

State Budget Committee  
Meeting Minutes  
Friday, September 25, 2009

**Members:**

Senator Luke Kenley, Chairman  
Senator John Broden  
Representative Jeffrey K. Espich  
Representative Dennis T. Avery  
Christopher A. Ruhl, State Budget Director

**Alternate Members:**

Senator Brandt Hershman  
Senator Karen Tallian  
Representative Randy Borrer  
Representative Peggy Welch

Senator Kenley called the meeting to order at 9:45 A.M. in room C1-400 of the Purdue Technology Center. After introducing the Committee members, Senator Kenley requested that Director Ruhl explain the amendment: adding the Covington Community School Corporation as a discussion item. After discussion, Senator Kenley requested that the amendment be taken with consent. The amendment was adopted by consent.

Senator Kenley discussed the new process of approving the prior Budget Committee meeting minutes at the start of each meeting. After Senator Kenley discussed the August Budget Committee minutes, Representative Espich made a motion to adopt the minutes. Senator Broden seconded. The minutes were adopted with five ayes, and were signed by Senator Kenley and Director Ruhl.

After members discussed the Marion County Capital Improvement Board-PSDA Expansion review item, Representative Espich made a motion to adopt the resolution. Director Ruhl seconded. The resolution was adopted with five ayes, and was signed by the members.

There was a discussion related to the Indiana Veterans' Home Repair and Rehabilitation project and the use of the phrase "demolition of unsalvageable buildings". A Deputy Director within the Department of Natural Resources stated that a historic site or structure listed in the Indiana Register of Historic Sites must receive a certificate of approval from the Historic Preservation Review Board prior to altering or demolishing. Representative Avery made a motion to amend the agenda to revise the phrase to "demolition or rehabilitation of unsalvageable buildings". Senator Broden seconded. The motion to amend the agenda failed with the following votes:

Senator Luke Kenley, Chairman	Nay
Senator John Broden	Aye
Representative Jeffrey K. Espich	Nay
Representative Dennis T. Avery	Aye
Christopher A. Ruhl, State Budget Director	Nay

After each item on the Agenda was presented and discussed, Director Ruhl made a motion to adopt the Agenda as amended. Representative Espich seconded. Agenda adopted with five ayes.

**I. Approval of August Minutes**

**II. Agency Projects**

1. Putnamville Correctional Facility (650) \$390,000  
Video Surveillance System  
Project No. B03-904

As the Department of Correction manages the influx of more hardened offenders into its population, the Putnamville Correctional Facility has begun to see spikes in violence directed towards staff and offenders. The facility currently has no video surveillance system, other than nine cameras salvaged from a facility that was closed. The five housing units at the facility are multi-storied, open dormitories that account for over 300,000 square feet of offender housing space. The installation of this surveillance system will allow for remote, real-time monitoring of the individual units from a centralized, secure control room, maximizing staff efficiency and providing enhanced safety for the staff and offenders. The system will also serve as a post incident investigation tool that will help with perpetrator identification and prosecution.

Funding:	2009 Postwar Construction Fund	
	Putnamville Correctional Facility-R&R	\$315,000
	Correctional Industrial Facility-R&R	\$75,000

2. Reception Diagnostic Facility (690) \$350,000  
Replace Roof Structure  
Project No. D74-903

This section of the Reception Diagnostic Facility was constructed in 1970 with a 23,847 square foot, ballasted rubber roof. The current roof system has degraded due to weathering and is in need of replacement; repair is no longer an option due to the brittleness of the membrane. In 2008 the "low roof" on the Administrative section of this structure was replaced as a test bed in a joint project between IDOC Construction Services Division and IDOA Division of Public Works. At that time the rubber membrane was replaced with a new energy saving white plastic roof. The "white" roofing system has been examined and found to be durable and energy conserving. The goal of this project is to replace the remainder of the roof structure on this building with the same material used in that test, with an expected life (and factory warranty) of twenty years, while conserving energy for heating and cooling through the use of modern insulation materials.

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Funding: 2009 Postwar Construction Fund  
Repair and Rehabilitation

3. Plainfield Correctional Facility (690) \$360,000  
Replace Roof on "IHU" and "DU"  
Project No. B05-908

These structures were built in 1982 and the roof membranes are of original construction. The current roofs are both of ballasted rubber (EPDM) construction and have reached the end of their service life. Numerous leaks and points of failure have developed which are typical in this type of membrane. The "IHU" is a disciplinary housing unit with a roof that is 22,060 square feet in size. The "DU" is a disciplinary (celled) detention unit that houses 20 adult male offenders that have displayed behavior that precludes them from being allowed in the general population. It's roof covers 7,700 square feet. The goal of this project is to replace the membrane with a "white" energy friendly roof of modern plastic construction that will have an expected life (and factory warranty) of twenty years.

Funding: 2009 Postwar Construction Fund  
Repair and Rehabilitation

4. Plainfield Correctional Facility (690) \$478,000  
Replace Roof on Food Service Building  
Project No. B05-907

This building was constructed in 1995 and is the main production kitchen for the Plainfield Correctional Facility, which produces prepared frozen meals for the Reception Diagnostic Facility located on the grounds, as well as the Plainfield Re-Entry Educational Facility. The current roof membrane was installed at the time of original construction and is of ballasted rubber, covering 26,347 square feet and has reached the end of its useful service life. As is common with roof membranes of this style of construction, it is suffering from acute shrinkage and tearing at the bonded seams, as well as perforation and thinning of the membrane where coped around the base of rooftop equipment. The membrane has been repaired on numerous occasions and has reached the point where replacement is necessary. The goal of this project is to replace the membrane with a "white" energy friendly roof of modern plastic construction that will have an expected life (and factory warranty) of twenty years.

Funding: 2009 Postwar Construction Fund  
Repair and Rehabilitation

5. Department of Natural Resources (300) \$399,539  
Turkey Run Inn  
Project Number: 300SP4037003782

Turkey Run Inn was originally constructed in 1919 and underwent renovations in 1933, 1944, and 1972 and most recently following a 2008 fire in the South Wing. The historic structure is in need of various repairs including electrical breaker replacement (\$73,240), window and door replacement or repair (\$73,500), exterior inn surface painting (\$75,000), various light fixture replacements (\$46,074), and roof repair (\$131,725). The Inn roof has seen several leaks and

needs repaired to prevent additional damage to the facility. Soffits, storm windows and dormers will require lead paint remediation, priming and repainting. The building has settled over time causing multiple doors to move from their original position and not close or lock appropriately. The electrical work will upgrade components and ensure compliance with existing code.

Funding: 2009 General Fund  
State Parks and Reservoirs-Repair and Rehabilitation

6. Department of Natural Resources (300) \$200,000  
Floodplain Mapping  
Project Number: 300WT4069003001

The Division of Water requests \$200,000 as a 25% state match to a Federal Emergency Management Agency (FEMA) grant. This grant supports contracts with engineering firms to create new hydraulic studies of floodplains and fund the Global Information System (GIS) work through the Prison Enterprises Network (PEN).

Funding: 2009 General Fund  
Division of Water-Flood Plain Mapping

7. Department of Natural Resources (300) \$475,000  
Spring Mill Inn  
Project Number: 300SP4037003781

The Spring Mill Inn was originally constructed in 1939 and has not seen major renovations since that time. This request includes bringing the primary elevator and main public restroom to ADA standards and replacing carpet in the Oak Room banquet facility. The current master plan defines these needed repairs.

Funding: 2009 General Fund  
State Parks and Reservoirs-Repair and Rehabilitation

8. Department of Natural Resources (300) \$181,923  
Interlake Rehabilitation  
Project Number: 300OR4109050001

Interlake State Recreation Area is located in Pike and Warrick Counties near Lynnville, Indiana. It is a 3,500 acre property open to the public for recreational activities including off-road vehicle riding, horseback riding, mountain biking, hiking, hunting and fishing. The property is currently served by old mining roads and has no improved parking areas or restroom facilities. Phase I development includes basic gravel road improvements, culvert installations, parking lot construction, installation of restroom facilities, gate house construction, maintenance building construction and trail development. Total estimated cost is \$909,613; however, Federal Recreational Trail Program grants will provide 80% of the project cost or \$727,690. This request is for the 20% state match of the federal grant.

Funding: 2009 General Fund  
Outdoor Recreation-Repair and Rehabilitation

9. Little Calumet River Basin Development Commission (885) \$5,545,978  
Flood Control Project  
Project Number:

The Little Calumet River Basin Commission requests funds to perform flood control projects within the 22 miles of the Little Calumet River in Lake County, Indiana. This project is being administered by the US Army Corps of Engineers, in which the Little Calumet River Basin Development Commission serves as the local sponsor. This request will provide funds to acquire property rights, relocate utilities and a section of the Norfolk and Southern Railroad, and repair and rehabilitate levees. Funding this request will provide the Little Calumet River Basin Development Commission the necessary resources to continue with their flood control project in Northern Indiana.

Funding: 2009 ARRA (b) State Fiscal Stabilization Fund  
Repair and Rehabilitation

10. Adjutant General (110) \$2,000,000  
Hoosier Youth Challenge Academy Renovation Project  
Project Number:

The Adjutant General requests funds for the Hoosier Youth Challenge Academy Knightstown renovation project. The project will focus on renovating two dormitories that will house the Hoosier Youth Challenge Academy students. The two main buildings being renovated are the American Legion Hall and Cortner Hall. This request will reconfigure the layout of both buildings, allowing for an open bay concept, which will accommodate the newly arriving students. In addition to interior finishes, the buildings will require roof replacement and building system modifications, which would include reconfiguration of the HVAC ducts.

Funding: 2009 ARRA (b) State Fiscal Stabilization Fund  
Renovation for Youth Challenge Program

11. Indiana Finance Authority (261) \$2,000,000  
Muscatatuck Urban Training Center  
Project Number:

The National Guard's Muscatatuck Urban Training Center (MUTC) has entered into a Memorandum of Understanding with Jennings Water Company to meet the needs of MUTC. The \$2 million appropriation to the IFA will fund infrastructure improvements necessary to supply water to MUTC. The National Guard will serve as the point of contact with Jennings Water Company on the project and release of funds. To satisfy the requirements of the federal ARRA funding, Jennings Water Company will follow all necessary bidding and procurement procedures and submit invoices to the National Guard for reimbursement. The Public Finance Director of the State of Indiana, by way of an IFA Board resolution, is authorized and directed to make payments not to exceed \$2 million to the National Guard.

Funding: 2009 ARRA (b) State Fiscal Stabilization Fund  
Muscatatuck Urban Training Center Infrastructure

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12. Indiana Veterans' Home (570) \$3,000,000  
Repair and Rehabilitation  
Project Number:

This request will provide funds to conduct various repairs on the campus of the Indiana Veterans' Home. This request will include interior rehabilitation (\$150,000), waterproofing and roof replacement at the Lincoln Building (\$500,000), air handler replacement at the Dewey Building (\$250,000), roof replacement at the Commandant's home (\$100,000), tunnel repairs for the steam and condensate return lines (\$262,000), and demolition of unsalvageable buildings (\$1,738,000). Funding this request will provide the Indiana Veterans' Home the necessary resources to complete projects within their master plan.

Funding: 2009 ARRA (b) State Fiscal Stabilization Fund  
Indiana Veterans' Home-Repair and Rehabilitation

13. Indiana Veterans' Home (570) \$400,000  
Hillside Erosion  
Project Number: B17-821

This project will fund the corrective process to resolve the already encroaching erosion from damaging the power house structure. If left uncorrected, the erosion could cause uncorrectable damage to a building that provides critical utilities to the resident buildings.

Funding: 2009 Veterans' Home Building Fund  
Repair and Rehabilitation

**III. University Projects**

1. Ball State University (780) \$33,000,000  
Central Campus Academic & Utility Project – Phase I  
Project Number: D-1-10-1-04

Ball State University requests approval to proceed with the Central Campus Academic & Utility Project-Phase I. Phase I of the project will complete the renovation of North Quadrangle, renovate approximately sixty percent of Teachers College and make improvements to campus utilities and infrastructure serving these buildings.

The mechanical, plumbing and electrical infrastructure and systems of North Quadrangle and Teachers College buildings are, in most cases, original to the buildings. Part of the renovation of the North Quadrangle will include the addition of an emergency generator, fire alarm system, and fire sprinkler system, as well as evaluation and replacement of electrical circuitry and switch gears, lighting systems, main air handling units and piping infrastructure. The book stack area, which is limited in use due to its current design, will be completely renovated with the removal of the existing nine floor system and replacement with four new levels that correspond with the adjacent building levels. Work on the Teachers College building will include installation of a fire sprinkler system, replacement of the vertical electric bus system, replacement of all main air handling units and evaluation of all other systems. Funding available in Phase I of the project is not sufficient to complete the work on the Teachers College building. Accordingly, work on that building will be completed in Phase II of the project. The renovations for both phases are expected to cost \$153 per square foot.

The project will be funded using 2007 bonding authority. This project was not recommended by CHE to the General Assembly and Governor for authorization in the 2007 Budget. The project is the top priority of Ball State University. Of the funding for the project, 0% is derived from non-state sources. Ball State University's ratio of debt service to operating and debt service appropriations is 8.4% for FY 10 and 10.3% for FY 11.

The project has a preliminary financing plan that does not include capitalized interest. This project is eligible for fee replacement. 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: HEA 1001-2007 Bonding Authority  
CHE Review: September 11, 2009

2. Indiana State University (770) \$9,417,225  
Life Sciences/Chemistry Laboratory Renovations & Chiller  
Project Number: C-1-07-2-01

Indiana State University requests approval to proceed with construction of a Satellite Chilled Water Plant and the first phase of the renovation of the Life Science/Chemistry Laboratories on the Indiana State University Campus. The Chilled Water Plant will provide a secure cooling system for the Science Building and adjacent academic facilities and backup capacity for the cooling system of campus. The Life Science/Chemistry laboratories have not been significantly

upgraded since their construction in 1958 and 1965. The facilities need to be redesigned to accommodate current instructional technologies and meet laboratory safety and ADA standards. The renovation would consist of approximately six existing life science/chemistry teaching laboratories housed in the Science Building.

As the renovation of the laboratories must be done in phases, Indiana State University is seeking release of \$9,417,225 of the \$14,800,000 bonding authority authorized by the 2007 General Assembly. The Chilled water plant is expected to cost \$7,072,000 and the first phase of the laboratory renovations is expected to cost \$2,345,225.

The project has a preliminary financing plan that does not include capitalized interest. This project was not recommended by CHE to the General Assembly and Governor for authorization in the 2007 Budget. The project is the top priority of Indiana State University. Of the funding for the project, 0% is derived from non-state sources. Indiana State University's ratio of debt service to operating and debt service appropriations is 10.2% for FY 10 and 11.7% for FY 11.

This project is eligible for fee replacement. 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: HEA 1001-2007 Bonding  
CHE Review: September 11, 2009

3. Indiana University – Bloomington (750) \$3,000,000  
Athletics Academic Center  
Project Number: A-1-10-2-01

Indiana University requests approval to proceed with the renovation of the former football office complex under the Memorial Stadium East grandstands for the Athletics Academic Center located on the Bloomington campus. This project provides a new entry, an elevator, an upgrade in office and study space, and renovation of the former strength and conditioning area for a student study lounge and computer center. The new academic center will aid in the recruitment and retention of student athletes, tutors, and staff. The project is expected to cost \$3,000,000 to be funded by Department of Athletics Operating Revenues and Gifts.

Funding: Department of Athletics Operating Revenues \$1,700,000  
Gift Funds \$1,300,000  
CHE Review: August 14, 2009

4. Indiana University – Bloomington (750) \$1,870,000  
Eigenmann Parking Lot Improvements  
Project Number: A-1-09-2-39

Indiana University requests approval to proceed with the realignment and expansion of the surface parking available south of Eigenmann Hall located on the Bloomington campus. A total of 424 parking spaces would be realized with a net increase of approximately 293 spaces being created when the existing drainage-way is captured within a box culvert and the limits of the



parking surface are extended. The existing lighting and the bike parking areas would be expanded throughout the increased surface.

Funding: Parking Revenues  
CHE Review: August 14, 2009

5. Indiana University – Bloomington (750) \$35,700,000  
Cyberinfrastructure Building (CIB)  
Project Number: A-1-07-1-03

Indiana University requests approval to proceed with the construction of the Cyberinfrastructure Building on the Bloomington campus. This is the second half of the CIB project requested in 2006. This building is to be located east of the 45/46 Bypass and north of Tenth Street at the former University School Complex. The building would consist of an administrative building accommodating University Information Technology Services, a 200 seat auditorium, campus and statewide technology support facilities, and building-wide support facilities which total approximately 58,400 assignable square feet.

The project will be funded using 2009 bonding authority of \$35,700,000, of which \$16,000,000 is eligible for fee replacement. Repayment of the non-fee replaced bonds would be made from sources that may include indirect research cost recovery funds, technology fees, gifts, and grants. This project was not recommended by CHE to the General Assembly and Governor for authorization in the 2009 Budget. The project is listed as the second highest priority of Indiana University. Of the funding for the project 55.2% is derived from non-state sources. Indiana University's ratio of debt service to operating and debt service appropriations is 12.9% for FY 10 and 13.3% for FY 11.

This project has a preliminary financing plan that does not include capitalized interest. This project is partially eligible for fee replacement. 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: HEA 1001(ss)-2009 Bonding Authority – Fee Replaced \$16,000,000  
HEA 1001(ss)-2009 Bonding Authority – Non-Fee Replaced \$19,700,000  
CHE Review: September 11, 2009

6. Indiana University – Bloomington (750) \$10,000,000  
Life Sciences Laboratory Renovations – Jordan Hall  
Project Number: A-1-10-2-09

Indiana University requests approval to proceed with the renovation of Jordan Hall located on the Bloomington campus. Jordan Hall houses the majority of the Department of Biology and the Bloomington branch of the School of Medicine and thus contains a large percentage of the biomedical research and educational facilities on campus. The project will provide for infrastructure improvements to the air handling and emergency power systems and will repair chronic water infiltration problems located under existing rooftop greenhouses, which are immediately above the proposed research laboratory. The project will renovate approximately

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15,000 ASF and include construction of a new classroom and teaching lab on the ground floor, renovation of four research labs on the fourth floor, two research labs on the third floor, and two research labs on the second floor.

The project will be funded using 2009 bonding authority. This project was recommended by CHE to the General Assembly and Governor for authorization in the 2009 Budget. Of the funding for the project 0% is derived from non-state sources. Indiana University's ratio of debt service to operating and debt service appropriations is 12.9% for FY 10 and 13.3% for FY 11.

This project has a preliminary financing plan that does not include capitalized interest. This project is eligible for fee replacement. 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: HEA 1001(ss)-2009 Bonding Authority  
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7. Indiana University Purdue University – Indianapolis (750) \$10,000,000  
Van Nuys Medical Science Building Lab Renovations  
Project Number: A-2-10-2-10

Indiana University requests approval to proceed with the renovation of lab facilities centered around the Van Nuys Medical Science Building located on the IUPUI campus. The purpose of this project is to create additional usable laboratory and support space through the renovation of the existing lab space and infrastructure components. The project will affect approximately 30,000 ASF and will provide new and updated research space for many research departments including Anatomy, Pathology, Physiology, Biochemistry, and Pharmacology.

The project will be funded using 2009 bonding authority. This project was recommended by CHE to the General Assembly and Governor for authorization in the 2009 Budget. Of the funding for the project 0% is derived from non-state sources. Indiana University's ratio of debt service to operating and debt service appropriations is 12.9% for FY 10 and 13.3% for FY 11.

This project has a preliminary financing plan that does not include capitalized interest. This project is eligible for fee replacement. 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: HEA 1001(ss)-2009 Bonding Authority  
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8. Indiana University Purdue University - Indianapolis (750) \$1,000,000  
Multicultural Center Renovation  
Project Number: A-2-10-2-02

Indiana University requests approval to proceed with the renovating of the first floor of Taylor Hall located on the Indianapolis campus. The newly renovated area will accommodate the Multicultural Center as well as Adaptive Education Services.

Funding: Campus Reserves  
CHE Review: August 14, 2009

9. Indiana University Purdue University – Indianapolis (750) \$2,567,000  
Lilly House Renovation  
Project Number: A-2-10-2-06

Indiana University requests approval to proceed with the renovating of the Lilly House property located at 5807 Sunset Lane, Indianapolis, Indiana. The newly renovated property will continue to serve as the Indianapolis residence of the IU president. The project includes mechanical and electrical upgrades, window replacement, restoration of hardwood floors, marble, and other interior finishes as needed. Exterior work includes waterproofing the basement and tuck pointing the masonry. Site work includes replacement of the east terrace and installation of a new irrigation system and sewage pump/line to the street. The existing detached garage will be demolished and the attached garage along with its kitchen apartment will be rewired and the finishes upgraded. The renovation of the Lilly House supports the academic and administrative mission of IU by providing the president of the University a safe and up-to-date residence. The residence is also used for university functions to receive important guests and dignitaries, host public officials, and conduct university business.

No state appropriations are part of this project.

Funding: Lilly Endowment Grant  
CHE Review: September 11, 2009

10. Indiana University – South Bend (750) \$1,500,000  
Administration Building Renovation, Phase II  
Project Number: A-8-10-2-03

Indiana University requests approval to proceed with the completion of Phase II of the renovation to the Administration Building located on the South Bend campus. The project renovates the remainder of the second floor for the offices of the Chancellor, Vice Chancellor for Academic Affairs, Vice Chancellor for Fiscal Affairs, Vice Chancellor for External Affairs, associated support areas, the second floor restrooms, and four internal fire-rated stairways.

Funding: Auxiliary Reserves \$900,000  
Gifts through the IU Foundation \$400,000  
Capital & Land Acquisition Reserves \$200,000  
CHE Review: August 14, 2009

11. Indiana University – South Bend (750) \$27,000,000  
Education and Arts Building Renovation  
Project Number: A-8-03-2-11

Indiana University requests approval to proceed with the renovation of the Education and Arts Building on the South Bend campus. In support of the need for this project and contribution to educational services that the building will provide, Indiana University cites that the building will

contribute to the sense of community and academic feel at IUSB. Further, IU notes that the project will be compatible with the physical nature of the South Bend campus, will greatly improve the aesthetic quality of the existing building and round-out the aesthetics of the campus' pedestrian mall.

The renovations are intended to provide an art gallery, 130 seat auditorium, lobby/atrium, various student areas, office space and classrooms for the Fine Arts Department, Schools of Education and Dental Education Department. The project will install a new exterior skin to the building made of Indiana limestone and create a new public entrance from the pedestrian mall.

The project will be funded using 2007 bonding authority. This project was not recommended by CHE to the General Assembly and Governor for authorization in the 2007 or 2009 Budgets. Of the funding for the project, 0% is derived from non-state sources. The renovation is expected to cost \$209 per square foot.

Indiana University ranked this the second lowest priority among its six capital projects eligible for consideration. Project design has not occurred and is scheduled to be finished by July, 2010. Indiana University's ratio of debt service to operating and debt service appropriations is 12.9% for FY 10 and 13.3% for FY 11.

The project has a preliminary financing plan that does not include capitalized interest. This project is eligible for fee replacement. 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: HEA 1001-2007 Bonding Authority  
CHE Review: September 11, 2009

12. Ivy Tech Community College (710) \$39,500,000  
Indianapolis Fall Creek Expansion Project  
Project Number: F-0-06-1-08

Ivy Tech Community College requests approval to proceed with the demolition and new construction portion of a project at its main site in Indianapolis. The 2007 General Assembly authorized the College to plan and construct its Fall Creek Expansion project by issuing bonds not to exceed \$69,370,000. This request of \$39,500,000 will pay for planning, selected demolition of the existing Fall Creek Expansion property, and construction of a new 150,000 gross square foot building at its site. The current property consists of the former St. Vincent hospital main building, while three other buildings within the city block have been demolished. The remaining building, constructed as a hospital and later converted into apartments, cannot be easily or inexpensively converted to classroom teaching labs. Therefore, it has been determined that it will be more cost effective to selectively demolish all but the south facing façade of the existing structure and then expand the main structure with new construction incorporating the existing façade. The new building will house academic classrooms, teaching labs and other instructional spaces, faculty offices, meeting space, small group instruction spaces, and other building support spaces.

The project is expected to cost \$39,500,000 and will be funded using 2007 bonding authority.

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The project has a preliminary financing plan that does not include capitalized interest. This project was not recommended by CHE to the General Assembly and Governor for authorization in the 2007 Budget. The project is the third highest priority of Ivy Tech Community College. Of the funding for the project, 0% is derived from non-state sources. Ivy Tech Community College's ratio of debt service to operating and debt service appropriations is 14% for FY 10 and 15.1% for FY 11.

This project is eligible for fee replacement. 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: HEA 1001-2007 Bonding Authority  
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13. Ivy Tech Community College (710) \$10,100,000  
ITCC Warsaw Campus  
Project Number: F-0-08-1-01

Ivy Tech Community College requests approval to proceed with a new construction project at its main site in Warsaw. The project consists of a new 43,000 gross square foot facility on a new site in Kosciusko County. The site is located on the northwest side of the intersection of US 30 and County Road 150 West. The project will replace space currently leased at the United Office Building on the northeast side of Warsaw. The project will include general classrooms, teaching labs (including science labs), administrative and faculty offices, computer labs, a library, student commons and gathering areas, a bookstore, and other support spaces. Potential programming areas include business, health (including biotechnology), public services, technology, liberal arts and general education. The project will also include an expanded Workforce Learning Resource Center, conference rooms, training rooms, and dedicated testing centers for ASSET and COMPASS testing to further enhance educational services to both students and employers.

In anticipation of the need for the land, the Ivy Tech Foundation has already purchased the 40-acre property that the project will occupy with the commitment of the community to fund the \$1,800,000 purchase. Cash and pledges have been received to fully cover the cost.

The project is expected to cost \$10,100,000 and will be funded using 2009 bonding authority. The project has a preliminary financing plan that does not include capitalized interest. This project was recommended by CHE to the General Assembly and Governor for authorization in the 2009 Budget. Of the funding for the project, 15% is derived from non-state sources. Ivy Tech Community College's ratio of debt service to operating and debt service appropriations is 14% for FY 10 and 15.1% for FY 11.

This project is eligible for fee replacement. 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: HEA 1001(ss)-2009 Bonding Authority  
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14. Purdue University – West Lafayette (760) \$575,000  
Airport T-Hanger No. 7 Installation  
Project Number: B-1-09-1-32

The trustees of Purdue University request approval to begin the construction of the Airport T-Hanger No. 7 Installation project. This project will replace a deteriorating 62 year old T-hangar structure with a new 10-unit structure at the Purdue University Airport. The total estimated cost for this project is \$575,000, to be funded from Federal Aviation Administration Grant Funds, Indiana Department of Transportation Airport Development Funds, and Purdue Airport Funds.

Funding:	FAA Funds	\$546,250
	INDOT Funds/Airport Development	\$14,375
	Purdue Airport Funds	\$14,375
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15. Purdue University – West Lafayette (760) \$23,500,000  
Herrick Laboratory Replacement Phase I  
Project Number: B-1-10-2-03

Purdue University requests approval to proceed with the Herrick Laboratory Replacement Phase I project. This phase of the project combines two of the three planned phases presented under Purdue University's ten-year capital plan due to opportunities made available through the use of ARRA funds. This phase will involve construction of the living laboratory office building, performance based engineering laboratory, engine test cells for the testing of alternative fuels and power generation, as well as vibration, electromechanical, and thermal systems laboratories with flexible floor plans. This project will be designed to LEED Silver standards.

Funding:	Federal Grant Funds	\$12,685,353
	Gift Funds	\$10,814,647
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16. Purdue University – West Lafayette (760) \$1,500,000  
Civil Engineering Building Hydraulics  
Project Number: B-1-10-2-02

Purdue University requests approval to proceed with the Civil Engineering Building Hydraulics – Hydrology Laboratory Renovation. This project will renovate the existing Civil Engineering Hydraulics Building through general cosmetic renovation, restoration of the existing tow tank, expansion of office space, and creation of interactive student exhibit space with integrated research areas. The power and water supply will be upgraded to allow for the upgrade of existing hydromechanics lab equipment. Cooling will be added to the space and the lab will be improved to meet current building and life safety codes. The current building, which contains laboratory space which is unusable due to safety requirements, has not been renovated in over 40 years.

Funding:	Gift Funds	\$1,000,000
	University R&R Funds	\$500,000
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17. Purdue University (760) \$967,600  
Small Project Debt Issuance  
Project Number: B-2-10-6-06

Purdue University requests authorization to issue \$967,600 in interim financing for the following Qualified Energy Savings projects, each with a value of less than \$500,000.

2009 Qualified Energy Savings Project Bonding Authority:

PUC Student Union Library HVAC and Lighting Upgrades	\$495,300
PUC Gyte Building HVAC and Lighting Upgrades	\$472,300

This financing program was approved by the State Budget Committee on March 3, 2008. State Budget Committee approval is not required for any qualified energy savings project with a value of less than \$500,000, but the State Budget Committee's approval is required for small project debt issuance. These projects are not eligible for fee replacement. The temporary and/or permanent financing package is subject to approval by the State Budget Director.

18. Indiana University Purdue University – Fort Wayne (760) \$16,800,000  
Parking Garage No. 3  
Project Number: B-3-10-1-05

Purdue University requests approval to proceed with the construction of a four-level parking garage on the Fort Wayne Campus. The garage will be constructed on the north side of campus with room for approximately 1,000 automobiles. The garage will serve students, staff, and community guests visiting the Rhinehart Music Center, Williams Theater, Gates Sports Center, Medical Education and other campus buildings.

The project is the third highest priority of Purdue University and will be funded using 2009 bonding authority. Bonds will be paid using parking revenue from mandatory student fees and parking assessments to University staff. This project is not eligible for fee replacement or plant expansion funding. The interim or permanent financing package is subject to approval by the State Budget Director.

Funding: HEA 1001(ss)-2009 Bonding Authority  
CHE Review: September 11, 2009

19. Vincennes University (790) \$850,000  
Davis Hall Renovation  
Project Number: E-1-09-2-01

Vincennes University requests approval to proceed with the Davis Hall Renovation project. Located on Second Street on the Vincennes campus, the current building has sustained significant water and humidity-related damage from leaks in the four-story atrium at each entrance of the facility. The renovation would consist of replacing a four-story glass curtain wall located at two entrances, replacing floor covering damaged by water leaks, replacing all wall coverings damaged by water and humidity, repainting stairs damaged by prolonged moisture exposure, and providing new ventilation for the entrance of the building.

The project is expected to cost \$850,000 and will be funded using 2009 bonding authority. The project has a preliminary financing plan that does not include capitalized interest. This project was not recommended by CHE to the General Assembly and Governor for authorization in the 2009 Budget. The project is the third ranked priority of Vincennes University. Of the funding for the project, 0% is derived from non-state sources. Vincennes University's ratio of debt service to operating and debt service appropriations is 12.4% for FY 10 and 12.4% for FY 11.

This project is eligible for fee replacement. 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: HEA 1001(ss)-2009 Bonding Authority  
CHE Review: September 11, 2009

20. Vincennes University (790) \$8,000,000  
Physical Education Complex Renovation  
Project Number: E-1-07-2-01

Vincennes University requests approval to proceed with the Physical Education Complex Renovation project. The Physical Education building is experiencing age-related deterioration and obsolescence as it has not had a major repair or upgrade since its original construction in 1971. Renovation would include replacing the original HVAC system and conversion to steam heat, extensive repairs due to inadequate humidity controls and ventilation, ADA compliance enhancements, new flooring installation and maintenance, complete pool renovation, classroom and office reconfiguration, and entrance and exit renovations.

The project is expected to cost \$8,000,000 and will be funded using 2009 bonding authority and Federal Stimulus ARRA(a) Repair and Rehabilitation funds. The portion of the project that is funded using bonding authority is eligible for fee replacement appropriations. It is the intent that the Federal Stimulus ARRA(a) dollars be used first, and proceeds from the bond sale will be used last. The project has a preliminary financing plan that does not include capitalized interest. This project was not recommended by CHE to the General Assembly and Governor for authorization in the 2009 Budget. This project is ranked the second highest priority of Vincennes University. Of the funding for the project, 0% is derived from non-state sources. Vincennes University's ratio of debt service to operating and debt service appropriations is 12.4% for FY 10 and 12.4% for FY 11.

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: HEA 1001(ss)-2009 Bonding Authority \$5,000,000  
ARRA (a) R&R funds \$3,000,000  
CHE Review: September 11, 2009



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21. Vincennes University (790) \$5,000,000  
 Multicultural Center  
 Project Number: E-1-07-1-03

Vincennes University requests approval to proceed with the Multicultural Center project. The Multicultural Center will be dedicated to empowering students through the creation and integration of unique opportunities that celebrate the rich diversity that our minority and international students, parents, and faculty bring to the VU community. The facility will serve as the center for cross-cultural learning within the campus community and greater southwestern Indiana, contributing to the overall academic and social experience at Vincennes University.

The project is expected to cost \$5,000,000, and was authorized by the 2007 General Assembly. The project is the top priority of Vincennes University and is funded by Gift Funds from private donors in addition to University and Foundation endowments. There will be no student fees or state appropriation funds involved in the construction of this facility.

Funding: HEA 1001-2007 Authority (Gift Funds)  
 CHE Review: September 11, 2009

**Cost Summary**

<b>September 25, 2009</b>	
2009 General Fund	\$1,256,462
2009 Postwar Construction Fund	\$1,578,000
2009 Veterans' Home Building Fund	\$400,000
2009 American Recovery and Reinvestment Act Section 14002(b)	\$12,545,978
University Funds	\$25,666,622
2009 American Recovery and Reinvestment Act Section 14002(a)	\$3,000,000
HEA 1001-2007 Bonding Authority	\$108,917,225
HEA 1001(ss)-2009 Bonding Authority	\$88,450,000
Grant Funds	\$15,812,978
<b>Total</b>	<b>\$257,627,265</b>


**IV. Review Items**

1. Indiana Department of Transportation – Airport Development
2. David C. Ford Technology Fund
3. Gigapop
4. Indiana Bond Bank Moral Obligation Loans
5. Marion County Capital Improvement Board – PSDA Expansion

**V. Discussion Item**

1. FSSA Eligibility Modernization Review
2. Covington Community School Corporation - Loan Request

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



Senator Luke Kenley, Chairman



Christopher A. Ruhl, State Budget Director



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