

**State Budget Committee Agenda
October 15, 2004, 10:30 P.M. Indianapolis Time
Government Center South, Conference Room A
Indianapolis, Indiana**

I. State Agency Projects

1. Pendleton Correctional Facility (630) \$1,250,000
Renovate J Cellhouse
Project No. B02-301

The request is for additional funding that will support the submitted low bid to complete the J Cellhouse renovation with new mechanical, electrical, H.V.A.C. and locking systems. These requested funds would be in addition to \$1,250,000 (Post War Construction Fund) approved in August 2003 and \$18 million (General Fund) that was originally approved for G & J Cellhouse in 99-01. Since the original estimate was made for G & J Cellhouse, the price of steel has increased 40%. The renovation of G Cellhouse is complete.

From: 2003 Post War Construction Fund – R & R Pendleton Correctional Facility
Appropriation: \$2,710,103
Available Balance after Reserve: \$1,770,245

2. Department of Natural Resources – General Administration (300) \$342,000
General Administration
Project No. 013001

The Department of Natural Resources has several properties that do not meet the minimum accessibility standards on the Parks and Reservoir properties.

Trails: \$200,000 The agency will attempt to have at least one trail ½ mile in length on each Park and Reservoir property that will satisfy the minimum accessibility standards. The trails will be classified as easy trails and will meet the USDA Forest Service Outdoor Recreation Accessibility Guidelines. According to a DNR study the ½-mile trails will provide, a representative distance that will provide a person with a disability an equal recreational experience.

State Fair Building Renovation: \$90,000 The west side of the DNR building on the State Fairgrounds is currently not ADA accessible. Access will be provided to the building as well as removing the uneven surfaces next to the fishponds outside of the building. Accessibility features will also be added to the amphitheater.

Wyandotte Woods Cave: \$52,000 The Cave will undergo maintenance and renovation of some existing features that incorporate accessibility. The updates will provide the only fully accessible cave in the Midwest.

From: 2003 General Fund – R&R DNR General Administration
Appropriation: \$1,000,000
Available Balance after Reserve: \$342,000

II. University Projects

1. Indiana University (750) \$70,000,000
Refunding of Series J, K and M Student Fee Bonds

Indiana University requests approval from the State Budget Committee to proceed with the issuance of one or more series of student fee bonds, in the amount of \$70,000,000. The issuance of the various student fee bonds will refund all or a portion of current outstanding student fee bonds, which include Series J, K and M, as well as any costs associated with issuance as prescribed by law. Indiana University may combine the refunding transaction with the new issuance to finance projects which have been previously approved by the State Budget Committee. The refunding will produce an estimated savings of \$3,000,000, based on current market conditions. The permanent financing package is subject to approval by the State Budget Director.

2. Indiana University (750) \$50,000,000
Indiana University – Purdue University Indianapolis - Campus Center
Project No. A-2-01-1-02

Indiana University requests a favorable recommendation from the State Budget Committee to proceed with the construction and financing package for the Campus Center located at the Indiana University – Purdue University at Indianapolis campus. The Campus Center, which will be located at the intersection of Michigan Street and University Boulevard, will be a 261,052 gross square foot facility (\$192 per square foot) which provides spaces for student services, various academic settings, and other school related functions for students, faculty, staff and visitors to the campus. The new Campus Center, which will be at the heart of the campus, will provide various auxiliary services similar to that of other student unions, as well as lounges, meetings rooms, a bookstore, a food court and provide a satellite office for the school's Enrollment Center. The new space will provide areas for student organization's meetings, group study and work spaces and common areas for students to gather. The center will have roughly 40,835 assignable square feet of space dedicated to academic programs such as music instructional activities, the Enrollment Center and other academic related areas. The estimated cost of the project is \$50,000,000, of which \$40,000,000 will be raised through Facilities Revenue Bonds and the remaining \$10,000,000 from Academic Facilities Bonds, which receive fee replacement. Estimated fee replacement for the Campus Center is \$802,426, which will begin no sooner than Fiscal Year 2008. Indiana University is requesting plant expansion for the new Campus Center, estimated at \$2,570,579. The permanent financing package is subject to the approval of the State Budget Director. Review by the State Budget Committee does not constitute a commitment to future funding of plant expansion.

Funding - 2000 Bonding Authority – Academic Facilities Bonds \$10,000,000
 2003 Bonding Authority – Facilities Revenue Bonds \$40,000,000
Est. Fee Replacement - \$802,426
Est. Plant Expansion - \$2,570,579
CHE Approval – October 8, 2004

3. Indiana University (750) \$675,000
 Indiana University – Purdue University Indianapolis, Lease of University Place Hotel
 Project No. A-2-05-5-04

Indiana University requests a favorable recommendation from the State Budget Committee to enter into a lease acquisition with the Indiana University Foundation (IUF) for space located at the University Place Hotel and for one-half interest in the attached parking garage on the Indiana University – Purdue University Indianapolis campus. The leased space includes the 143,000 square foot hotel with such amenities as 278 guest rooms, meeting spaces, food and beverage outlets, a food court, a gift shop and other back-of-the-house facilities. In addition to the hotel space, the lease also includes the 67,200 square foot underground parking garage, with 380 spaces. The IUF will acquire the hotel and parking garage for a purchase price of \$17,750,000 from the current owner, followed by \$13,250,000 in renovations to the facilities. Currently, Indiana University owns the adjacent conference center and one-half interest in the parking garage. Indiana University wishes to enter into an eighteen (18) month lease acquisition with the IUF for the hotel and one-half interest in the parking garage beginning on December 31, 2004. The first twelve (12) months of the lease will cost \$450,000, and the remaining 6 months is estimated at \$225,000, for a total cost of \$675,000 plus out-of-pocket expenses. The lease agreement does include an option to extend the lease for a longer term, if necessary, for a length of up to twenty (20) years. If an extension in the lease is not necessary, Indiana University will request authority from the General Assembly to acquire the facilities from the IUF at a cost not to exceed \$31,000,000. The annual rent for the lease term will be on a cost reimbursement basis from operating revenues.

Funding – Hotel Operating Income \$675,000
 CHE Review – October 8, 2004

4. Ivy Tech State College (710) \$2,430,000
 Refunding of Series D Bonds

Ivy Tech State College requests approval from the State Budget Committee to proceed the refunding of Series D Bonds. Ivy Tech State College will refund of all or part of the Series D Bonds, which are outstanding Student Fee Bonds. The amount of the refunding is \$2,430,000, including any additional costs associated with the issuance of bonds or other costs associated with the bond issuance as prescribed by law. The permanent financing package is subject to approval by the State Budget Director.

5. Purdue University (760) \$25,000,000
 Indiana University – Purdue University Fort Wayne, Music Building
 Project No. B-3-03-1-10

Purdue University requests a favorable recommendation from the State Budget Committee to proceed with the construction and the financing of the new Music Building located at the Purdue University – Indiana University Fort Wayne campus. The new 85,000 gross square foot building (\$294 per square foot) will offer improved academic programs for students in the music, visual arts and performance areas as well as provide

the community of Fort Wayne the ability to use the facility for community related events, provide space for visiting artists and expansion of the arts in Fort Wayne. The new Music Building will include a 250 seat music recital hall, a 1,600 seat university auditorium for university and community use, as well as learning space for current students at IPFW. Student spaces include dedicated music classrooms, two large rehearsal halls, a music library and storage for musical instruments and other equipment. The new facility will provide additional space for students and faculty in the School of Visual and Performing Arts as well as support the master's programs which are currently offered and those which are being considered for the future. The cost of the Music Building in Fort Wayne is \$25,000,000. Gift funds will provide funding in the amount of \$6,000,000, while the state share has been appropriated at \$19,000,000. The project is eligible for fee replacement, which is estimated at \$1,524,609, and will begin no sooner than Fiscal Year 2008. Purdue University has request plant expansion for the Music Building, estimated at \$446,406. The permanent financing package is subject to the approval of the State Budget Director. Review by the State Budget Committee does not constitute a commitment to future funding of plant expansion

Funding - Gift Funding	\$6,000,000
2003 Bonding Authority	\$19,000,000
Est. Fee Replacement -	\$1,524,609
Est. Plant Expansion -	\$446,406

CHE Review – October 8, 2004

6. Purdue University (760) \$47,700,000
 Millennium Engineering Building – West Lafayette Campus
 Project No. B-1-03-1-01

Purdue University requests a favorable recommendation from the State Budget Committee for the construction and financing of the Millennium Engineering Building at Purdue University's West Lafayette Campus. The 238,000 gross square foot building (\$200 per gross square foot) will affect the entire engineering program on the West Lafayette campus, which includes the following program areas: Aeronautical and Astronautical Engineering, Materials Engineering, Engineering Projects in Community Service, Freshmen Engineering, Minority Engineering Programs, Women in Engineering Programs, Community Engineering Education, Cooperative Engineering, Technical Assistance Program and Interdisciplinary Engineering. The facility will house three major academic departments plus several academic support programs. The new engineering building will allow various programs spread throughout the university campus to be housed in one building, and allow Purdue to renovate and rehabilitate vacated space to satisfy other educational needs on campus. The construction plan calls for classrooms and laboratories that reflect current vision for how learning and research should be nurtured and will also readily adapt to future needs. The Millennium Engineering Building is estimated to cost \$47,700,000, of which \$37,700,000 comes from bonding authority granted by the 2001 and 2003 General Assembly and an additional \$10,000,000 from Gift Funds. The project is eligible for fee replacement which is estimated at \$3,025,146 and will begin no sooner than Fiscal Year 2008. Purdue University has requested plant expansion, which is estimated at \$958,892. The permanent financing package is subject to the approval of the State Budget Director.

Review by the State Budget Committee does not constitute a commitment to future funding of plant expansion.

Funding -	2001 Bonding Authority	\$1,700,000
	2003 Bonding Authority	\$36,000,000
	Gift Funds	\$10,000,000
Est. Fee Replacement -		\$3,025,146
Est. Plant Expansion -		\$958,892
CHE Review – September 23, 2004		

7. Vincennes University (790) \$4,320,000
 Jasper Center New Academic Building – Jasper
 Project No. E-2-03-1-02

Vincennes University requests a favorable recommendation from the State Budget Committee for the construction and financing of the Jasper Center New Academic Building on the Vincennes campus in Jasper, Indiana. The new academic building, consisting of 30,000 gross square feet (\$144 per square foot), will house additional classroom space to meet the increasing enrollment of students at the Vincennes extension in Jasper and from surrounding counties. The facility will provide additional quality instruction space for several departments, including: Business and Technology Department, Humanities and Social Science Department, Math and Science Department and Continuing Education. Additionally, computers are currently located in inadequate space that pose a risk for damage to equipment, therefore the new facility will provide new computer laboratory rooms to ensure equipment it stored and housed properly. Since 1998, the Vincennes Jasper campus has seen fall headcount enrollment increase from 1,089 in fiscal year 1999 to 1,364 in fiscal year 2004, a 26% increase. The cost of the New Academic Building is \$4,320,000 and the project is eligible for fee replacement. Estimated fee replacement, which shall begin no sooner than Fiscal Year 2008, is \$346,648. Vincennes University is requesting plant expansion for the new facility, estimated at \$120,000. The permanent financing package is subject to the approval of the State Budget Director. Review by the State Budget Committee does not constitute a commitment to future funding of plant expansion.

Funding – 2003 Bonding Authority	\$4,320,000
Est. Fee Replacement -	\$346,648
Est. Plant Expansion -	\$120,000
CHE Review – October 8, 2004	

Summary

October 15, 2004	Totals
2003 General Fund R&R	\$342,000
2003 Post War Construction Fund R&R	\$1,250,000
Bonding Authority	\$111,020,000
Refunding Bonds	\$72,430,000
Own Source Funding	\$16,675,000
TOTAL	\$201,717,000

III. Review Items

1. Help America Vote Act Reimbursements
2. INDOT - PMTF Distribution
3. Community Colleges – Annual Report by the Commission for Higher Education
4. Community College of Indiana – Approval of Additional Sites pursuant to I.C. 20-12-75-13
5. City of Ft. Wayne CRED - review and recommendation is subject to the requirement that the city pass new resolutions that reflect agreement of terms with the budget agency
6. City of Indianapolis CRED - review and recommendation is subject to the requirement that the city pass new resolutions that reflect agreement of terms with the budget agency