

January 15, 2020

The Honorable Eric J. Holcomb
Governor of the State of Indiana
Statehouse
Indianapolis, IN 46204

Dear Governor Holcomb:

At its meeting on December 6, 2019, the Purdue University Board of Trustees approved the planning, financing, construction and award of construction contracts for a Child Care Facility north of the Purdue West Lafayette campus.

This project includes the construction of a new, 16,600 GSF child care facility on a two-acre parcel adjacent to 2550 Northwestern Avenue in West Lafayette. The facility will be owned by Purdue and operated by a third-party vendor. It will serve 150 children with rooms specific to infants, toddlers and preschoolers. Each room includes meal preparation areas and bathrooms.

The new facility will provide additional capacity to help offset the closure of the Patty Jischke Early Care and Education Center, which will be demolished as part of the Discovery Park District development.

The estimated cost of this project is \$6,900,000 and will be funded with Operating Funds-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 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: Jasmine Williams, Director of Finance, Indiana Commission for Higher Education
- Zachary Jackson, Director, Indiana State Budget Agency
- Kathleen Thomason, Comptroller, Purdue University
- Susan Williams, Director, Government Relations, Purdue University

PROJECT COST SUMMARY

Child Care Facility

Institution:	<input type="text" value="Purdue University"/>	Budget Agency Project No.:	<input type="text" value="B-1-20-1-11"/>
Campus:	<input type="text" value="West Lafayette"/>	Institutional Priority:	<input type="text" value="N/A"/>
Previously approved by General Assembly:	<input type="text" value="No"/>	Previously recommended by CHE:	<input type="text" value="No"/>
Part of the Institution's Long-term Capital Plan:	<input type="text" value="Yes"/>		

Project Size:	<input type="text" value="16,600"/> GSF (1)	<input type="text" value="12,470"/> ASF (2)	<input type="text" value="0.751204819"/> ASF/GSF
Net change in overall campus space:	<input type="text" value="16,600"/> GSF	<input type="text" value="12,470"/> ASF	

Total cost of the project (3):	<input type="text" value="\$ 6,900,000"/>	Cost per ASF/GSF:	<input type="text" value="\$416"/> GSF
Total cost of the demolition:	<input type="text" value="\$ -"/>		<input type="text" value="\$553"/> ASF
Funding Source(s) for project (4):	Amount	Type	
	<input type="text" value="\$ 6,900,000"/>	<input type="text" value="Operating Funds - Reserves"/>	
	<input type="text"/>	<input type="text"/>	
	<input type="text"/>	<input type="text"/>	
	<input type="text"/>	<input type="text"/>	
Estimated annual debt payment (6):	<input type="text" value="N/A"/>		
Are all funds for the project secured:	<input type="text" value="Yes"/>		

Project Funding:

Project Cost Justification

The project is consistent with the project noted in the Comparable Project Section.

Estimated annual change in cost of building operations based on the project:	<input type="text" value="\$ 95,172"/>
Estimated annual repair and rehabilitation investment (5):	<input type="text" value="\$ 103,500"/>

PROJECT DETAILED DESCRIPTION - ADDITIONAL INFORMATION

Child Care Facility

Institution:

Purdue University

Budget Agency Project No.:

B-1-20-1-11

Campus:

West Lafayette

Institutional Priority:

N/A

Description of Project

This project includes the construction of a new, approximately 16,600 GSF child care facility on the two acre parcel adjacent to 2550 Northwestern Avenue in West Lafayette. The facility will be owned by Purdue and operated by a third-party vendor.

The new facility will serve approximately 150 children with rooms specific to infants, toddlers, and preschoolers. Each room includes meal preparation areas, storage space and bathrooms. The exterior façade of the new facility will be similar to the Purdue University Early Care and Education Center (ECEC), located on West State Street, with minor interior changes.

Need and Purpose of the Program

The new child care facility will provide additional capacity to help offset the closure of the Patty Jischke Early Care and Education Center, which will be demolished as part of the Discovery Park District development. Currently the Patty Jischke Center serves 88 children with a waiting list of approximately 500 children.

The consolidation and revision of the University's operating agreement with a selected child care provider will generate revenue, including lease payments, to help offset the cost to construct the facility.

Space Utilization

Approximately 7,300 ASF will be lost when the Patty Jischke Early Care and Education Center is demolished (which will be done separately and is not a component of this project). Upon completion, the new Child Care Facility will consist of 12,470 ASF- a net increase of 5,170 ASF of child care space.

Comparable Projects

- Purdue University Early Care and Education Center (2015)
 - o 16,400 GSF
 - o \$5.3M
 - o \$323/GSF
 - o Facility was constructed by the Purdue Research Foundation with a capacity for 140 children

Background Materials

**CAPITAL PROJECT REQUEST FORM
INDIANA PUBLIC POSTSECONDARY EDUCATION
INSTITUTION CAMPUS SPACE DETAILS FOR CHILD CARE CENTER**

CHILD CARE CENTER	Current Campus Totals			Subtotal Current and Future Space	Capital Request		Net Future Space
	Current Space in Use (3)	Space Under Construction (1)	Space Planned and Funded (1)		Space to be Terminated (1)	New Space in Capital Request (2)	
<u>A. OVERALL SPACE IN ASF</u>							
Classroom (110 & 115)	330,369	3,119		333,488			333,488
Class Lab (210,215,220,225,230,235)	624,324	53,863	94,154	772,341			772,341
Non-class Lab (250 & 255)	1,580,078	28,176	(14,063)	1,594,191			1,594,191
Office Facilities (300)	2,252,320	17,515	(28,073)	2,241,762		1,285	2,243,047
Study Facilities (400)	381,012	11,225	7,003	399,240			399,240
Special Use Facilities (500)	1,247,377		(579)	1,246,798			1,246,798
General Use Facilities (600)	945,106	45,900	2,642	993,648		11,185	1,004,833
Support Facilities (700)	2,940,123	(365)	121	2,939,879			2,939,879
Health Care Facilities (800)	116,291		89,901	206,192			206,192
Resident Facilities (900)	2,459,515	175,550		2,635,065			2,635,065
Unclassified (000)	295,004			295,004			295,004
<u>B. OTHER FACILITIES</u> (Please list major categories)				-			-
TOTAL SPACE	13,171,518	334,983	151,106	13,657,607	-	12,470	13,670,077

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

Space under construction includes: STEM Teaching Lab Facility, ABE Renovation/Addition, Meredith South, Third Street North

Space planned and funded includes: Vet Med Teaching Hospital, Gateway Complex, Data Science, Purdue Bands & Orchestra, and 2550 Northwestern Ave.

(3) Current Space in Use has increased due to the addition of 2550 Northwestern Ave. and University Church buildings.

CAPITAL PROJECT COST DETAILS

Child Care Facility

Institution: Purdue University
Campus: West Lafayette

Budget Agency Project No.: B-1-20-1-11
Institutional Priority: N/A

ANTICIPATED CONSTRUCTION SCHEDULE

	<u>Month</u>	<u>Year</u>
Bid Date	April	2020
Start Construction	June	2020
Occupancy (End Date)	January	2021

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	\$ -		\$ -
b. Architectural	\$ 280,500		\$ 280,500
c. Consulting			\$ -
<u>Construction</u>			
a. Structure	\$ 2,600,000		\$ 2,600,000
b. Mechanical (HVAC, plumbing, etc.)	\$ 524,000		\$ 524,000
c. Electrical	\$ 205,000		\$ 205,000
<u>Movable Equipment</u>	\$ 215,000		\$ 215,000
<u>Fixed Equipment</u>	\$ 75,000		\$ 75,000
<u>Site Development/Land Acquisition</u>	\$ 1,757,000		\$ 1,757,000
<u>Other (Please list)</u>	\$ 1,243,500		\$ 1,243,500
TOTAL ESTIMATED PROJECT COST	\$ 6,900,000	\$ -	\$ 6,900,000

CAPITAL PROJECT OPERATING COST DETAILS

Child Care Facility

Institution:	Purdue University	Budget Agency Project No.:	B-1-20-1-11
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	\$ 1.31	\$ 21,704	20395	1309
2. Maintenance	\$ 3.29	\$ 54,648	43188	11460
3. Fuel	\$ -	\$ -		
4. Utilities	\$ 1.13	\$ 18,820	4083	14737
5. Other	\$ -	\$ -		
TOTAL ESTIMATED OPERATIONAL COST/SAVINGS	\$ 5.73	\$ 95,172	\$ 67,666	\$ 27,506

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