



OFFICE OF THE TREASURER AND CHIEF FINANCIAL OFFICER

July 31, 2014

The Honorable Michael R. Pence
 Governor of the State of Indiana
 State House
 Indianapolis, IN 46204

Dear Governor Pence:

At its meeting on July 17, 2014, the Purdue University Board of Trustees approved the project, "Biochemistry Building Annex Third Floor Space Renovation" on the Purdue University West Lafayette Campus.

This project will renovate the existing lab space on the third floor annex to bring it to current university level research standards. Space will be reconfigured to create a flexible, open concept laboratory and two offices. Existing mechanical systems will be replaced and upgraded as required to support the renovated facility.

The estimated cost of this project is \$4,000,000, to be funded from Repair and Rehabilitation – ARRA Funds – F&A (\$3,000,000) and Repair and Rehabilitation – University Funds – 12-13 General Fund (\$1,000,000).

Subject to review by the Commission for Higher Education and recommendation by the State Budget Committee and the Budget Agency, we request your approval to proceed with this project. Attached are the completed forms which the Commission has prescribed for its review of such projects. We will be happy to answer any questions you or your staff may have or to provide any additional information you may wish.

Sincerely,

A handwritten signature in cursive script that reads "William E. Sullivan".

W. E. Sullivan
 Treasurer and Chief Financial Officer

/bjm

Attachments

- c: Matt Hawkins, Associate Commissioner and Chief Financial Officer
 Brian Bailey, State Budget Director
 Mary Catherine Gaisbauer, Comptroller
 Kevin Green, Assistant Director of Capital Planning

PROJECT SUMMARY AND DESCRIPTION
FOR: Biochemistry Building Annex Third Floor Space Renovation

Institution:	Purdue University	Budget Agency Project No.:	B-1-15-2-02
Campus:	West Lafayette	Institutional Priority:	N/A
Previously approved by General Assembly:	No	Previously recommended by CHE:	No
Part of the Institution's Long-term Capital Plan:	Yes		

Project Summary Description:

This project will renovate the existing lab space on the third floor annex to bring it to current university level research standards. Space will be reconfigured to create a flexible, open concept laboratory and two offices. Existing mechanical systems will be replaced and upgraded as required to support the renovated facility. A study preceding the lab renovation has been completed and will be used as the basis of design.

Summary of the impact on the educational attainment of students at the institution:

The primary contribution of the renovation of this space to the education mission of the Department of Biochemistry will be in the form of additional laboratory space for graduate student training. However, it will also contribute to the undergraduate experience since Biochemistry has a required research capstone experience. One important component of this training is the requirement that students complete a capstone experience that requires them to perform a research project in a faculty member's laboratory. As a result, the renovation of this space, and the recruitment of additional new faculty into this space will have a positive influence.

Project Size: GSF ASF ASF/GSF

Net change in overall campus space: 0 GSF 1274 ASF

Total cost of the project (1): \$ 4,000,000 **Cost per ASF/GSF:** \$ 703.48 GSF
 \$ 866.55 ASF

Funding Source(s) for project (2):
 \$ 3,000,000 Repair and Rehabilitation - ARRA Funds - F&A, the balance is \$5.9m as of 7/25/2014
 \$ 1,000,000 Repair and Rehabilitation - University Funds - 12-13 General Fund, the balance is \$15.5m as of 7/25/2014

Estimated annual debt payment (4): N/A

Are all funds for the project secured: yes

Estimated annual change in cost of building operations based on the project: \$ -

Estimated annual repair and rehabilitation investment (3): \$ 60,000

- (1) Projects should include all costs associated with the project (structure, A&E, infrastructure, consulting, FF&E, etc.)
- (2) Be consistent in the naming of funds to be used for projects. If bonding, note Bonding Authority Year (1965, 1929, 1927, etc.)
- (3) Estimate the amount of funding the institution would need to set aside annually to address R&R needs for the project. CHE suggests 1.5% of total construction cost
- (4) If issuing debt, determine annual payment based on 20 years at 5.75% interest rate
- If project is a lease-purchase or lease, adjust accordingly. Note the total cost of the lease in the project cost, and annual payments in project description

PROJECT DETAILED DESCRIPTION - ADDITIONAL INFORMATION

FOR: Biochemistry Building Annex Third Floor Space Renovation

Institution: Purdue University
Campus: West Lafayette

Budget Agency Project No.: B-1-15-2-02
Institutional Priority: N/A

Description of Project

This project will renovate the existing lab space on the third floor annex to bring it to current university level research standards. Space will be reconfigured to create a flexible, open concept laboratory and two offices. Existing mechanical systems will be replaced and upgraded as required to support the renovated facility. A study preceding the lab renovation has been completed and will be used as the basis of design.

Need and Purpose of the Program

The primary contribution of the renovation of this space to the education mission of the Department of Biochemistry will be in the form of additional laboratory space for graduate student training. However, it will also contribute to the undergraduate experience since Biochemistry has a required research capstone experience. It should be noted that in three of the last four years, undergraduate students from the Department of Biochemistry were awarded three of the four available awards for Outstanding Freshman, Sophomore, Junior and Senior in the College of Agriculture. Last year, Purdue University's Flora Roberts Award went to a graduating senior from the Department of Biochemistry. The department's undergraduate program attracts top quality students and trains them to their full potential. One important component of this training is the requirement that students complete a capstone experience that requires them to perform a research project in a faculty member's laboratory. The conviction that this is an important part of students' undergraduate education sets a cap on the size of our excellent undergraduate program.

Space Utilization

Space within the Department of Biochemistry is nearly fully allocated, and will be completely allocated over the next 3-4 years with the standard hires. To take advantage of opportunities to recruit leading faculty or cluster hire candidates, it is essential that Biochemistry have additional space to recruit faculty into. Further, the Department of Biochemistry has been generous with its available space, providing lab space to the new Associate Dean for Agricultural Research Programs (Karen Plaut) and temporary space to house Robert Pruitt (Department of Botany and Plant Pathology) who was displaced from the Whistler Agricultural Research Building as a result of the recruitment of Dr. Jian-Kang Zhu. As a result, and considering the prime location of the Biochemistry Building within the Life Sciences Mall, it was concluded that renovation of this space should be a high priority.

Comparable Projects

Purdue has experienced many lab renovations from \$500.00/GSF to \$1000.00/GSF depending on exact scope. This project falls into the expected GSF costs.

Background Materials

Purdue's Board of Trustees approved this project on July 18, 2014.

CAPITAL PROJECT REQUEST FORM
INDIANA PUBLIC POSTSECONDARY EDUCATION
INSTITUTION CAMPUS SPACE DETAILS FOR Biochemistry Building Annex Third Floor Space Renovation

B-1-15-2-02	Current Space in Use	Space Under Construction (1)	Space Planned and Funded (1)	Subtotal Current and Future Space	Space to be Terminated (1)	New Space in Capital Request (2)	Net Future Space
A. OVERALL SPACE IN ASF							
Classroom (110 & 115)	294,244	2,827	52,250	349,321	-	-	349,321
Class Lab (210,215,220,225,230,235)	546,637	8,118	(2,571)	552,184	-	-	552,184
Non-class Lab (250 & 255)	1,471,419	47,001	(628)	1,517,792	-	5,340	1,523,132
Office Facilities (300)	2,101,481	58,143	(24,083)	2,135,541	-	626	2,136,167
Study Facilities (400)	388,215	5,949	31,873	426,037	-	-	426,037
Special Use Facilities (500)	1,133,431	24,113	-	1,157,544	-	-	1,157,544
General Use Facilities (600)	823,097	31,757	4,000	858,854	-	-	858,854
Support Facilities (700)	3,020,680	281,093	(763)	3,301,010	-	-	3,301,010
Health Care Facilities (800)	83,596	-	-	83,596	-	-	83,596
Resident Facilities (900)	2,271,095	57,047	-	2,328,142	-	-	2,328,142
Unclassified (000)	20,164	9,395	(4,478)	25,081	4,692	-	20,389
B. OTHER FACILITIES (Please list major categories)							
TOTAL SPACE	12,154,059	525,443	55,600	12,735,102	4,692	5,966	12,736,376

Notes:

- (1) Identify in a footnote the specific facilities that are included in the data in these columns. Do not include pending approval, non-submitted projects or non-funded projects
- (2) Should include capital projects requested by the institution based on 2013-15 Capital Request Summary

- Space/Room codes based on Postsecondary Ed Facilities Inventory and Classification Manual (2006)

Space under construction includes: Ralph and Bettye Bailey Hall, Center for Student Excellence and Leadership, Drug Discovery, Harrison Street Parking Garage, Lyles-Porter Hall, Softball Stadium, Third Street Suites, Seng-Liang Wang Hall

Space planned and funded includes: Active Learning Center

Space to be terminated includes: BCHM 3rd Floor Addition 2

CAPITAL PROJECT COST DETAILS
FOR: Biochemistry Building Annex 3rd Floor Space Renovation

Institution:
Campus:

Budget Agency Project No.:
Institutional Priority:

ANTICIPATED CONSTRUCTION SCHEDULE

	<u>Month</u>	<u>Year</u>
Bid Date	December	2014
Start Construction	January	2015
Occupancy (End Date)	August	2015

ESTIMATED CONSTRUCTION COST FOR PROJECT

	<u>Cost Basis (1)</u>	<u>Estimated Escalation Factors (2)</u>	<u>Project Cost</u>
<u>Planning Costs</u>			
a. Engineering	\$ 100,000		\$ 100,000
b. Architectural	\$ 100,000		\$ 100,000
c. Consulting	\$ 30,000		\$ 30,000
<u>Construction</u>			
a. Structure	\$ 500,000		\$ 500,000
b. Mechanical (HVAC, plumbing, etc.)	\$ 1,000,000		\$ 1,000,000
c. Electrical	\$ 700,000		\$ 700,000
<u>Movable Equipment</u>	\$ 1,000,000		\$ 1,000,000
<u>Fixed Equipment</u>	\$ 500,000		\$ 500,000
<u>Site Development/Land Acquisition</u>			\$ -
<u>Other (Please list)</u>	\$ 70,000		\$ 70,000
TOTAL ESTIMATED PROJECT COST	\$ 4,000,000	\$ -	\$ 4,000,000

(1) Cost Basis is based on current cost prevailing as of: (INSERT MONTH AND YEAR)
(2) Explain in the Description of Project Section of the "Cap Proj Details" schedule the reasoning for estimated escalation factors

CAPITAL PROJECT OPERATING COST DETAILS
FOR: Biochemistry Building Annex Third Floor Space Renovation

Institution: Purdue University
Campus: West Lafayette

Budget Agency Project No.: B-1-15-2-02
Institutional Priority: N/A

GSF OF AREA AFFECTED BY PROJECT 5,686

ANNUAL OPERATING COST/SAVINGS (1)

	Cost per GSF	Total Operating Cost	Personnel Services	Supplies and Expenses
1. Operations	\$ 4.01	\$ 22,801	1,225	21,576
2. Maintenance	\$ 3.19	\$ 18,138	15,193	2,945
3. Fuel	\$ -	\$ -		
4. Utilities	\$ 0.51	\$ 2,924	1,742	1,182
5. Other	\$ -	\$ -		
TOTAL ESTIMATED OPERATIONAL COST/SAVINGS	\$ 7.71	\$ 43,863	\$ 18,160	\$ 25,703

Description of any unusual factors affecting operating and maintenance costs/savings.

(1) Based on figures from "Individual Cap Proj Desc" schedule