



Office of the Chief Financial Officer and Treasurer

February 15, 2024

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

Dear Governor Holcomb:

At its meeting on January 19, 2024, the Purdue University Board of Trustees approved the planning, financing, construction and award of construction contracts for the Graduate House Parking Garage Demolition and Site Restoration project on the West Lafayette campus.

This project will demolish the existing Graduate House Parking Garage, adjacent to the planned Mitchell E. Daniels, Jr. School of Business building. The site will be restored at ground level following demolition, and a courtyard will be installed with dock access to surrounding buildings. Existing pedestrian sub-walks between the parking garage and nearby facilities will be kept or rebuilt as necessary, and affected utilities will be relocated. Due to design and construction efficiencies, this project and the new Daniels School of Business building will be combined and delivered as a joint effort, represented by the same design and construction manager companies.

The parking garage is at the end of its useful life and would require costly and ongoing repairs to remain safe and functional. The courtyard is consistent with the 2018 Giant Leaps campus master plan and will provide new, open green space in the area.

The estimated total project cost is \$8,000,000 and will be funded by \$5,000,000 in Gift Funds and \$3,000,000 in Auxiliary Funds – Parking.

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 read 'CR', written over a horizontal line.

Christopher A. Ruhl
Chief Financial Officer and Treasurer

Attachments

- c: Seth Hinshaw, Chief Financial Officer, Indiana Commission for Higher Education
Zachary Jackson, Director, Indiana State Budget Agency
Cody Wilson, Division Director, Indiana State Budget Agency
Kathleen Thomason, Comptroller, Purdue University
Anne Hazlett, Senior Director, Government Relations, Purdue University

PROJECT COST SUMMARY
Graduate House Parking Garage Demolition and Site Restoration

Institution:	<u>Purdue University</u>	Budget Agency Project No.:	<u>B-1-24-6-17</u>
Campus:	<u>West Lafayette</u>	Institutional Priority:	<u>N/A</u>
Previously approved by General Assembly:	<u>No</u>	Previously recommended by CHE:	<u>No</u>
Part of the Institution's Long-term Capital Plan:	<u>Yes</u>		

Project Size:	<u>55,000</u>	<u>51,079</u> ASF (2)	<u>0.93</u> ASF/GSF
Net change in overall campus space:	<u>55,000</u> GSF	<u>51,079</u> ASF	

Total cost of the project (3):	<u>\$ 8,000,000</u>	Cost per ASF/GSF:	<u>\$ 145.45</u> GSF
Total cost of the demolition:	<u>\$ 3,000,000</u>		<u>\$ 156.62</u> ASF
Funding Source(s) for project (4):	Amount	Type	
	<u>\$ 5,000,000</u>	<u>Gift Funds</u>	
	<u>\$ 3,000,000</u>	<u>Auxiliary Funds - Parking</u>	
Estimated annual debt payment (6):	<u>\$0</u>		
Are all funds for the project secured:	<u>Yes</u>		

Project Funding:
The project is being funded by Gift Funds and Auxiliary Funds - Parking, and all funds are secured.

Project Cost Justification
Since the project is for the demolition of a structure and site improvements, cost/GSF is not an ideal measurement. 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:	<u>\$ (154,402)</u>
Estimated annual repair and rehabilitation investment (5):	<u>\$ 50,000</u>

(1) Gross Square Feet (GSF)- Sum of all area within the exterior envelope of the structure.
(2) Assignable Square Feet (ASF)- Amount of space that can be used by people or programs within the interior walls of a structure. Assignable square feet is the sum of the 10 major assignable space use categories: classrooms, laboratories, offices, study facilities, special use facilities, general use facilities, support facilities, health care facilities, residential facilities and unclassified facilities. For information on assignable space use categories, see Space-Room Codes tab.
(3) Projects should include all costs associated with the project (structure, A&E, infrastructure, consulting, FF&E, etc.)
(4) Be consistent in the naming of funds to be used for projects. If bonding, note Bonding Authority Year (1965, 1929, 1927, etc.)
(5) 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
(6) If issuing debt, determine annual payment based on 20 years at 4.75% 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
Graduate House Parking Garage Demolition and Site Restoration

Institution: Purdue University
Campus: West Lafayette

Budget Agency Project No.: B-1-24-6-17
Institutional Priority: N/A

Description of Project

This project will demolish the existing two-story (one on-grade and the other below grade) Graduate House Parking Garage with 276 parking spaces located at the corner of Sheetz Street and Wood Street on the West Lafayette campus. Following demolition of the parking garage, the site will be restored to grade with a new courtyard installed as part of this project. The courtyard will provide dock access to Hawkins Hall, the Krannert Building and Young Hall. Existing pedestrian sub-walks connecting the parking garage to surrounding buildings will be kept or rebuilt as necessary, and utilities will be relocated as part of this project.

Need and Purpose of the Program

The parking garage is at the end of its useful life, and the courtyard that will be installed in its place is consistent with the 2018 Giant Leaps campus master plan.

The garage is more than 60 years old and has surpassed the 30-40 year life expectancy for this type and age of structure. Modern parking garages have an approximate 50 year life span. It would require costly and ongoing repairs to remain safe and functional.

This project will be combined with the new Daniels School of Business Building with one design team and one construction manager assigned to the duo based on proximity to each other, interconnectedness of the design process and construction efficiencies of demolishing the garage ahead of the new nearby building construction for utility tie-ins.

Space Utilization

The ASF of the garage will be removed from the campus space inventory, and the new green space will not add to campus ASF.

Comparable Projects

Marsteller Street Parking Garage Demolition and Parking Lot Installation (2015)

- o \$2,200,000
- o Five-level precast concrete parking structure built in 1976
- o Demolished garage was replaced by an asphalt parking lot, lighting and landscaping
- o Contributing factors of PGGH's higher costs include inflation, demolition of a sub-grade level, restoration of pedestrian tunnels and relocation/restoration of utilities.

Background Materials

CAPITAL PROJECT REQUEST FORM
INDIANA PUBLIC POSTSECONDARY EDUCATION
INSTITUTION CAMPUS SPACE DETAILS FOR Graduate House Parking Garage Demolition and Site Restoration

(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)	335,609	(2,758)	53,413	386,264	-	-	386,264
Class Lab (210,215,220,225,230,235)	771,426	(13,338)	31,933	790,021	-	-	790,021
Non-class Lab (250 & 255)	1,727,892	21,700	3,879	1,753,471	-	-	1,753,471
Office Facilities (300)	2,328,446	(50,874)	44,793	2,322,365	-	-	2,322,365
Study Facilities (400)	462,834	57,092	27,160	547,086	-	-	547,086
Special Use Facilities (500)	1,206,771	12,103	(2,789)	1,216,085	-	-	1,216,085
General Use Facilities (600)	972,034	(25,884)	25,683	971,833	-	-	971,833
Support Facilities (700)	2,843,307	(1,344)	(8,447)	2,833,516	(51,079)	-	2,782,437
Health Care Facilities (800)	218,188	-	(1,900)	216,288	-	-	216,288
Resident Facilities (900)	2,419,333	-	111,146	2,530,479	-	-	2,530,479
Unclassified (000)	129,942	-	-	129,942	-	-	129,942
B. OTHER FACILITIES (Please list major categories)							
TOTAL SPACE	13,415,782	(3,303)	284,871	13,697,350	(51,079)	-	13,646,271

Notes:

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

(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:

- Schleman/Stewart Renovation
- Whistler Mechanical Project
- Ross-Ade Stadium Renovation
- Zucrow High Speed Propulsion Lab
- Brown Family Hall Renovation
- Libraries Study Space Renovation
- University Hall and Related Renovations
- Life Sciences Phenotyping Greenhouse Building
- PMU 2nd Floor Hospitality Renovation
- Mechanical Engineering Building Renovation

Space planned and funded includes:

- Nursing and Pharmacy Education Building
- Northwest Chiller Plant System Improvements
- Vawter Hall Electrical Enhancements and Replacement
- Birk Nanotechnology Center Clean Room Modernization and Related Renovations
- Chilled Water Capacity Enhancement Projects
- Runway 5-23 and Intermediate Connector Taxiway
- Purdue Airport Terminal
- Grant Street Parking Garage Repairs
- Hillenbrand Residence Hall South
- Shealy Hall Roof Replacement
- Shreve Hall Electrical Enhancements and Replacement
- University and Schleman Halls Strategic Transformer Replacement
- Wetherill Lab Drain and Supply Line Replacement Phase I
- Wesley Foundation Property Purchase & Sale
- Chi Omega Sorority Property Purchase & Ground Lease
- Burke Boilermaker Aquatic Center Mechanical Project
- Mitchell E. Daniels, Jr. School of Business Building

(1) Spaces to be terminated include general use (recreation) space that will be repurposed as utility space.

(2) There is no assignable space added as part of this project.

CAPITAL PROJECT COST DETAILS
Graduate House Parking Garage Demolition and Site Restoration

Institution:	Purdue University	Budget Agency Project No.:	B-1-24-6-17
Campus:	West Lafayette	Institutional Priority:	N/A

ANTICIPATED CONSTRUCTION SCHEDULE

	<u>Month</u>	<u>Year</u>
Bid Date	May	2024
Start Construction	July	2024
Occupancy (End Date)	August	2027

ESTIMATED CONSTRUCTION COST FOR PROJECT

	Cost Basis (1)	Estimated Escalation Factors (2)	Project Cost
<u>Planning Costs</u>			
a. Engineering	\$ 290,000		N/A
b. Architectural	\$ 349,000		N/A
c. Consulting	\$ 50,000		N/A
<u>Construction</u>			
a. Structure (Civil)	\$ 4,775,000		N/A
b. Mechanical	\$ 1,020,000		N/A
c. Electrical	\$ 1,020,000		N/A
<u>Movable Equipment</u>	\$ -		N/A
<u>Fixed Equipment</u>	\$ 20,000		N/A
<u>Site Development/Land Acquisition</u>	\$ -		N/A
<u>Other (PM fee, material testing)</u>	\$ 476,000		N/A
TOTAL ESTIMATED PROJECT COST	\$ 8,000,000	\$ -	N/A

(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
Graduate House Parking Garage Demolition and Site Restoration

Institution:	<u>Purdue University</u>	Budget Agency Project No.:	<u>B-1-24-6-17</u>
Campus:	<u>West Lafayette</u>	Institutional Priority:	<u>N/A</u>

		<u>GSF OF AREA AFFECTED BY PROJECT</u>		<u>55,000</u>	
ANNUAL OPERATING COST/SAVINGS (1)					
	Cost per GSF	Total Operating Cost	Personal Services	Supplies and Expenses	
1. Operations	\$ (2.21)	\$ (121,515)	\$ (121,515)	\$ -	
2. Maintenance	\$ (0.21)	\$ (11,555)	\$ (9,810)	\$ (1,745)	
3. Fuel	\$ -	\$ -	\$ -	\$ -	
4. Utilities	\$ (0.39)	\$ (21,332)	\$ -	\$ (21,332)	
5. Other	\$ -	\$ -	\$ -	\$ -	
TOTAL ESTIMATED OPERATIONAL COST/SAVINGS	\$ (2.81)	\$ (154,402)	\$ (131,325)	\$ (23,077)	

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

There are no unusual factors for the savings from this project. By demolishing the parking garage, the current operating expenses of the garage are expected to be eliminated.

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