PURDUE UNIVERSITY

Office of the Chief Financial Officer and Treasurer

August 22, 2025

The Honorable Mike Braun
Governor of the State of Indiana
Statehouse
Indianapolis, IN 46204

Dear Governor Braun:

At its meeting on August 8, 2025, the Purdue University Board of Trustees approved the planning, financing, construction and award of construction contracts for the Chiller Cleaning System on the West Lafayette campus.

New equipment will be installed at both utility plants that will automatically clean the chiller tubes, which are essential components involved in campus cooling.

This cleaning system will result in some labor savings for utilities staff and significant energy savings, while also allowing more regular cleanings of equipment to occur with uninterrupted operations.

The estimated total project cost is $2,425,500 and will be fully funded by Operating Funds.

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 that 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 that is needed.

Sincerely,

Christopher A. Ruhl
Chief Financial Officer and Treasurer

Attachments

c: Brooke Kile, Senior Associate Commissioner for Business Solutions, Indiana Commission for Higher Education
Chad Ranney, State Budget Director, Indiana State Budget Agency
Jonathan Eccles, Division Director, Indiana State Budget Agency
Kay Parker, Comptroller, Purdue University
Anne Hazlett, Senior Director, Government Relations, Purdue University

PROJECT COST SUMMARY

Chiller Cleaning System

Institution:	Purdue University	**Budget Agency Project No.:**	B-1-26-2-05
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 Size:	0	GSF (1)	0	ASF (2)	#DIV/0! ASF/GSF
Net change in overall campus space:	0	GSF	0	ASF	

Total cost of the project (3):	$ 2,425,500	**Cost per ASF/GSF:**	#DIV/0! GSF
Total cost of the demolition:	$ -		#DIV/0! ASF

Funding Source(s) for project (4):	Amount	Type
	$ 2,425,500	Operating Funds

Estimated annual debt payment (6):	0
Are all funds for the project secured:	Yes

Project Funding:

The project is being fully funded by Operating Funds, and all funds are secured.

Project Cost Justification

Since the project is equipment-based, there is not an ASF or GSF associated with the work. This project's scope and cost are described more in the Capital Project Details section.

Estimated annual change in cost of building operations based on the project:	$ (341,000)
Estimated annual repair and rehabilitation investment (5):	$ 36,382

PROJECT DETAILED DESCRIPTION - ADDITIONAL INFORMATION

Chiller Cleaning System

Institution:	Purdue University	**Budget Agency Project No.:**	B-1-26-2-05
Campus:	West Lafayette	**Institutional Priority:**	N/A

Description of Project

This project will install a new system that cleans internal parts of the chillers at the Wade Utility Plant and the Northwest Chiller Plant on the West Lafayette campus. Installation will occur during winter/spring when there is less demand for chilled water (cooling) on campus.

The cleaning system has an expected life span of 25+ years, and the anticipated return on investment is approximately 7 years based on energy and labor savings.

Need and Purpose of the Program

Today, chiller equipment is manually cleaned once per year, which requires chillers to shut down on a temporary basis while the work is completed. The new equipment will automate the cleaning process, allowing it to occur throughout the year, ensuring efficient and consistent operation, promoting reliable cooling for campus and providing both energy and labor savings - described in more detail in the Annual Operating Cost/Savings section. Unlike today with manual cleanings, the chiller cleaning system can operate while the chillers remain online and in use.

This project aligns with the Energy and Utilities Master Plan.

Space Utilization

This project does not have a net impact on total assignable campus space.

Comparable Projects

Northwest Chiller Plant Condenser System Improvements (2022)

$2,250,000

Replaced three existing condenser water pumps with larger pumps, motors and piping. Replaced variable frequency drives, power feeders and controls. The project included complete system commissioning and operator training.

Although the specific type of equipment is different than what is included in the proposed project, both projects include the installation of mechanical and electrical equipment and controls. Additionally, both projects support the reliability and efficiency of chilled water system operations.

Background Materials

CAPITAL PROJECT REQUEST FORM
INDIANA PUBLIC POSTSECONDARY EDUCATION
INSTITUTION CAMPUS SPACE DETAILS FOR Chiller Cleaning System

	Current Campus Totals				Capital Request		
(INSERT PROJECT TITLE AND SBA No.)	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)	324,254	51,092	-	**375,346**	-	-	**375,346**
Class Lab (210,215,220,225,230,235)	765,104	10,789	-	**775,892**	-	-	**775,892**
Non-class Lab (250 & 255)	1,761,714	29,332	-	**1,791,046**	-	-	**1,791,046**
Office Facilities (300)	2,288,249	9,457	(3,195)	**2,294,511**	-	-	**2,294,511**
Study Facilities (400)	457,018	41,979	(1,027)	**497,970**	-	-	**497,970**
Special Use Facilities (500)	1,245,282	(3,099)	-	**1,242,182**	-	-	**1,242,182**
General Use Facilities (600)	957,751	17,424	(60)	**975,115**	-	-	**975,115**
Support Facilities (700)	2,982,113	(53,301)	6,959	**2,935,771**	-	-	**2,935,771**
Health Care Facilities (800)	217,884	90	-	**217,974**	-	-	**217,974**
Resident Facilities (900)	2,424,637	111,146	-	**2,535,783**	-	-	**2,535,783**
Unclassified (000)	82,649	-	-	**82,649**	-	-	**82,649**
B. OTHER FACILITIES							
(Please list major categories)				-			-
TOTAL SPACE	**13,506,654**	**214,909**	**2,677**	**13,724,240**	**-**	**-**	**13,724,240**

CAPITAL PROJECT COST DETAILS

Chiller Cleaning System

Institution:	Purdue University	**Budget Agency Project No.:**	B-1-26-2-05
Campus:	West Lafayette	**Institutional Priority:**	N/A

ANTICIPATED CONSTRUCTION SCHEDULE

	Month	Year
Bid Date	January	2026
Start Construction	October	2026
Occupancy (End Date)	June	2027

ESTIMATED CONSTRUCTION COST FOR PROJECT

	Cost Basis (1)	Estimated Escalation Factors (2)	Project Cost
Planning Costs			
a. Engineering	$ 180,000		$ 180,000
b. Architectural	$ -		$ -
c. Consulting	$ -		$ -
Construction			
a. Structure	$ -		$ -
b. Mechanical (HVAC, plumbing, etc.)	$ 475,000		$ 475,000
c. Electrical	$ 375,000		$ 375,000
Movable Equipment	$ -		$ -
Fixed Equipment	$ 1,000,000		$ 1,000,000
Site Development/Land Acquisition	$ -		$ -
Other (PM fee, contingencies, insurance, etc.)	$ 395,500		$ 395,500
TOTAL ESTIMATED PROJECT COST	**$ 2,425,500**	**$ -**	**$ 2,425,500**

CAPITAL PROJECT OPERATING COST DETAILS

Chiller Cleaning System

Institution:	Purdue University	**Budget Agency Project No.:**	B-1-26-2-05
Campus:	West Lafayette	**Institutional Priority:**	N/A

GSF OF AREA AFFECTED BY PROJECT

ANNUAL OPERATING COST/SAVINGS (1)

	Cost per GSF	Total Operating Cost	Personal Services	Supplies and Expenses
1. Operations	-	**$ 10,000**	10,000	
2. Maintenance	-	**$ (28,000)**	-28,000	
3. Fuel	-	**$ -**		
4. Utilities	#DIV/0!	**$ (323,000)**	-323,000	
5. Other	-	**$ -**		
TOTAL ESTIMATED OPERATIONAL COST/SAVINGS	**#DIV/0!**	**$ (341,000)**	**$ (341,000)**	**$ -**

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

Chiller tubes are currently manually cleaned once a year, and then performance drops slightly throughout the year as the tubes foul. This equipment will continually clean the tubes while they are online, maintaining chiller efficiency throughout the year and saving the labor of manually cleaning the tubes each winter. This will provide energy savings and labor savings.