

**State Budget Committee Agenda
April 28, 2006, 9:00 A.M. (CDT)
University of Southern Indiana, Evansville, Indiana
University Center, Carter Hall D**

(Video-conferencing for this meeting is available in conference room 1 of the Education and Research Institute of Indiana University Radiology building; which is located at 714 N. Senate Avenue, Indianapolis, IN 46204. Please note that the meeting will start at 10:00 A.M. Indianapolis time.)

I. State Agency Projects

1. Indiana Veteran's Home (570) \$800,000
Pyle Hall Remediation, Air Handlers & Abatement

This project request is for funding to remediate/install primary air handling units in individual rooms and to abate mold and asbestos in Pyle Hall floors 2 and 3 prior to resident reoccupation. Individual unit replacement is also needed in the basement and on the first floor of Pyle Hall, this was originally budgeted in a prior request. However, there were unforeseen issues with abatement which exceeded the original budget request. (2001 Veteran's Home Fund – R&R Veteran's Home, Energy Management System)

2. Wabash Valley Correctional Facility (665) \$3,141,915
Special Confinement Unit
Project No. B31-501

This project request is for funding to address two concerns at the Wabash Valley Correctional Facility. The first is the removal of the mentally ill offenders from the Secured Housing Unit (SHU) and the second is to have a true continuum of service including step down provisions for the DOC's mental health offenders. These services will be provided at the New Castle Correctional Facility. The proposed capital project will enclose existing outdoor recreational areas and create new secure outdoor recreation areas on the outside corners of the building and also increase security by adding cameras in the individual cells and the newly constructed recreation areas. (2003 Post War Construction Fund – R&R Wabash Valley Correctional Facility)

II. University Projects

1. University of Southern Indiana (775) \$7,250,000
Recreation and Fitness Center Expansion – Phase II
Project No. G-0-05-1-02

The Trustees of the University of Southern Indiana request authority to proceed with construction and financing of the Recreation and Fitness Center Expansion-Phase II. The primary function of this 25,912 ASF/45,070 GSF addition will be to provide wellness, recreational, and physical fitness facilities for the general student population. It will also

supplement facilities for instruction in the physical education curriculum and add venues for the intramural sports program. Debt service payments and operating expenses will be funding through mandatory student fees. This project is not eligible for plant expansion. The permanent financing package is subject to approval by the State Budget Director.

Funding: 2005 Bonding Authority \$7,250,000
 Debt Service paid with mandatory student fees
 No annual plant expansion requested
 CHE Review: March 10, 2006

2. Indiana University (750) \$110,000,000
 Indiana University Student Fee Bonds Series Q
 Project No. A-0-06-6-05

Indiana University requests approval to proceed with the issuance of student fee bonds to refund up to \$110,000,000 of the currently outstanding student fee bonds comprising a portion of Series K, Series L, Series M, Series N, Series O and Series P. Indiana University may combine any refunding transaction authorized hereby with any new issuance to finance projects which have been approved by the State Budget Committee and may issue refunding bonds in an amount necessary to provide for an adequate escrow for the refunded bonds, together with any costs associated with issuance as allowed by law. Based on market conditions as of this writing, the size of the refunding transaction is estimated to be approximately \$37 million and would refund only bonds originally issued under Series K and Series M. At current rates, the net present value of debt service savings is estimated at approximately \$1.3 million. The refunding transaction will not extend the maturity dates of the bonds being refunded. Bonds will only be selected for the refunding transaction if such bonds produce a positive net present value savings. Further, the aggregate net present value of debt service savings for the entire refunding transaction will be no less than 3% of the refunded bonds. The permanent financing package is subject to approval by the State Budget Director.

Funding: Previously Approved Student Fee Bonds \$110,000,000

3. Indiana University – Indianapolis (750) \$1,600,000
 Campus Center – Cavanaugh Hall Sky Bridge
 Project No. A-2-06-1-11

The Trustees of Indiana University request authorization to proceed with the construction of a sky bridge that will span University Boulevard and connect Cavanaugh Hall on the second and third levels and the Campus Center at the second floor level on the IUPUI campus. The project will condition the space with heating and cooling and will provide many critical and mutual benefits to the students, faculty, and staff who use both buildings, such as increased safety, improved functionality, and updated work and public space. No annual plant expansion is requested for this project.

Funding: Capital Projects/Land Acquisition Reserves \$1,600,000
 CHE Review: April 13, 2006

4. Ivy Tech Community College (710) \$15,000,000
 Northeast Indiana Regional Public Safety Training Academy capital lease
 Project No. F-0-06-5-04

The trustees of Ivy Tech Community College request authority to proceed with entering into a lease with the City of Fort Wayne for the Northeast Indiana Regional Public Safety Training Academy. HEA 1120-2005, section 88 mandates that Ivy Tech enter into the lease by June 30, 2007, after review by the state budget committee and approval by the budget agency, in order to offer public safety related degree programs. The facility will consist of approximately 150,000 square feet of joint-use training and educational space. The College will be provided first priority options to offer classes in the Training Academy. The lease will require annual appropriation for the fifteen-year period of the capital lease in order for the city to maintain the lease payments. Recommendation and/or approval of this project and its financing by the Budget Committee do not constitute a commitment to plant expansion.

Funding: Capital appropriation (15 years) \$1,000,000 per year
 CHE Review: April 26, 2006

Summary

April 28, 2006	Totals
2001 Veteran's Home Fund	\$800,000.00
2003 Post War Construction Fund	\$3,141,915.00
Capital Appropriation	\$15,000,000.00
Student Fee Bonds	\$110,000,000.00
2005 Bonding Authority	\$7,250,000.00
Own Funding Source	\$1,600,000.00
TOTAL	\$137,791,915.00

III. Review Items

1. 21st Century Fund
2. ISTEP+ Remediation Distribution