

CONTROLLING BOARD

OHIO OFFICE OF BUDGET AND MANAGEMENT

MINUTES OF THE APRIL 25, 2005 MEETING

President, Michele Hulse, called the Controlling Board meeting to order at 1:40 p.m. Serving on the Controlling Board were Senator John Carey, Representative Charles Calvert, Senator Robert Spada, Representative Tom Raga, Senator Ray Miller and Representative Edna Brown.

The minutes of the April 11, 2005, meeting were distributed. A motion to approve the minutes was made by Senator Carey, seconded by Representative Calvert and approved by the Board members.

Attached is the April 25, 2005, meeting agenda. President Hulse said Item 20, DEV215 has been revised to correct the dollar amount to \$45,980.32 in the explanation section of the request, Item 40, DMH508-05 revised the estimated project cost on Project Budget attachment to \$934,000.00, Item 51, SFC302-05 revised total amount listed on the front page for Smoot Construction Company of Ohio to \$1,172,677.00 and Nelsonville to \$2,933,338.00, Item 54, DOT402-05 revised object code to 325 10 and Item 59, DYS505-05 revised the amount in the required explanation section \$130,000.00. Item 1, AGO601-05 was amended to remove assignment numbers AGO3380, AGO3516 and AGO3681 reducing the requests to \$526,000.00

A motion for blanket approval of all items not held for questions was made by Representative Calvert and seconded by Senator Spada and approved by all Board members.

The following Items were discussed and acted upon as stated.

Item 2, CLS101-05 was held by Representative Raga. Representative Raga asked which of the eleven projects are completed and when were they completed. Barbara Miller, Fiscal Manager, Cleveland State University said most of the projects were finished in the mid to late 1990's. The finished projects are the Stillwell Hall Completion, 17-18 Street Block, Classroom Building Conversion, Classroom Upgrade, Landscape, Sidewalk, Stairs, Law Building Stair Renovation, University Center HVAC Phase I and Rhodes Tower Exterior Renovation. Representative Raga asked if the university would provide the board members with a list of outstanding balances and the date the projects were completed. The item was approved without objection.

Item 3, KSU301-05 was held by Senator Spada. Senator Spada questioned the low bid for the general contractor and asked if the low bid will cause a lot of change orders and modifications. Beth Ruffin, Kent State University said the university has been through the design of this project twice and revised the amount of the estimate before the bids were taken so they feel confident that the contractor can do the work for the bid price. The item was approved without objection.

Item 4, KSU303-05 was held by Representative Raga. Representative Raga asked if the university would provide the board members with a list of completed projects with outstanding capital dollars and the completion dates. Beth Ruffin, Kent State University said yes. Representative Raga inquired about the \$71,539.00 to Smith & Schaefer. Ms. Ruffin said Smith & Schaefer is a casework manufacturer and that casework is on the IUC cost contracts for laboratory equipment. Representative Raga asked if there

CONTROLLING BOARD

OHIO OFFICE OF BUDGET AND MANAGEMENT

would be additional expenses for equipment. Ms. Ruffin said yes, local funds would be used for those expenses until the university can make additional appropriation requests. The item was approved without objection.

Item 5, STC101-05 was held by Senator Carey. Senator Carey asked whether capital funds are available to purchase the land for the parking lot. Jack Kurtz, Stark State College of Technology said the university does not have any capital funds available. Senator Carey asked whether the university is planning to reimburse the operational funds when the capital dollars are available. Mr. Kurtz said they have instituted a facilities fee that is being earmarked for this purpose. Senator Carey asked whether taking dollars out of the operational fund would hurt the education program. Mr. Kurtz said no because they currently have a substantial fund balance of eight million dollars. Senator Carey asked if the board is planning to raise tuition. Mr. Kurtz said yes, the board voted to raise tuition 5.2% this year. The item was approved with Representative Calvert objecting.

Item 13, ADA104-05 was held by Representative Calvert. Representative Calvert asked how the \$500,000.00 Tobacco Use Prevention and Control Foundation grant was awarded to the department. Carolyn Givens, Assistant Director, Alcohol and Drug Addiction Services said the department applied for a proposal to build on to an existing program. Representative Calvert questioned the salaries of the Training Coordinator (\$140,000.00) and Evaluators (\$60,000.00). Ms. Givens said the salaries are three-year salaries. The \$500,000.00 is a three-year grant and the department is asking for the \$30,000.00 for fiscal year 2005 to begin implementation and coordination of the initiative. The remaining \$470,000.00 will be distributed over the course of fiscal years 2006 and 2007. Representative Calvert asked whether the department would have to come back to the Controlling Board to spend the remaining \$470,000.00. Mr. Givens said yes. The item was approved without objection.

Item 14, CSR101-05 was held by Representative Raga. Representative Raga asked why the installation of the sprinkling/fire suppression system for the first floor of the underground parking garage was not included in the original construction of the sprinkler system. Ron Keller, Executive Director, Capitol Square Review and Advisory Board said the Board originally had enough money granted in the Capital Bill to deal with the installation of the infrastructure for the entire garage and sprinkler for one of the three floors and they chose the bottom floor because it is the most difficult to get to with fire equipment. Representative Raga asked if this would cause an increase in parking fees. Mr. Keller said no, existing funds would be used. Representative Raga questioned the difference between the cost of the initial sprinkling/fire suppression system installation (\$975,000.00) and the cost for the upper floor installation (\$495,000.00). Mr. Keller said the first part didn't include upgrading the fire alarm system, the ADA standards, and code standards. This amount also includes about \$100,000.00 to upgrade the portion of the alarm system to tie it in with the system that they have on the entire property. The item was approved without objection.

Item 15, CSR102-05 was held by Senator Carey. Senator Carey asked how much is spent on Capitol maintenance and repairs. Ron Keller, Executive Director, Capitol Square Review and Advisory Board said he did not have the information with him today but would provide the information to the board members later. Senator Carey asked when the Christopher Columbus fountain would be operational. Mr. Keller said the fountain should be operational about the middle of May. The item was approved without objection.

CONTROLLING BOARD

OHIO OFFICE OF BUDGET AND MANAGEMENT

Item 16, COM601-05 was held by Representative Raga. Representative Raga asked whether the additional dollars requested are to train instructors to train additional firefighters or is it for additional firefighter training. Joe Collins, Department of Commerce, State Fire Marshal said the request is for additional firefighter training. The item was approved without objection.

Item 18, DEV211-05 was held by Senator Miller. Senator Miller inquired about the impact of the Universal Service Fund (USF) tax. Lisa Patt-McDaniel, Assistant Deputy Director, Department of Development said at this point they do not have very much information and have not made any projections yet. The item was approved without objection.

Item 31, DEV226-05 was held by Senator Spada. Senator Spada asked how the Memory Magic Game project falls within the Third Frontier scope. Mike Suver, Deputy Director, Department of Development said the Memory Magic Game is an approach to managing the problems of dementia and Alzheimer's in the elderly. It is a tool that makes use of the information technology research that will be undertaken by Creative Action LLC. Senator Miller asked what the money is to be used for. Mr. Suver said the money is designed to help the company to create an action to get up and running. Creative Action LLC will manufacture 1,000 games, develop an advertising plan, catalog sheet, a strategic mailing campaign, and conduct sales calls, attend two annual meetings and conduct in-home evaluations of the game. Representative Calvert asked what new technology is being developed. Catherine Lester, Fiscal Officer, Department of Development said there are many areas in which the Third Frontier Project becomes involved. Some are early on research and development, some are further along down the line when they are closer to commercialization of projects. This particular project falls under the Ohio Research Commercialization Grant Program. There are dollars set aside out of the Third Frontier Action Fund in both fiscal year 2004 and fiscal year 2005 for this particular program. It piggybacks on federal funding for those companies that have Small Business Innovative Research (SBIR), Small Business Technology Transfer (STTR) or Advanced Technology Program (ATP) research and development projects. The companies have to have had that type of funding from the federal government to be eligible in this program. Representative Calvert said his concern is not that they are spending money on this project but that they are spending the wrong money on this. They should be spending regular Development money that could be used for this project and reserve the Third Frontier money for those things that it can only be spent on. The item was approved without objection.

Item 54, DOT402-05 was held by Senator Miller. Senator Miller asked if there are other companies in the United States that manufacture retroreflectometers. Lloyd Walker, Department of Transportation said yes, there are other companies and they all competed in the high-tech evaluation of this equipment. This company's equipment was the most accurate, most consistent and gave the best readings. They competed on a national standard. Senator Miller asked how the Department of Transportation interacts with the Third Frontier project. Todd Neilsen, Legislative Liaison, Department of Transportation said he did not have that information but will provide the information later. The item was approved without objection.

Item 56, TTA103-0607 was held by Representative Calvert. Representative Calvert asked why the additional space is needed. Michele Marra, Chief Fiscal Officer, Tuition Trust Authority said the additional space is needed because of overcrowding. They currently have 36 employees. With the addition of Vanguard in May 2004 they are already experiencing growth and with the Banking product

CONTROLLING BOARD

OHIO OFFICE OF BUDGET AND MANAGEMENT

in the fall of 2005 they anticipate substantial growth. Representative Calvert asked how many parking spaces would the agency have with five additional parking spaces requested today. Ms. Marra said the additional five would make a total of 19 parking spaces. Representative Calvert asked if the agency is reimbursed from the employees for the parking spaces. Ms. Marra said yes, the first year you pay the full amount, the second year you pay a partial amount and after that it is paid for in full by the agency. The item was approved with Representative Calvert objecting.

With no further business before the board, the meeting was adjourned at 2:30 p.m.

Respectfully submitted,

Francene Johnson
Controlling Board Executive Secretary

04/25/05 Minutes approved by the Board:
