

CONTROLLING BOARD

OHIO OFFICE OF BUDGET AND MANAGEMENT

MINUTES OF THE MAY 5, 2003 MEETING

President, Lisa Dodge, called the Controlling Board meeting to order at 1:40 p.m. Serving on the Controlling Board were Senator Bill Harris, Representative Charles Calvert, Senator James Carnes, Representative James Hoops, Senator Teresa Fedor and Representative Larry Price.

Executive Secretary, Vanessa Niekamp, distributed the minutes of the April 7, 2003, meeting. A motion to approve the minutes was made by Senator Harris, seconded by Representative Calvert and approved by the Board members.

Attached is the May 5, 2003, meeting agenda. A motion for blanket approval of all items not held for questions was made by Representative Calvert, seconded by Senator Harris and approved by all Board members.

The following items were discussed and acted upon as stated.

Item 2, AGO223-03 was held by Senator Fedor. Senator Fedor asked for an explanation of the unanticipated fees. Matt Cox, Attorney General's Office, stated the fees are in association with the witnesses that are being deposed in Cuyahoga County. The item was approved without objection.

Item 8, UCN306-03 was deferred by request of the Agency.

Item 16, NEM041-03 was held by Representative Hoops. Representative Hoops asked why this project was not included in HB675 with the Darkfiber project. Coleen Santee, Director of Information Technology, stated the two projects are not related. Ms. Santee explained the Darkfiber project is for speed of communications and this project is for security of internal systems. Representative Hoops asked why a firm from Ohio was not selected. Ms. Santee stated this firm is the only vendor who addressed all the specifications of the proposal. The item was approved without objection.

Item 17, OSU789-03 was amended to read: Ohio State University requests Controlling Board approval to release \$61,725.00 and to waive competitive selection to purchase a de-aerator from The Cornell Machine Company, Springfield, New Jersey, for the Advanced Non-Thermal Processing project, Columbus, Franklin County. The item was approved without objection.

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Item 19, OHU194-03 was held by Senator Harris and Representative Hoops. Senator Harris asked why the University is asking to reallocate these funds. Richard Shultz, Director of Capital Construction, stated the new dean has entered into a program with Ironton City Schools to develop the daycare program and would now like to use the funds for other projects. Senator Harris asked if all three of the new projects are needed at this time. Mr. Shultz answered yes. Senator Harris asked what the University's plans are for a daycare program. Mr. Shultz stated he does not have all the details, but believes the program will happen in conjunction with the Ironton City Schools. Senator Harris asked if there will be future requests for funding of a daycare program. Mr. Shultz stated he would not say there might be a request for funding for the program. Representative Hoops asked if the plan was contingent of federal dollars. Mr. Shultz stated no. The item was deferred by request of the board.

Items 22, YSU015-03; 23, YSU016-03; and 24, YSU018-03 were held by Representative Calvert. Representative Calvert asked why the appraisals are so old. Jim Mineo, Land Acquisition, stated it was due to the negotiations for the purchases. Representative Calvert asked why there is only one appraisal for the purchases. Mr. Mineo stated the amount of the purchase is under \$100,000.00 therefore only one appraisal is required. The items were approved without objection.

Items 28, DAS268-0405; 29, DAS269-0405; 30, DAS270-0405; 31, DAS271-0405; 32, DAS272-0405; 33, DAS273-0405; 34, DAS274-0405; 35, DAS275-0405; 36, DAS276-0405; 37, DAS277-0405; 38, DAS278-0405; 39, DAS279-0405; 40, DAS280-0405; 41, DAS281-0405; 42, DAS282-0405; 43, DAS283-0405; and 44, DAS284-0405 were deferred by request of the agency.

Items 49, AGR056-03 and 50, AGR057-03 were held by Senator Fedor. Senator Fedor asked how much of the grant will be left after this request. John Luther, Agriculture, stated all the funds will be committed with the release of these funds. Senator Fedor asked if items 49 and 50 are related. Mr. Luther stated there is no relationship between the two requests. The items were approved without objection.

Item 51, AGR058-03 was withdrawn by request of the agency.

Item 52, AGR060-03 was amended to read: Agriculture requests Controlling Board approval to waive competitive selection in the amount of \$201,256.74 to contract with Asplundh Tree Expert Company, Willowgrove, Pennsylvania, to cut and chip trees, grind stumps and dispose of infested ash trees. The item was approved without objection.

Item 63, DEV442-03 was held by Representative Calvert. Representative Calvert asked why the state has such a high investment in this project. Tom Johnston, Chief Fiscal Officer, stated the bond is to provide rated debt, and gives them a more competitive rate of interest. The item was approved without objection.

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Item 68, EDU282-03 was held by Senator Carnes, Representative Calvert and Representative Price. Senator Carnes asked if this request will lead to completion or will the department have to return to the board. Susan Tavakolian, Budget Director, stated the department will have to return to the board in the future for additional enhancements that might not be completed during this fiscal year. Representative Calvert did not have any additional questions. Representative Price asked where the vendor is from. Ms. Tavakolian stated the vendor is from Arizona. Representative Price asked if there were any Ohio firms interested in the contract. Ms. Tavakolian stated yes, but the Ohio firm bid \$2,400,000.00, where as this chosen firm bid \$900,000.00. The item was approved without objection.

Item 82, JFS136-03 was held by Senator Harris. Senator Harris asked if there would be sufficient funds left in the line item. Christopher Carlson, Deputy Director, stated yes, some of the funding has been replaced with federal funding. Senator Harris asked if the change in funding levels have been addressed in the 04/05 budget. Mr. Carlson answered yes. The item was approved without objection.

Items 83, LRS006-03; 84, LRS007-03; and 85, LRS008-03 were held by Representative Hoops. Item 84, LRS007-03 was amended to read: Legal Rights Services requests Controlling Board approval to increase appropriation authority in the amount of \$34,390.00 in appropriation line item 602, Protection and Advocacy. Representative Hoops asked what happens if the federal funding is no longer available. Jeff Folkerth, Administrative Service Director, stated if the federal funds are not available and the state chose to not fund the services, the agency would cease to exist. The items were approved without objection.

Item 88, LOT019-0405 was held by Representative Price. Representative Price asked if there are only two vendors who can do this. Jason Paduchik, Lottery, stated the commission contacted other states to identify any vendors who could perform these services and only two were identified. The item was approved without objection.

Item 100, PYT204-03 was held by Senator Harris and Senator Carnes. Senator Harris asked if the PYT Board has a handle on the budget and will not be returning to this board again in the future. Carl Williams, Executive Director, stated yes, the data speaks for itself and he can provide the information to the board. Mr. Williams stated the PYT Board is trying to get out of this year without carrying any deficits forward to future years. The Office of Budget and Management has been working with the board closely to get them where they need to be. The data shows the board is licensing about 1500 new people each year and the cost is going to increase with that volume. Senator Harris asked for the rationale that the PYT Board will now be balanced and not return to this board again. Mr. Williams stated the board anticipated spending \$780,000.00 this year, the budget for FY04 is \$770,000.00, which means the board will have to find a way to save about \$9,000.00. The Board thinks this can be accomplished by cutting back on some services. The board has been

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reluctant to do this because these services created 4500 jobs in the last three years. The board believes if they cut out a newsletter they can save \$10,000.00, restructure board meetings to a six week schedule and put together a cost plan where all payroll costs remain fixed. Senator Harris asked if the board would be returning to this board for FY03. Mr. Williams stated no. Senator Carnes asked how much the board spends on its members for rooms and meals. Mr. Williams stated the rooms are \$72.00 a night, travel is \$0.36 a mile, and box lunches are \$15.00 each. Senator Carnes asked if payroll is a factor for the overage. Mr. Williams stated no, payroll is not a factor. Representative Hoops asked if there has been any change in personnel. Mr. Williams stated there have not been changes, the staff has remained exactly the same. The item was deferred by request of the board.

Item 107, DRC395-03 was deferred by request of the agency.

Item 110, DRC402-03 was held by Senator Harris. Senator Harris asked when the department knew about this issue. David Calhoun, Chief of Construction and Management, stated the plan was developed in August of 2000. Senator Harris asked why all phases were not bid together. Mr. Calhoun stated originally the department thought sampling would be adequate to close the project, however, after working with the EPA further core testing was identified. The item was approved without objection.

Item 112, DRC404-03 was held by Representative Hoops. Representative Hoops asked if the amount of the release would cover the expected costs. David Calhoun, Chief of Construction and Management, stated yes. The item was approved without objection.

Item 113, DRC406-03 was held by Representative Hoops. Representative Hoops asked what is the addition for. David Calhoun, Chief of Construction and Management, stated the addition to the warehouse would consolidate the Ohio Prison Industries and allow for less travel between sites. Mr. Calhoun stated the consolidation would also refine the deliveries to the institutions. The item was approved without objection.

With no further business before the board, the meeting was adjourned at 3:10 p.m.

Respectfully submitted,

Vanessa Niekamp
Controlling Board Executive Secretary

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05/05/03 Minutes approved by the Board:
