

ADMINISTRATIVE OPERATIONS

TO: Members of the Board of Trustees
FR: Michael B. Cline, Vice President for Administrative Operations
DATE: January 29, 2018
RE: Approval of Actions Preparatory to Project Commencement: Housing

Attachments:

- Resolution

Project Description:

- This project would construct one or more new residence halls to address the increased demand for on-campus living.
- The facilities would include a combined total of approximately 1000 beds and would be located centrally on the West Lafayette campus.
- Project delivery method: TBD
- Construction start: TBD
- Construction completion: TBD

Project Benefits:

- The construction of new residence halls would help address an existing wait list and projected increased demand for on-campus housing.
- Increasing the available on-campus housing would support the Purdue Moves goal of “Living and Learning,” which highlights the link between on-campus living and student achievement.

Project Cost and Funding:

- Estimated Project Cost: TBD
- Sources of Funds: TBD

c: Chairman Mike Berghoff
President Mitch Daniels
Treasurer Bill Sullivan
Provost Jay Akridge
Assistant Treasurer Jim Almond
Corporate Secretary Janice Indrutz
Legal Counsel Steve Schultz

**RESOLUTION OF THE BOARD OF TRUSTEES
OF THE TRUSTEES OF PURDUE UNIVERSITY**

- 1. GRANTING APPROVAL TO COMMENCE PLANNING SERVICES FOR ONE OR MORE STUDENT HOUSING FACILITIES ON THE WEST LAFAYETTE CAMPUS**

 - 2. APPROVING CERTAIN ACTIONS PREPARATORY TO THE COMMENCEMENT OF THE PROJECT**
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WHEREAS, over the past few years, Purdue University (the “University”) has been engaged in a series of initiatives known as “Purdue Moves,” one of which focuses on making the University a leader in transformative higher education; and

WHEREAS, one of the key goals of the transformative education initiative is increasing student success and value by adding housing capacity to ensure there are on-campus living opportunities for undergraduate students at Purdue’s West Lafayette campus; and

WHEREAS, the Board of Trustees (the “Board”) of the Trustees of Purdue University (the “Corporation”) has identified an immediate need for additional housing capacity that would accommodate approximately 1000 beds within one or more student housing facilities located in the heart of what the campus master plan refers to as the “student success corridor” (referred to herein individually and collectively as the “Project”); and

WHEREAS, consistent with its student success and affordability objectives, the University hopes to bring the Project on-line as rapidly as possible, with an aspirational target of commencing operations by the Fall of 2020; and

WHEREAS, toward this end, an inter-disciplinary University team (“University Team”) is evaluating the advantages of various sites for the Project as well as possible alternative project delivery and project financing models with a view toward achieving cost savings, efficiencies and an accelerated construction schedule through an emphasis on innovation, a strong competitive dynamic in the procurement process, and potential risk transfer to the private sector; and

WHEREAS, the Board, being mindful of the need for the Project and an accelerated timetable for its completion, now desires to declare that a necessity for the Project exists and to authorize certain planning and preliminary procurement steps related to it—all of which are preparatory to the actual commencement of the Project.

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. The Board hereby finds that a necessity exists for the planning of the Project on one or more sites at the Purdue University West Lafayette campus, to be more specifically identified following the completion of the above-referenced evaluation process.

2. The Board hereby finds, pursuant to IC 21-35-7-5, that the development of the Project is necessary to adequately address the need for students to have the opportunity to live on-campus, thereby enhancing the potential for student academic success.

3. The Board hereby further finds, pursuant to IC 21-35-7-5, that given the identified need for additional housing capacity on campus, the services represented thereby are not now being adequately furnished by others in the immediate area of campus.

4. The Board authorizes and empowers the Treasurer of the Corporation to select, retain and contract with such architectural/engineering firms, financial consultants and related professionals as he, after consultation with the University Team, considers appropriate for the purpose of providing planning services for the Project, in each case in such amount and on such terms as he, in his sole discretion, shall deem to be in the best interests of the Corporation and the University.

5. The Board further authorizes and empowers the Treasurer of the Corporation to design and implement, in consultation with the University Team, such preliminary and planning steps related to the Project as he deems necessary and appropriate to advance it in preparation for procurement, such steps to include, but not necessarily be limited to: (i) the conduct of a “market sounding” exercise to solicit the input of student housing market participants as to the optimal location(s) for the Project and possible procurement and financing methods that may best meet the Corporation and University’s goals related to timely completion and student affordability, and (ii) the completion of a financial analysis to evaluate the benefits and risks of using an alternative delivery model compared to a more traditional construction and financing method.

6. Should the University Team identify the Construction Manager as Constructor procurement method set forth in IC 5-32-1 *et seq.* as the appropriate procurement mechanism for one or more of student housing facilities comprising the Project, the Board authorizes and empowers the Treasurer of the Corporation to: (i) select and enter into negotiations with a construction manager as constructor for the Project in accordance with the procedures outlined in the CMC Statute; (ii) enter into one or more agreements to provide for the reimbursement of costs to be incurred by the construction manager as constructor during the pre-construction period and to contain such other terms as the Treasurer, in his sole discretion, deems to be in the best interests of the Corporation and Purdue University; and (iii) subject to the ultimate approval of the Board, negotiate with the construction manager as constructor the terms of the CMC contract for the Project, including the guaranteed maximum price for the work to be performed under such contract.

7. Should the University Team identify the procurement and financing provisions set forth in IC 21-35-7 *et seq.* as the appropriate procurement mechanism for one or more of the student housing facilities comprising the Project, the Board authorizes and empowers the Treasurer of the Corporation: (i) subject to the ultimate approval of the Board and required State approvals, as set forth in IC 21-35-8 through 11, to select and enter into negotiations with a developer, via a procurement process approved by the Treasurer in consultation with the University Team, for a construction, management and financing agreement for the Project on such terms and conditions as the Treasurer deems most advantageous to the Corporation and the University based on then existing and anticipated conditions; and (ii) to present to the Board for its review and approval,

pursuant to IC 21-35-6, the plans and specifications for the Project as well as plans for the development and management of the Project.

8. The Treasurer of the Corporation be, and hereby is, further authorized and empowered to delegate to one or more officers and representatives of the Corporation such tasks and responsibilities with respect to the actions described in this Resolution as he, in his sole discretion, shall deem to be in the best interests of the Corporation and the University and consistent with the exercise of the authority granted above.

9. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer, Legal Counsel, Assistant Legal Counsel, Secretary and Assistant Secretary of the Corporation, and the Chief Financial Officer, Treasurer and the Senior Vice President and Assistant Treasurer of the University, and each of said officers respectively, are hereby authorized and empowered for, on behalf and in the name of the Corporation, or of the University, to take all necessary and proper actions to carry out the purpose and intent of this Resolution, whether herein specifically authorized or not, except such actions as are specifically required by law to be taken by the Board of Trustees as the governing board of The Trustees of Purdue University.

10. All acts of said officer in conformity with the intent and purposes of this Resolution, whether taken before or after this date, are ratified, confirmed, approved and adopted as acts of the Corporation.