

College of Engineering Strategic Growth Renovations and Wang Hall Build-Out

Request BOT Approval to Plan, Finance, Construct and Award

Campus: West Lafayette

Project Description: In April 2012, the Board of Trustees approved an expansion plan for the College of Engineering. The approved plan calls for undergraduate enrollment to grow from 7,087 in fall 2011 to 7,778 by fall 2014. Engineering faculty will increase by 107 between fall 2011 and fall 2016. Over the same time period, staff will increase by 105 and a significant growth in graduate research and teaching assistants is anticipated. The office and lab space need to accommodate the growth in faculty and staff is estimated at 220,000 square feet.

These space needs will be accommodated through a combination of renovation, leasing, and new facilities. To address the growth, it is necessary to rethink existing space utilization and accommodate as much of this need through existing College of Engineering space and increase its efficient use through innovative workplace configurations, open space designs, and collaborative environments.

To maximize potential efficiencies, time savings, market timing opportunities and other benefits, the project authorization is being pursued as a single, comprehensive authority and approval to delegate to the Treasurer to take the project or transaction through the contract award stage.

The College of Engineering proposes major renovations and repurposing of a number of its facilities to achieve this goal. Facilities that are being considered for renovation include the Electrical Engineering Building, the Duncan Annex, Grissom Hall, Hampton Hall, Mechanical Engineering Building, Materials and Electrical Engineering Building, Potter Engineering Center and the American Railway Building.

As renovations are being conducted, a portion of Wang Hall will serve as swing space to temporarily accommodate building occupants and maintain operations. Prioritization and selection of the most effective projects will be guided through a facilities master plan that will be developed for the College of Engineering.

The goal of these renovations is to achieve 150% efficiency, which means for every 100 people relocated, 150 are returned to the space.

Architect/Engineer:	TBD	
Estimated Project Budget:	\$70,000,000	
Source of Funds:	University Funds	\$62,500,000
	Gift Funds	<u>7,500,000</u>
		\$70,000,000
BOT Finance and Construct Approval:	Request September 27, 2013	
Budget Agency Approval:	Request September 30, 2013	
A/E M/WBE Participation:	TBD	
General Contractor M/WBE Participation:	TBD	

**RESOLUTIONS OF THE BOARD OF TRUSTEES
OF THE TRUSTEES OF PURDUE UNIVERSITY**

- 1. DECLARING THE NECESSITY FOR STRATEGIC GROWTH RENOVATIONS BY THE COLLEGE OF ENGINEERING (THE “COLLEGE OF ENGINEERING RENOVATIONS”) AND THE BUILD-OUT OF SENG-LIANG WANG HALL (THE “WANG HALL BUILD-OUT”)**
 - 2. GRANTING APPROVAL TO PLAN, FINANCE AND CONSTRUCT THE COLLEGE OF ENGINEERING RENOVATIONS AND THE WANG HALL BUILD-OUT AND TO AWARD CONTRACTS FOR THEIR COMPLETION**
 - 3. REQUESTING THE PARTICIPATION OF THE PURDUE RESEARCH FOUNDATION IN THE PLANNING AND CONSTRUCTION OF THE WANG HALL BUILD-OUT**
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WHEREAS, Article VII, Section 1 of the Bylaws of The Trustees of Purdue University (the "Corporation") sets forth the various authorizations required for contracts and instruments that, by virtue of the level of expenditure involved, require approval of the Board of Trustees (the “Board”), the Board’s Physical Facilities Committee (the "Committee"), and/or the Treasurer (“Treasurer”) of the Corporation; and

WHEREAS, although not expressly required by Article VII, Section 1 of the Bylaws, the Board and the Committee have from time to time granted the respective approvals required of them at separate stages of a project or transaction, including the planning, finance and construction, and contract award stages, thus resulting in the need to consider the project or transaction multiple times over the course of several meetings; and

WHEREAS, the Board has considered the potential efficiencies, time savings, market timing opportunities and other benefits to be derived from a single, comprehensive authorization and approval granted at the early stage of a project or transaction, pursuant to which the appropriate officers of the Corporation would be delegated the full authority to take the project or transaction through the contract award stage, thus avoiding the need to revisit an already-approved project or transaction at later meetings—all while remaining cognizant of the Committee’s and the Board’s oversight responsibilities under the Bylaws; and

WHEREAS, the Board has been kept apprised of planned and proposed activities under the Engineering Strategic Growth Plan and, in that connection, has previously approved plans for the lease and occupancy of space in Seng-Liang Wang Hall (“Wang Hall”) that will help facilitate the proposed College of Engineering Renovations; and

WHEREAS, the Board has evaluated and is comfortable with the amount of due diligence and preliminary planning that has been conducted by the officers and representatives of

the Corporation in order to bring the proposed College of Engineering Renovations and the Wang Hall Build-Out to the Board for consideration; and

WHEREAS, as a project involving one or more contracts with an estimated aggregate cost in excess of \$5,000,000, the Project requires the authorization and approval of both the Committee and the Board; and

WHEREAS, the Committee has granted its authorization and approval of the Project in a manner substantially similar to that described in these resolutions and has recommended to the Board certain actions in connection therewith; and

WHEREAS, the Board believes it is in the best interests of the Corporation to seek the assistance and expertise of the Purdue Research Foundation (the "Foundation"), which will also be serving as a lessor of the Wang Hall space, in the planning, construction and financing of the Wang Hall Build-Out;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. The Board finds that a necessity exists for the planning, financing and construction of the College of Engineering Renovations and the Wang Hall Build-Out (collectively, the "Project"), as well as for the awarding of one or more contracts for the completion of said Project, all in order to accomplish the objectives of the Engineering Strategic Growth Plan at the Purdue University West Lafayette campus, as reviewed and discussed by the Board.

2. The proposal to plan, finance, construct and award one or more contracts for the completion of the Project is hereby authorized and approved.

3. In order to provide funds with which to accomplish Project, the Treasurer of the Corporation is hereby authorized, under the authority of these resolutions, and without the need for further authorization from this Board, to use up to \$7,500,000 of gift funds and up to \$62,500,000 of University funds, for a total Project cost of up to \$70,000,000 (the "Authorized Cost Level").

4. The Treasurer of the Corporation be, and hereby is, authorized and empowered:

- (a) to solicit, evaluate, select, retain and contract with (i) one or more architectural/engineering firms to provide planning services for the Project and (ii) one or more construction firms to construct the Project, in each case in such an amount (within the above-referenced Authorized Cost Level) and on such terms as he, in his sole discretion, shall deem to be in the best interests of the Corporation and Purdue University; and
- (b) to authorize, approve and execute all change orders in connection with any of the above-referenced contracts so long as all such change orders, considered collectively, do not cause the aggregate amount of

expenditures incurred under such contracts to exceed the Authorized Cost Level.

5. For purposes of Article VII, Section 1(c) of the Bylaws, no change orders in connection with any of the above-referenced contracts shall require further Board or Committee authorization and approval unless and until such a change order, together with all other change orders previously authorized, approved and executed by the Treasurer, causes the aggregate amount of expenditures incurred under such contracts to exceed the Authorized Cost Level (it being understood that any change order or any other action that would cause the Authorized Cost Level to be exceeded must, before it is given effect, receive the express prior approval of the Committee and the Board).

6. The Treasurer of the Corporation be, and hereby is, further authorized and empowered to delegate to one or more officers and representatives of the Corporation such tasks and responsibilities with respect to the completion of the Project as he, in his sole discretion, shall deem to be in the best interests of the Corporation and Purdue University and consistent with the exercise of the authority granted above.

7. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer, Legal Counsel, Assistant Legal Counsel, Secretary and Assistant Secretary of the Corporation, and the Executive Vice President for Business and Finance, Treasurer and the Senior Vice President for Business Services and Assistant Treasurer of Purdue University, and each of said officers respectively, are hereby authorized and empowered, for, on behalf of, and in the name of the Corporation, or of Purdue University (the "University"), to: (a) request any necessary approvals (if not already obtained) of the Indiana Commission for Higher Education, the Governor of Indiana, the State Budget Committee and the State Budget Agency for the actions hereinabove authorized, as well as such other governmental approvals as may be required by law; (b) enter into a Project financing arrangement as the Treasurer or Assistant Treasurer of the Corporation deems to be most advantageous based upon then-existing and anticipated market conditions; (c) execute the appropriate documents necessary to enable construction of the Project; (d) execute the appropriate financing documents to finance the Project; (e) perform all other acts necessary or appropriate to accomplish the construction and financing of the Project as approved by the Treasurer or Assistant Treasurer of the Corporation; and (f) execute and deliver all necessary and proper documents and instruments and take all other necessary and proper actions to carry out the purpose and intent of the foregoing resolutions, whether therein or herein specifically authorized or not, except for such actions as are specifically required by law to be taken by the Board of Trustees as the governing board of the Corporation.

8. The Board further finds that the best interests of the Corporation and Purdue University will be served by obtaining the participation of the Foundation in the planning, construction, financing and equipping of the Wang Hall Build-Out. Accordingly, the proper officers of the Corporation are authorized and empowered, for, on behalf of and in the name of the Corporation, or of the University, to: (a) request the Foundation's assistance and participation in the Wang Hall Build-Out, with a view toward receiving proposals and recommendations from

the Foundation for the planning, financing and construction of Wang Hall Build-Out in light of the parties' ongoing cooperation to complete and make Wang Hall operational, and (b) reimburse the Foundation for such expenses as it may incur in making such improvements to the leased premises in Wang Hall as may be requested by the University or as may be needed to meet the specifications of the Wang Hall Build-Out.