



Office of the Chief Financial Officer and Treasurer

May 6, 2021

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

Dear Governor Holcomb:

At its meeting on March 4, 2021, the Purdue University Board of Trustees approved the planning, financing, construction and award of construction contracts for the Purdue Secure Research Facility.

This project will create 7,000 square feet of space to support research activities on the West Lafayette campus. Secure office and laboratory space for principal investigators are included in the scope of the project. The facility will enable research activities that are not currently possible on the West Lafayette campus.

This project is key to two of the newly announced *Purdue Next Moves* strategic initiatives designed to advance the university's competitive advantage among the world's top teaching and research institutions: National Security and Technology Initiative and the Purdue Applied Research Institution.

The estimated total project cost is \$5,500,000, funded by 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,

A handwritten signature in black ink, appearing to be 'CR', written over a white background.

Christopher A. Ruhl
Chief Financial Officer and Treasurer

Attachments

- c: Alexa Deaton, Chief Financial Officer, Indiana Commission for Higher Education
- Jasmine Williams, Director of Finance, Indiana Commission for Higher Education
- Zachary Jackson, Director, Indiana State Budget Agency
- Andy Cummings, Assistant Director, Indiana State Budget
- Kathleen Thomason, Comptroller, Purdue University
- Anne Hazlett, Senior Director, Government Relations, Purdue University

PROJECT COST SUMMARY

Purdue Secure Research Facility

Institution:	<input type="text" value="Purdue University"/>	Budget Agency Project No.:	<input type="text" value="B-1-21-2-08"/>
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="7,113"/> GSF (1)	<input type="text" value="4,995"/> ASF (2)	<input type="text" value="0.702235344"/> ASF/GSF
Net change in overall campus space:	<input type="text" value="0"/> GSF	<input type="text" value="0"/> ASF	

Total cost of the project (3):	<input type="text" value="\$ 5,500,000"/>	Cost per ASF/GSF:	<input type="text" value="\$773"/> GSF
Total cost of the demolition:	<input type="text" value=""/>		<input type="text" value="\$1,101"/> ASF

Funding Source(s) for project (4):	Amount	Type
	<input type="text" value="\$ 5,500,000"/>	<input type="text" value="Operating Funds - Reserves"/>
	<input type="text" value=""/>	<input type="text" value=""/>
	<input type="text" value=""/>	<input type="text" value=""/>
	<input type="text" value=""/>	<input type="text" value=""/>

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:

This project is funded by Operating Funds-Reserves, and all the funds are secured.

Project Cost Justification

The project cost per square feet is in alignment with other specialized laboratory and research space on the West Lafayette campus. Two examples with similar costs per square feet are included in the comparable project section. As noted in the project details, this project is creating secure research space, which is not currently available on the West Lafayette campus.

Estimated annual change in cost of building operations based on the project:	<input type="text" value="N/A"/>
Estimated annual repair and rehabilitation investment (5):	<input type="text" value="\$ 82,500"/>

PROJECT DETAILED DESCRIPTION - ADDITIONAL INFORMATION
Purdue Secure Research Facility

Institution:	Purdue University	Budget Agency Project No.:	B-1-21-2-08
Campus:	West Lafayette	Institutional Priority:	N/A

Description of Project

This project will create more than 7,100 square feet of space to support research activities. This space will consist of secure laboratory and office space for principal investigators.

Need and Purpose of the Program

This project will provide the necessary space to support specialized research activities on the West Lafayette campus.

Purdue University is a top public research institution developing practical solutions to today's toughest challenges, and this project would create a type of research space not currently available at the University.

Purdue University recently announced a set of strategic *Next Moves* initiatives designed to advance the university's competitive advantage among the world's top research and teaching institutions. This project supports two of these new initiatives: "National Security and Technology Initiative" and "Purdue Applied Research Institute." With these initiatives Purdue intends to lead national centers of excellence with cross-sector participation; deliver new, one-of-a-kind research and test facilities that are national assets and provide the advanced facilities and infrastructure to support mission critical efforts of federal agencies such as the Department of Defense, the intelligence community, USAID, as well as industry and nongovernmental organizations.

Space Utilization

This project will provide nearly 5,000 ASF of secure research and office space on the West Lafayette campus. Departments currently located in the proposed renovation area will relocate to other areas on campus to allow for this project. The vacated space is currently classified as research, office and shop space. The renovation will result in a net addition of over 3,600 SF of research space and net reduction of nearly 3,600 SF in office space on the campus.

Comparable Projects

Biochemistry Building Annex Third Floor Renovation (2015)

- o 5,686 GSF
- o \$4,000,000
- o Cost/GSF: \$703
- o Renovated existing lab and office space on the third floor
- o While slightly smaller in size, both the Biochemistry project and the secure facility project deal with the creation of specialized research lab space and supporting office space

Bechtel Innovation Design Center (2015)

- o 28,800 GSF
- o \$18,500,000
- o Cost/GSF: \$642
- o Constructed a new student project facility for hands-on, collaborative learning
- o Both projects involved the creation of specialized spaces on campus – the BIDC focused on allowing for create-design-build-display activities for student projects and the secure facility project creates space for specialized research activities

Background Materials

**CAPITAL PROJECT REQUEST FORM
INDIANA PUBLIC POSTSECONDARY EDUCATION
INSTITUTION CAMPUS SPACE DETAILS FOR PURDUE SECURE RESEARCH FACILITY**

(INSERT PROJECT TITLE AND SBA No.)	Current Campus Totals			Subtotal Current and Future Space	Capital Request		Net Future Space
	Current Space in Use	Space Under Construction (1)	Space Planned and Funded (1)		Space to be Terminated (1)	New Space in Capital Request (2)	
A. OVERALL SPACE IN ASF							
Classroom (110 & 115)	334,724	-	-	334,724			334,724
Class Lab (210,215,220,225,230,235)	745,787	82,254	11,900	839,941			839,941
Non-class Lab (250 & 255)	1,639,353	(17,963)	42,679	1,664,069		3,637	1,667,706
Office Facilities (300)	2,405,399	29,971	32,181	2,467,551	3,580		2,463,971
Study Facilities (400)	355,087	7,003	-	362,090			362,090
Special Use Facilities (500)	1,209,313	-	-	1,209,313			1,209,313
General Use Facilities (600)	978,743	2,808	12,685	994,236			994,236
Support Facilities (700)	2,884,793	121	(57)	2,884,857	57		2,884,800
Health Care Facilities (800)	113,929	89,901	-	203,830			203,830
Resident Facilities (900)	2,693,201	-	-	2,693,201			2,693,201
Unclassified (000)	27,567	-	-	27,567			27,567
B. OTHER FACILITIES (Please list major categories)				-			-
TOTAL SPACE	13,387,896	194,095	99,388	13,681,379	3,637	3,637	13,681,379

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

Space under construction includes:

- Vet Med Teaching Hospital
- Gateway Complex
- PMU Renovations
- Purdue Bands & Orchestra Building

Space planned and funded includes:

- Data Science Building
- Child Care Center Building

CAPITAL PROJECT COST DETAILS

Purdue Secure Research Facility

Institution:	Purdue University	Budget Agency Project No.:	B-1-21-2-08
Campus:	West Lafayette	Institutional Priority:	N/A

ANTICIPATED CONSTRUCTION SCHEDULE

	<u>Month</u>	<u>Year</u>
Bid Date (GMP delivery)	July	2021
Start Construction	August	2021
Occupancy (End Date)	January	2022

ESTIMATED CONSTRUCTION COST FOR PROJECT

	Cost Basis (1)	Estimated Escalation Factors (2)	Project Cost
<u>Planning Costs</u>			
a. Engineering	\$ 183,700		\$ 183,700
b. Architectural	\$ 150,000		\$ 150,000
c. Consulting	\$ -		\$ -
<u>Construction</u>			
a. Structure	\$ 1,200,000		\$ 1,200,000
b. Mechanical (HVAC, plumbing, etc.)	\$ 1,000,000		\$ 1,000,000
c. Electrical	\$ 2,000,000		\$ 2,000,000
<u>Movable Equipment</u>	\$ 100,000		\$ 100,000
<u>Fixed Equipment</u>	\$ -		\$ -
<u>Site Development/Land Acquisition</u>	\$ -		\$ -
<u>Other (Please list)</u>	\$ 866,300		\$ 866,300
TOTAL ESTIMATED PROJECT COST	\$ 5,500,000	\$ -	\$ 5,500,000

CAPITAL PROJECT OPERATING COST DETAILS

Purdue Secure Research Facility

Institution:	Purdue University	Budget Agency Project No.:	B-1-21-2-08
Campus:	West Lafayette	Institutional Priority:	N/A

	<u>GSF OF AREA AFFECTED BY PROJECT</u>			7,113
<u>ANNUAL OPERATING COST/SAVINGS (1)</u>	Cost per GSF	Total Operating Cost	Personal Services	Supplies and Expenses
1. Operations		\$ -		
2. Maintenance	N/A	\$ -		
3. Fuel	N/A	\$ -		
4. Utilities	N/A	\$ -		
5. Other	N/A	\$ -		
TOTAL ESTIMATED OPERATIONAL COST/SAVINGS		\$ -	\$ -	\$ -

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