



OFFICE OF THE TREASURER AND CHIEF FINANCIAL OFFICER

October 14, 2014

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

Dear Governor Pence:

At its meeting on September 25, 2014, the Purdue University Physical Facilities Committee of the Board of Trustees approved the financing and construction of the project, "McCutcheon Hall – University Residences Bathroom Renovation – Phase IV" on the Purdue University West Lafayette Campus.

This project is the fourth of nine planned phases of the University Residences H-Hall bathroom renovations. This fourth phase will reconfigure and renovate the bathrooms on floors 1-8 of the north tower in McCutcheon Residence Hall in order to provide greater privacy, updated appearance and improve marketability.

The estimated cost of this project is \$4,800,000, to be funded from Departmental Funds – HFS Reserves.

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".

William. E. Sullivan
Treasurer and Chief Financial Officer

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Attachments

c: Matt Hawkins, Associate Commissioner and Chief Financial Officer
Brian Bailey, State Budget Director
Linda Baer, Interim Comptroller
Kevin Green, Assistant Director of Capital Planning

PROJECT SUMMARY AND DESCRIPTION
McCutcheon Hall – University Residences Bathroom Renovation – Phase IV

Institution:	Purdue University	Budget Agency Project No.:	B-1-15-2-16
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 is the fourth of nine planned phases of the University Residences H-Hall bathroom renovations. This fourth phase will reconfigure and renovate the bathrooms on floors 1-8 of the north tower in McCutcheon Residence Hall in order to provide greater privacy, updated appearance and improve marketability. The restroom renovation includes a complete gutting and replacement of all infrastructure and finishes on floors 1-8 of McCutcheon Hall. The overall restroom space on each floor will be enlarged by 50%.

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

The existing restroom finishes and infrastructure are original to McCutcheon Hall which was built in 1962. After 52 years of use, the finishes and infrastructure are at the end of their useful life, while the size of the existing restrooms are too small by current standards. The renovation will provide the new electrical, plumbing, and exhaust to serve a larger restroom, with more showers, greater privacy for residents, and updated finishes. The renovation will also meet current requirements for accessibility.

Project Size:	8,696 GSF	N/A ASF	N/A ASF/GSF
Net change in overall campus space:	N/A GSF	N/A ASF	

Total cost of the project (1):	\$ 4,800,000	Cost per ASF/GSF:	\$ 551.98 GSF
			N/A ASF

Funding Source(s) for project (2):	\$ 4,800,000	Departmental Funds - HFS Reserves, derived from Room and Board Fees. The fund balance is \$36M as of 10/10/2014
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Estimated annual debt payment (4):	N/A
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Are all funds for the project secured:	Yes
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Estimated annual change in cost of building operations based on the project:	\$ -
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Estimated annual repair and rehabilitation investment (3):	N/A
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- (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

McCutcheon Hall – University Residences Bathroom Renovation – Phase IV

Institution:

Purdue University

Budget Agency Project No.:

B-1-15-2-16

Campus:

West Lafayette

Institutional Priority:

N/A

Description of Project

The fourth phase will reconfigure and renovate the bathrooms on floors 1-8 of the north tower in McCutcheon Residence Hall in order to provide greater privacy, updated appearance and improve marketability. The restroom renovation includes a complete gutting and replacement of all infrastructure and finishes on floors 1-8 of McCutcheon Hall. The overall restroom space on each floor will be enlarged by 50%.

Need and Purpose of the Program

The housing Master Plan presented to the Purdue Board of Trustees in October 2009 noted that the role of campus housing in generating a sense of community "cannot be overstated". In order to fulfill this role, University Residences must be strategic in updating facilities to reflect changing student preferences and remain an attractive housing option. Further noted in the Master Plan was the observation that a large percentage of University Residences is comprised of older buildings in need of upgrades to remain competitive in the market. One specific recommendation was to renovate the restrooms in the high rise H-buildings to improve student satisfaction, especially with regard to privacy. This project is being proposed as a fourth of a multi-phase renovation plan to meet this need.

Space Utilization

Phase IV is renovating (8) existing bathrooms (one per floor, floors 1 thru 8) and expanding by encompassing one student room on each floor. Bathrooms will be made into (8) private shower rooms w/ toilets included per floor, while the current shower count is (4) on each floor. The restrooms will be ADA compliant when complete also.

Comparable Projects

In 2013, eight floors in Harrison Residence Hall North Tower were renovated in the same manner. The project cost was \$4.8M, and the cost per GSF was \$551.98.

Background Materials

The project will be funded with Department Funds - Housing and Food Services Reserves, which are derived from room and board fees.

CAPITAL PROJECT REQUEST FORM
INDIANA PUBLIC POSTSECONDARY EDUCATION
INSTITUTION CAMPUS SPACE DETAILS FOR McCutcheon Residence Hall – University Residences Bathroom Renovation Phase IV

B-1-15-2-16	Current Space in Use	Space Under Construction (1)	Space Planned and Funded (1)	Subtotal Current and Future	Space to be Terminated (1)	New Space in Capital	Net Future Space
<u>A. OVERALL SPACE IN ASF</u>							
Classroom (110 & 115)	286,828	-	57,000	343,828	-	-	343,828
Class Lab (210,215,220,225,230,235)	549,947	-	-	549,947	-	-	549,947
Non-class Lab (250 & 255)	1,511,629	-	-	1,511,629	-	-	1,511,629
Office Facilities (300)	2,159,579	-	-	2,159,579	-	-	2,159,579
Study Facilities (400)	389,623	-	36,000	425,623	-	-	425,623
Special Use Facilities (500)	1,155,011	9,578	-	1,164,589	-	-	1,164,589
General Use Facilities (600)	847,963	1,065	4,000	853,028	-	-	853,028
Support Facilities (700)	3,301,473	-	(537)	3,300,936	-	-	3,300,936
Health Care Facilities (800)	83,799	-	-	83,799	-	-	83,799
Resident Facilities (900)	2,328,142	-	-	2,328,142	-	-	2,328,142
Unclassified (000)	57,020	-	(2,330)	54,690	-	-	54,690
<u>B. OTHER FACILITIES</u>							
(Please list major categories)	-	-	-	-	-	-	-
TOTAL SPACE	12,671,014	10,643	94,133	12,775,790	-	-	12,775,790

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: Softball Stadium

Space planned and funded includes: Active Learning Center

Space to be terminated includes:

CAPITAL PROJECT COST DETAILS

McCutcheon Hall – University Residences Bathroom Renovation – Phase IV

Institution:	Purdue University	Budget Agency Project No.:	B-1-15-2-16
Campus:	West Lafayette	Institutional Priority:	N/A

ANTICIPATED CONSTRUCTION SCHEDULE

	Month	Year
DB Contract Award	December	2014
Start Construction	May	2015
Occupancy (End Date)	August	2015

ESTIMATED CONSTRUCTION COST FOR PROJECT

	Cost Basis (1)	Estimated Escalation Factors (2)	Project Cost
<u>Planning Costs</u>			
a. Engineering			
b. Architectural			
c. Consulting			\$ 132,500
<u>Construction</u>			
a. Structure			\$ 1,008,000
b. Mechanical (HVAC, plumbing, etc.)			\$ 1,176,000
c. Electrical			\$ 1,176,000
<u>Movable Equipment</u>			\$ 5,000
<u>Fixed Equipment</u>			\$ 10,000
<u>Site Development/Land Acquisition</u>			\$ -
<u>Other (Please list)</u>			\$ 1,292,500
TOTAL ESTIMATED PROJECT COST	\$ -		\$ 4,800,000

(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
McCutcheon Hall – University Residences Bathroom Renovation – Phase IV

Institution:	Purdue University	Budget Agency Project No.:	B-1-15-2-16
Campus:	West Lafayette	Institutional Priority:	N/A

<u>ANNUAL OPERATING COST/SAVINGS (1)</u>	<u>GSF OF AREA AFFECTED BY PROJECT</u>			
	Cost per GSF	Total Operating Cost	Personal Services	Supplies and Expenses
1. Operations				
2. Maintenance				
3. Fuel				
4. Utilities				
5. Other				
TOTAL ESTIMATED OPERATIONAL COST/SAVINGS	N/A	N/A	N/A	N/A

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

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