the planning, financing and construction of renovations to room 174 and 178 in Smith Hall at Purdue University in West Lafayette. The renovation to rooms 174 and 178 will house an office and web lab complex to support research and education programs in Muscle Biology and Meat Science within the Department of Animal Sciences. The renovated space will provide offices for four (4) faculty and twelve (12) graduate students. The laboratory will accommodate their research activities and provide instructional space for several graduate and undergraduate courses the faculty and graduate students teach in Animal Sciences. Rooms 174 and 178 are adjacent to the Meat Science Research and Education Center (MSREC), whose mission is to support the research and education mission of the Department of Animal Science. The renovation consists of 3,750 gross square feet (\$253.33 per square foot) of space that is currently not occupied, except for temporary storage for some equipment and supplies as well as the occasional undergraduate laboratory sessions. This project is a part of an ongoing upgrade of outdated research and teaching labs on the West Lafayette campus. The cost of the renovations is approximately \$950,000, which will be funded through Department funds. This project is not eligible for fee replacement and no plant expansion has been requested. No state funds are being requested for the renovations.

Funding: Department Funds - \$950,000

CHE Review: October 27, 2004

Indiana State University (770)

\$225,500

Land and Property Acquisition
Project No. C-1-05-3-05

The Indiana State University Board of Trustees requests favorable recommendation from the State Budget Committee for the purchase of land and property on the Indiana State University campus in Terre Haute. The land, located at 531 North Third Street is approximately .765 acres and includes an existing structure on the land. The property is one of only five privately owned lots remaining within the established campus boundaries. ISU intends to acquire the land and the building for approximately \$225,500, which will be funded through the university's land acquisition funds. The purchase cost for the property, based on appraisals and a tentative verbal agreement, is contingent upon complete remediation of all environmental site issues by the seller prior to the transfer of property. The existing structure will be used, once acquired, as a temporary storage facility for the remainder for its life. In the past, property acquisitions have allowed the

university to close streets and move vehicular traffic and parking to the edges of campus, making for a more suitable learning environment. In the future, the university will continue to acquire the remaining properties within the established boundaries as funds become available. No state funds are being requested for the land and property acquisition.

Funding: University Land Acquisition Funds - \$225,500

CHE Review: November 29, 2004

Indiana State University (770) \$2,500,000
Business Incubation and Development and Community Development and Outreach
Facility
Project No. C1-05-2-03

The Indiana State University Board of Trustees requests favorable recommendation from the State Budget Committee for the renovation of property donated by the Indiana State University Foundation for the Business Incubation and Development and Community Development and Outreach facility in Terre Haute. The scope of the project is to renovate the current structure, a 31,000 square foot facility, located at 22 North Fifth Street for an approximate cost of \$2,500,000 (\$80.65 per square foot). Funding for the renovation comes from donor funding, interest income and accumulated university reserves. Renovations to the building include an upgrade to the Heating Ventilation and Air Conditioning system, electrical infrastructure, renovation of the exterior and interior structure and bring the building to ADA and OSHA compliance. The newly renovated building will allow ISU to provide business incubation and development support to start-up firms and to engage and develop opportunities with members of the local community and region. The facility will house the Center for Research, Enterprise and Economic Development (CREED), the Small Business Development Center (both associated with the College of Business) and the Center for Public Service and Community Engagement to improve outreach to the local and regional community. No state funds have been requested for the renovation to this facility.

Funding: Donor Funds, Interest Income & University Reserves - \$2,500,000

CHE Review: December 10, 2004

Indiana University (750) \$3,395,500
Indiana University – Purdue University Indianapolis,
Lab Animal Resource Center Build-Out
Project No. A-2-05-2-03

Indiana University requests a favorable recommendation from the State Budget Committee to proceed with a build-out of the Lab Animal Resource Center (LARC) located at the Medical Research and Library Building on the Indiana University – Purdue University Indianapolis Campus. The build-out will use existing space to expand and renovate the LARC and expand the mechanical system to meet the requirements of the new build-out space. The LARC will house newly created animal rooms, an expanded cage wash facility, new offices and additional storage. A new air-handling unit, which will serve the animal cage wash facility, will be located in the new Mechanical Room, adjacent to the existing mechanical room. The total space being affected by the build-out is 9,150 gross square feet (\$371.00 per square foot), which is located in the basement of the facility. A Radiology suite is being move to an adjacent facility to make room for the proposed expansion and renovation. The estimated cost of the build-out is \$3,395,500, which will be funded through two separate grants. The INGEN Grant will provide

\$2,728,900 in funding, while a grant from the National Institute of Health through their NCRR Grant will provide \$666,600 in funding. This project is not eligible for fee replacement and no plant expansion has been requested by the university.

Funding: INGEN Grant - \$2,728,900

National Institute of Health/ NCRR Grant - \$666,600

CHE Review: October 28, 2004

Review Items

1. Purdue University – West Lafayette
 - a. Nanotechnology Funding - \$5.0 Million – Build Indiana Fund
2. Help America Vote Act Reimbursements
3. Anderson CRED

Pursuant to the provisions of IC 4-12-1 and IC 20-12, the State Budget Committee recommends approval of the foregoing projects.

Chairperson

Governor

Budget Director