

State Budget Committee Agenda  
Friday, October 20, 2017, 9:00 AM  
Indiana - Purdue University, Fort Wayne  
International Ballroom, Walb Union  
2101 E Coliseum Blvd, Fort Wayne, Indiana 46805

I. **Minutes**

1. September 22, 2017

II. **Agency Projects**

1. **Adjutant General's Office (110)** \$ 338,560  
Gary Armory Interior Renovation

The Adjutant General's Office requests funds to revitalize and repurpose approximately 3,000 square feet of underutilized storage space of the Gary Armory into administrative space. This newly created administrative space will include new offices, conference rooms, and classroom space. This space will be utilized to house the AGO's newest STARBASE. The STARBASE program is a 5 day, 24-hour STEM program centered on real world applications for 5<sup>th</sup> grade students. Currently, the AGO supports STARBASE programs in Fort Wayne, South Bend, and Indianapolis. The STARBASE program is fully funded by the Department of Defense. Due to a cooperative agreement between Indiana and the federal government, the maintenance of these facilities is shared between both parties.

Funding:	HEA 1001: 2015 'Change of Use' Public Safety R&R	
	(Adjutant General GF Construction Fund 19060)	\$ 169,280
	Federal Funding	\$ 169,280

2. Adjutant General's Office (110) \$ 3,401,400  
Various Repairs

The Adjutant General's Office is responsible for 62 armories as well as other facilities such as Muscatatuck Urban Training Center, Camp Atterbury Joint Maneuver Training Center, and the Hoosier Youth Challenge Academy. The Adjutant General's Office requests funding to replace roofs at eight armories, replace two hot water boilers and two steam boilers, tuck-point various structures at Muscatatuck, and repave parking lots in Hammond, Frankfort, and Gary. Due to a cooperative agreement between Indiana and the Federal Government, the maintenance of these facilities is shared between both parties.

Funding:	HEA 1001: 2017 General Fund	
	(Public Safety R&R 19706-2018)	\$ 1,995,700
	Federal Funding	\$ 1,405,700

3. Indiana Law Enforcement Academy (103) \$ 600,000  
ILEA Roof Replacement

The Indiana Law Enforcement Academy (ILEA) requests funding to remove the current roofing membrane and replace it with a durable standard 2-ply modified Styrene Butadiene Styrene (SBS) roofing system. ILEA was built in 1974 and received a 30,000 square foot addition in 1992. The roof addition built in 1992 has reached the end of its useful life and can no longer be effectively repaired and coated to extend its life. Repair of the roof is crucial to avoid continued leaks and future damage.

Funding:	HEA 1001: 2017 Law Enforcement Building Fund	
	(Public Safety R&R 70414-2018)	

4. Department of Correction (695) \$ 250,000  
Elevator Renovation at the Reception Diagnostic Center

The Department of Correction requests approval to renovate the freight and passenger elevators located at the 5-story Reception Diagnostic Center. The two elevators were constructed as part of the original structure in 1968-1970. The two elevators are used continually. The passenger elevator is used to transport high risk and high medical needs offenders. The freight elevator transports food service supplies and materials and are critical to facility operations. The elevators have had continuous repairs and have reached the end of their service life. The elevators are in need of refurbishment and will meet OSHA requirements after the completion of the project. The proposal includes the refurbishment of the elevator cards, the replacement of the mechanical systems, and the modifications necessary to meet OSHA standards.

Funding: HEA 1001: 2017 Postwar Construction Fund  
(Public Safety R&R 70502-2018)

5. Indiana State Police (100) \$ 1,199,000  
Interior and Exterior Lighting Upgrade of 17 ISP Buildings

The Indiana State Police requests approval to upgrade interior and exterior lighting at 14 posts including Jasper, Lowell, Fort Wayne, Lafayette, Evansville, Sellersburg, Bremen, Peru, Pendleton, Bloomington, Putnamville, Versailles, Indianapolis, and Toll Road; and 3 buildings including the Logistics Building, ICAC Laboratory, and Meth Building. Each facility currently utilizes florescent, halogen, high pressure sodium, mercury vapor, or metal halide lights. Florescent T12 lighting is being phased out by the industry and replacements will be unavailable. Energy efficient LED lights will be installed within the interior and exterior fixtures of each facility.

Funding: HEA 1001: 2015 'Change of Use' \$ 78,446  
(Public Safety R&R 70330-2017)  
HEA 1001: 2017 State Police Fund \$ 1,120,554

6. Department of Natural Resources (300) \$ 171,435  
Crosley Office Renovation

The Department of Natural Resources (DNR) requests funding to remodel the existing 600 square foot office structure of Crosley Fish and Wildlife to a modern, efficient space that is code compliant and reliable for daily operations. Renovations include gutting interior walls and updating electrical and plumbing to produce a facility more suitable for management, storage of records, public access, and OSHA approved standards. The current layout is not suitable to handle staff interactions with the public, lacks ADA accessibility, and the restroom is located in a multi-use room containing HVAC and the main electric service box.

Funding:	HEA 1001: 2017 General Fund	\$ 42,859
	(Conservation and Environment R&R 19710-2018)	
	Federal Funds	\$ 128,576

7. Logansport State Hospital (435) \$ 1,218,500  
Lighting Replacement

Logansport State Hospital requests funding to replace 2,644 T12 fluorescent light fixtures with energy-efficient LED units. Each of these units have operated for more than thirty years of service. The T12 fluorescent bulbs utilized by Logansport's current light fixtures are no longer manufactured. The acquisition of replacement bulbs has become very difficult and costly. The installation of new light fixtures and LED bulbs is anticipated to reduce electrical expenditures at Logansport by approximately \$100,000 annually.

Funding:	HEA 1001: 2017 Postwar Construction Fund
	(Health and Human Services R&R 70509-2018)

8. Logansport State Hospital (435) \$ 3,810,000  
Steam Plant Decommissioning

Logansport State Hospital requests funding to decommission and decentralize their 15,370 square foot steam plant. The current steam plant was constructed in 1888 and houses 3 boilers which range in age from 16 to 44 years. Due to the age of the plant, significant and costly repairs are anticipated in the near future. Due to the size of the plant, 24-hour qualified staffing is required by the Indiana Department of Homeland Security.

When determining the most cost effective replacement option for the current system, the Indiana Department of Administration's Public Works Division considered three options: replacement of the existing structure with a similar centralized plant; decentralizing the system with multiple, smaller boilers; or installing a centralized geothermal plant. Each of these possible solutions were weighted based on their initial and ongoing costs over a 20-year period. The cost of the decentralized approach is nearly \$1.1M less than a centralized campus. Additionally, the reduced need for staffing under the decentralized campus is estimated to save Logansport State Hospital more than \$260,000 each year.

Funding: HEA 1001: 2017 Postwar Construction Fund  
(Health and Human Services R&R 70509-2018)

9. Richmond State Hospital (440) \$ 4,868,000  
Steam Plant Decommissioning

Richmond State Hospital requests funding to decommission and decentralize their 15,800 square foot steam plant. The current steam plant was constructed in 1957 and houses three boilers which range in age from 16 to 35 years. Richmond's steam plant was originally designed to support a campus nearly twice the size of the current occupied space. Due to the age of the plant, multiple large dollar repairs have been approved in recent years in order to maintain the plant's safe operation. Due to the size of the plant, 24-hour qualified staffing is required by the Indiana Department of Homeland Security.

When determining the most cost effective replacement option for the current system, the Indiana Department of Administration's Department of Public Works considered three options: replacement of the existing structure with a similar centralized plant; decentralizing the system with multiple, smaller boilers; or installing a centralized geothermal plant. Each of these possible solutions were weighted based on their initial and ongoing costs over a 20-year period. The cost of the decentralized approach is nearly \$1.3M less than a centralized campus. Additionally, the reduced need for staffing under the decentralized campus is estimated to save Richmond State Hospital more than \$260,000 each year.

Funding:	HEA 1001: 2013 Postwar Construction Fund (Health and Human Services R&R 70502-2013)	\$ 4,121,455
	HEA 1001: 2015 'Change of Use' Postwar Construction Fund (Richmond State Hospital 70531-2015)	\$ 19,987
	HEA 1001: 2017 Postwar Construction Fund (Health and Human Services R&R 70509-2017)	\$ 726,558

10. School for the Deaf (560) \$ 750,000  
Career and Technical Education Building HVAC Replacement South Side

The Indiana School for the Deaf requests \$750,000 to replace HVAC units in the CTE building. The building has approximately 45,300 combined square feet between the north side (24,750 square feet) and the south side (20,550 square feet), with the north end being built in 1966 and the south end added in 1977. The building has been used for student education since opening. There have been no recent renovations to the building, and the HVAC units are over 40 years old and have experienced consistent breakdowns. In addition, the units were damaged during the winter storm in January 2014 when below zero temperatures and power outages affected the area. The north side's HVAC system renovation project was approved by the Budget Committee in July 2016 for \$575,000.

Funding:	HEA 1001: 2017 Postwar Construction Fund (Deaf & Blind R&R 70511-2018)
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11. School for the Deaf (560) \$ 112,943  
HVAC Replacement for Building 3

The Indiana School for the Deaf requests \$112,943 to replace HVAC units in Building 3 which was constructed in 1971 and has approximately 5,265 square feet. There have been no renovations to the building since opening. The steam lines that heat this building come in under the concrete slab and due to the appearance of several leaks that have occurred over the last few months, the floor tile and concrete floor has had to be demolished to make repairs. In order to address this issue, the scope of work includes capping off and abandoning the steam lines that run to the building and replacing with a new HVAC unit to supply heating and cooling to the building.

Funding: HEA 1001: 2017 Postwar Construction Fund  
(Deaf & Blind R&R 70511-2018)

12. Indiana Department of Transportation (800) \$ 4,200,000  
Construction of the Oakland City Unit and Unit Salt Buildings

INDOT is requesting funding for the construction of the Oakland City Unit Building to replace the Petersburg Unit and Unit Salt buildings. There are several defects that INDOT must address for safety, environmental, and operational reasons. The risk of not updating the unit building may have employee safety consequences as well as OSHA fines. Operational issues may lead to public safety issues as time to repair trucks lengthens service time during a snow event.

The existing Petersburg Unit Building was built in 1930 and is 2,000 square feet. The new Oakland City Unit Building will be 6,693 square feet. The existing Petersburg Unit Salt Building was built in 2003 with a 667 ton salt capacity. The new Oakland City Unit Salt Building will have a 3,600 ton salt capacity. In addition, the 12 mile relocation of the unit from Petersburg to Oakland City will allow for easier access to I-69 leading to long term operational efficiencies. Upon completion of the new salt building and unit building, the Petersburg Unit site will be sold.

Funding: HEA 1001: 2017 INDOT Buildings and Grounds  
(State Highway Fund 30504-2018)

13. Indiana Department of Transportation (800) \$ 275,000  
Construction of the Elkhart Unit Equipment Storage Building

INDOT requests funding for the construction of a 3,500 square foot equipment storage building for the Elkhart Unit's mowers, chainsaws, and other equipment. The unit building was built in 2004, but there is not currently an equipment storage building. The new storage unit will be built at the existing Elkhart Unit site. The lack of an equipment storage building creates several issues that INDOT must address for security, safety, and operational reasons.

Funding: HEA 1001: 2017 INDOT Buildings and Grounds  
(State Highway Fund 30504-2018)

14. Indiana Department of Transportation (800) \$ 275,000  
Construction of the Plymouth Subdistrict Equipment Storage Building.

INDOT requests funding for the construction of a 3,500 square foot equipment storage building for the Plymouth Subdistrict's mowers, chainsaws, and other equipment. The unit building was built in 2017, but there is not currently an equipment storage building on site. The new storage unit will be built at the existing Plymouth Subdistrict site. The lack of an equipment storage building creates several issues that INDOT must address for security, safety, and operational reasons.

Funding: HEA 1001: 2017 INDOT Buildings and Grounds  
(State Highway Fund 30504-2018)

15. Indiana Veterans' Home (570) \$ 350,000  
Chiller Repair

The Indiana Veteran's Home requests \$350,000 to repair and rebuild major components in three chillers in order to prolong their useful life. These chillers are 400 ton units that each contain 4 compressors and are at least 19 years old. They currently provide air circulation and cooling for residents in the 75,470 square foot MacArthur Hall, 68,987 square foot Mitchell Hall, the 54,854 square foot Pyle Hall, and the 41,740 square foot Dewey Hall. Due to the age of the components in the units, there has been an increase in repairs over the past year. The rebuilt chillers will come with a 2-year labor and parts warranty.

Funding: HEA 1001: 2017 IVH Building Fund  
(Indiana Veterans' Home R&R 70724-2018)



### III. University Projects

1. Indiana State University \$50,000,000  
Hulman Center Renovation  
Project No. C-1-18-2-10

The Trustees of Indiana State University requests authorization to proceed with the renovation of the Hulman Center which serves as a multipurpose facility that accommodates a variety of university and community events in Terre Haute. Constructed in 1973, the mechanical and electrical systems as well as the exterior envelope of the 183,427 GSF/130,428 ASF structure has failed. The proposed renovation will address these issues. The estimated cost of the project is \$50,000,000. The project will be funded with \$44,250,000 of debt, \$37,500,000 of this amount is eligible for fee replacement and \$6,750,000 is not eligible for fee replacement. Non-fee replaced debt is to be repaid with university general fund investment income. The balance of the cost will be funded by gifts and cash in the form of capital reserves. The permanent financing package is subject to approval by the State Budget Director.

Funding:	HEA 1001: 2015 Fee Replaced	\$ 37,500,000
	Non-Fee Replaced Debt	\$ 6,750,000
	Capital Reserves	\$ 4,750,000
	Gifts	\$ 1,000,000
CHE Review:	September 14, 2017	

2. Indiana University – Bloomington \$ 45,000,000  
Academic Health Sciences Building  
Project No. A-1-17-1-15

Indiana University and its Board of Trustees request authorization to enter into a lease agreement between Indiana University and the Indiana University Building Corporation (IUBC). Under the terms of the agreement, IU will lease land to IUBC which will issue certificates of participation and use the proceeds to construct a 115,000 GSF Academic Health Sciences Building that will include classrooms, labs, faculty offices, and related spaces for programs in nursing, medical science, speech and hearing sciences, public health, and social work. The new facility will expand and improve IU's teaching, simulation, clinical, and research facilities in Bloomington; enable the expansion of faculty research; and stimulate external grant support. In addition, the facility allows faculty and students to benefit with practical, hands-on learning experiences. IUBC will finance the construction of the new Academic Health Sciences Building with an estimated cost of \$45 million through certificates of participation to be retired through annual lease payments by IU to IUBC. IU will reacquire the facilities at the end of the lease term. Funding for the lease payments will be through general fund investment interest income.

Funding: Certificates of Participation  
CHE Review: August 10, 2017

3. Indiana University – IUPUI \$ 5,300,000  
Tower Garage Renovation and Multi-Building Lighting Improvements  
Project No. A-2-18-2-01

The Trustees of Indiana University respectfully request authorization to provide renovations at 4 parking garages at IUPUI. The Tower, Vermont Street, and Blackford Street garages are heavily utilized by faculty, staff, and students, with only students eligible to park in Barnhill. The Tower Garage, along with surrounding hardscape and landscape, will be renovated to address recurring water infiltration issues as well as upgrade aging fire sprinkler and lighting systems. Lighting in the Vermont Street, Blackford Street, and Barnhill parking garages will be updated to more cost and energy efficient systems that will also improve safety conditions. The Tower Garage constructed in 1987 contains 372 parking spots; Vermont Street Garage constructed in 1979 and expanded in 1985 contains 1,952 parking spots; Blackford Street Garage constructed in 2000 contains 1,146 parking spots; and Barnhill Garage constructed in 2004 contains 1,310 parking spots. The project will be funded by auxiliary revenues in the form of parking operations renovation funds.

Funding: Auxiliary Revenues  
CHE Review: September 14, 2017

4. Purdue University – West Lafayette \$ 80,000,000  
Agricultural & Biological Engineering Building Renovation and Addition  
Project No. B-1-17-1-01

The Trustees of Purdue University request to proceed with the planning, financing, and construction of the construction contract for the Agricultural and Biological Engineering (ABE) Building Renovation and Addition on the West Lafayette Campus. The project will include the demolition of the southern portion of ABE, the construction of a new 125,000 GSF addition, and the renovation of the existing 37,250 GSF northern portion of the facility. The new and renovated space will better accommodate cell and molecular biology, wet chemistry, bio-process equipment, computing research, and teaching space. The ABE Building Renovation and Addition project will enable further development of research and instruction, which will support the Purdue Moves Expanding Engineering and Plant Sciences initiatives. In addition, students will benefit as the project will result in the consolidation of ABE resources currently spread across the campus. The estimated cost of this project is \$80,000,000, and will be funded by fee replaced bonding authority granted under HEA 1001 – 2017. Pursuant to HEA 1001 – 2017, the institution may not issue the bonds until after June 30, 2018.

Funding:	HEA 1001: 2017 Fee Replaced Debt	\$ 69,000,000
	Gifts	\$ 11,000,000
CHE Review:	September 14, 2017	

5. Purdue University – Northwest \$ 40,500,000  
Bioscience Innovation Building  
Project No. B-2-05-1-05R

The Trustees of Purdue University request to proceed with the financing and construction of the Bioscience Innovation Building on the Purdue University Northwest – Hammond Campus. The 68,000 GSF facility will contain offices and research and teaching labs for the College of Nursing and Department of Biological Sciences south of the student union and library in Hammond. The estimated cost of the project is \$40,500,000 and will be funded through HEA 1001 – 2017 fee replaced bonding authority, HEA 1001 – 2015 cash funded appropriations, gifts, and university general funds.

Funding:	HEA 1001: 2017 Fee Replaced Debt	\$ 35,100,000
	HEA 1001: 2015 Cash Funded	\$ 2,400,000
	Gifts	\$ 2,000,000
	*University General Fund	\$ 1,000,000

CHE Review: September 14, 2017

*\*University General Funds are comprised of various sources including indirect cost recovery, state operating appropriations, student tuition and fees, and investment interest income.*

6. Purdue University – West Lafayette \$ 4,998,000  
University Residences Bathroom Renovation Phase VII – Earhart Residence Hall  
Project No. B-1-18-2-05

The Trustees of Purdue University request to proceed with the financing and construction for the University Residences Bathroom Renovation Phase VII – Earhart Residence Hall project on the Purdue University West Lafayette Campus. This phase will complete the work in Earhart Residence Hall and renovate approximately 7,100 GSF of community bathrooms on the first through eighth floors of the east tower. In addition to replacement of the aging plumbing infrastructure, this work will reconfigure the space to provide ADA accessibility, greater privacy, and an updated appearance. The existing restroom finishes and infrastructure are original to Earhart Hall, which was built in 1964. The estimated cost of this project is \$4,998,000 to be funded from auxiliary revenues in the form of housing reserves.

Funding: Auxiliary Revenues \$ 4,998,000  
CHE Review: September 14, 2017

7. Purdue University – West Lafayette \$ 2,368,000  
Hillenbrand Residence Hall Bathroom Renovation and Sewer Replacement Phase I  
Project No. B-1-18-2-06

The Trustees of Purdue University request to proceed with the financing and construction of the Hillenbrand Residence Hall Bathroom Renovation and Sewer Replacement Phase I project on the Purdue University West Lafayette campus. Hillenbrand Hall opened in 1993, and there have been no renovations to the bathrooms since then. Site investigations and studies performed during the summer of 2016 revealed significant deterioration of the vent piping and sanitary lines in both east and west towers. The project is the first phase of a planned four phase sewer replacement and bathroom repair in the Hillenbrand Residence Hall and will focus on the replacement of aging plumbing and sewer infrastructure in the east wing of the east tower. The project will increase the reliability of the plumbing and sanitary systems, while providing updates to the original finishes for a more modern appearance. The estimated cost of the project is \$2,368,000 and will be funded from auxiliary revenues in the form of housing reserves.

Funding: Auxiliary Revenues \$ 2,368,000  
CHE Review: September 14, 2017

8. Purdue University – West Lafayette \$ 2,100,000  
Heine Pharmacy Building Student Collaboration and Study Space Renovation  
Project No. B-1-18-2-01

The Trustees of Purdue University request to proceed with the financing and construction of the Heine Pharmacy Building Student Collaboration and Study Space Renovation project on the Purdue University West Lafayette Campus. This 7,530 GSF project will renovate the space recently vacated by the Pharmacy library as a result of its move to the Wilmeth Active Learning Center. The building will include new office space for staff, additional study and collaboration space for students, and a new ramp that will provide access to the mezzanine level in accordance with current ADA standards. Area mechanical and HVAC equipment would also be updated within the scope of this project. The estimated cost of the project is \$2,100,000 to be funded from university general funds.

Funding: \*University General Fund \$ 2,100,000  
CHE Review: September 14, 2017

*\*University General Funds are comprised of various sources including indirect cost recovery, state operating appropriations, student tuition and fees, and investment interest income.*

9. Purdue University – West Lafayette \$ 3,448,000  
Stewart Center HVAC Renovation  
Project No. B-1-18-2-02

The Trustees of Purdue University request to proceed with the financing and construction of the Stewart Center HVAC Renovation project on the Purdue University West Lafayette Campus. The project includes renovation in Stewart Center to heating, cooling, and air handling systems that serve the Fowler Library area. Some heating and cooling overlaps with other areas and will be adjusted as part of this project. The current air handling units and heating equipment are aging and functioning poorly. They will be replaced or upgraded in order to modernize and improve air handling capacity and quality at Stewart Center, a centrally located university facility that serves students, faculty, staff and visitors. The estimated cost of this project is \$3,448,000 to be funded from HEA 1001 – 2017 R&R Appropriations and university general funds.

Funding: HEA 1001: 2017 R&R \$ 2,590,070  
\*University General Fund \$ 857,930  
CHE Review: September 14, 2017

*\*University General Funds are comprised of various sources including indirect cost recovery, state operating appropriations, student tuition and fees, and investment interest income.*

## Cost Summary

October 20<sup>th</sup> 2017

2013 Postwar Construction Fund	\$4,121,455
2015 General Fund	\$247,726
2015 Postwar Construction Fund	\$19,987
2017 General Fund	\$2,038,559
2017 INDOT Buildings & Grounds	\$4,750,000
2017 Law Enforcement Building Fund	\$1,703,556
2017 IVH Building Fund	\$600,000
2017 Postwar Construction Fund	\$350,000
2017 State Police Fund	\$6,868,001
Federal Funds	\$1,120,554
HEA 1001: 2015 Cash Funded	\$2,400,000
HEA 1001: 2015 Fee-Replaced Debt	\$37,500,000
HEA 1001: 2017 Fee-Replaced Debt	\$104,100,000
HEA 1001: 2017 R&R	\$2,590,070
Non-Fee Replaced Debt	\$6,750,000
University General Fund	\$3,957,930
Capital Reserves	\$4,750,000
Gifts	\$14,000,000
Certificates of Participation	\$45,000,000
Auxiliary Funds	\$12,666,000
<b>Total</b>	<b>\$ 255,533,838</b>

#### IV. Review Items

1. GigaPoP – Indiana University
2. I-Light – Indiana University
3. Medicaid State Plan Amendment – Family and Social Services Administration
4. Enterprise Zones – Indiana Economic Development Corporation

#### V. Reports Received

1. First Steps Report – Family and Social Services Administration (9.11.17)