



Office of the Chief Financial Officer and Treasurer

August 17, 2023

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

Dear Governor Holcomb:

At its meeting on August 4, 2023, the Purdue University Board of Trustees approved the planning, financing, construction and award of construction contracts for the Southeast Purdue Agricultural Center Building located in Jennings County, Indiana.

This project will construct a new, approximately 7,200 GSF building that consists primarily of a farm equipment maintenance shop, office space and a conference room. It will house advanced equipment for agricultural research.

The new facility will provide the modern space needed to support current and future research collaboration among several campus-based departments, Purdue Extension and outside entities. The existing building where these functions are performed is outdated and would be costly to repair and maintain.

The estimated total project cost is \$3,600,000 with \$2,562,000 from Gift Funds and \$1,038,000 from 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,

A handwritten signature in black ink, appearing to read 'C. Ruhl'.

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  
Jasmine Williams, Assistant Director, Indiana State Budget  
Kathleen Thomason, Comptroller, Purdue University  
Anne Hazlett, Senior Director, Government Relations, Purdue University

**PROJECT COST SUMMARY**  
**Southeast Purdue Agricultural Center Building**

<b>Institution:</b>	Purdue University	<b>Budget Agency Project No.:</b>	B-1-24-1-09
<b>Campus:</b>	West Lafayette	<b>Institutional Priority:</b>	N/A
<b>Previously approved by General Assembly:</b>	No	<b>Previously recommended by CHE:</b>	No
<b>Part of the Institution's Long-term Capital Plan:</b>	Yes		

<b>Project Size:</b>	7,200 GSF (1)	6,230 ASF (2)	0.87 ASF/GSF
<b>Net change in overall campus space:</b>	7,200 GSF	6,230 ASF	

<b>Total cost of the project (3):</b>	\$ 3,600,000	<b>Cost per ASF/GSF:</b>	\$ 500.00 GSF
<b>Total cost of the demolition:</b>	\$ -		\$ 577.85 ASF
<b>Funding Source(s) for project (4):</b>	Amount	Type	
	\$ 2,562,000	Gift Funds	
	\$ 1,038,000	Operating Funds	
<b>Estimated annual debt payment (6):</b>	\$0		
<b>Are all funds for the project secured:</b>	Yes		

**Project Funding:**  
The project is being funded primarily by Gift Funds with the remaining portion from Operating Funds. All funds are secured.

**Project Cost Justification**  
This project's scope and cost are described more in the Capital Project Details section.

<b>Estimated annual change in cost of building operations based on the project:</b>	\$ 62,928
<b>Estimated annual repair and rehabilitation investment (5):</b>	\$ 54,000

(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

## Southeast Purdue Agricultural Center Building

<b>Institution:</b>	Purdue University	<b>Budget Agency Project No.:</b>	B-1-24-1-09
<b>Campus:</b>	West Lafayette	<b>Institutional Priority:</b>	N/A

### Description of Project

This project will construct a new approximately 7,200 GSF building consisting primarily of a farm equipment maintenance shop, office space and a conference room. It will provide the necessary shop and office space to enable current and future agricultural research collaboration among several campus-based departments and Purdue Extension. The new facility will house the functions that currently take place in an existing, aging structure that does not meet current agricultural research needs and would be costly to repair and maintain.

### Need and Purpose of the Program

The facility will serve as the new headquarters for the Southeast Purdue Agricultural Center and replace out of date space for agricultural research initiatives. The existing building is not equipped to meet current research needs and would require significant repairs and maintenance. The new facility will house advanced equipment and enable field experimentation, including but not limited to, soil drainage, water quality, the effects of treatments and fertilizers on corn and soybeans, and invasive plant control. Collaboration between multiple Purdue departments such as agronomy, botany and plant pathology, entomology, forestry and natural resources will be possible, in addition to joint research with other universities and the National Soybean Research Center and Indiana Department of Natural Resources.

### Space Utilization

This project will add 6,230 ASF of support facilities (shop) and office space to the campus portfolio.

### Comparable Projects

Wildlife Ecology Research Facility (Wildlife Animal Care Building) (2020)

- o 4,750 GSF
- o  \$2,700,000
- o  \$568/GSF

The Wildlife Ecology Research Facility constructed a new facility west of the West Lafayette campus with laboratory space and animal care rooms for teaching and research.

The proposed project includes approximately 50% more GSF than the comparable at a slightly higher cost. The Wildlife Ecology Research Facility included animal holding and lab space that the Purdue Southeast Agricultural Center Building does not, which contributed to the higher cost per GSF, regardless of inflation factors. Both facilities are pre-engineered metal building (PEMB) steel structures.

### Background Materials

**CAPITAL PROJECT REQUEST FORM**  
**INDIANA PUBLIC POSTSECONDARY EDUCATION**  
**INSTITUTION CAMPUS SPACE DETAILS FOR Southeast Purdue Agricultural Center Building**

(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)	
<b>A. OVERALL SPACE IN ASE</b>							
Classroom (110 & 115)				-	-	-	-
Class Lab (210,215,220,225,230,235)				-	-	-	-
Non-class Lab (250 & 255)				-	-	-	-
Office Facilities (300)				-	-	920	920
Study Facilities (400)				-	-	-	-
Special Use Facilities (500)				-	-	-	-
General Use Facilities (600)				-	-	-	-
Support Facilities (700)				-	-	5,310	5,310
Health Care Facilities (800)				-	-	-	-
Resident Facilities (900)				-	-	-	-
Unclassified (000)				-	-	-	-
<b>B. OTHER FACILITIES</b> (Please list major categories)							
<b>TOTAL SPACE</b>	-	-	-	-	-	6,230	6,230

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:

n/a

Space planned and funded includes:

n/a

Space to be terminated includes:

n/a

(2) Space added as part of this project includes support (shop) and office facilities. This building is not located on the West Lafayette campus.

**CAPITAL PROJECT COST DETAILS**  
**Southeast Purdue Agricultural Center Building**

<b>Institution:</b>	Purdue University	<b>Budget Agency Project No.:</b>	B-1-24-1-09
<b>Campus:</b>	West Lafayette	<b>Institutional Priority:</b>	N/A

**ANTICIPATED CONSTRUCTION SCHEDULE**

	<u>Month</u>	<u>Year</u>
<b>Bid Date</b>	January	2024
<b>Start Construction</b>	April	2024
<b>Occupancy (End Date)</b>	May	2025

**ESTIMATED CONSTRUCTION COST FOR PROJECT**

	<u>Cost Basis (1)</u>	<u>Estimated Escalation Factors (2)</u>	<u>Project Cost</u>
<b><u>Planning Costs</u></b>			
a. Engineering	\$ 100,000		N/A
b. Architectural	\$ 180,000		N/A
c. Consulting	\$ -		N/A
<b><u>Construction</u></b>			
a. Structure (Civil)	\$ 2,200,000		N/A
b. Mechanical	\$ 300,000		N/A
c. Electrical	\$ 300,000		N/A
<b><u>Movable Equipment</u></b>	\$ -		N/A
<b><u>Fixed Equipment</u></b>	\$ 100,000		N/A
<b><u>Site Development/Land Acquisition</u></b>	\$ -		N/A
<b><u>Other (PM fee, contingencies)</u></b>	\$ 420,000		N/A
<b>TOTAL ESTIMATED PROJECT COST</b>	<b>\$ 3,600,000</b>	<b>\$ -</b>	<b>N/A</b>

(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**  
Southeast Purdue Agricultural Center Building

<b>Institution:</b>	Purdue University	<b>Budget Agency Project No.:</b>	B-1-24-1-09
<b>Campus:</b>	West Lafayette	<b>Institutional Priority:</b>	N/A

					<u>GSF OF AREA AFFECTED BY PROJECT</u>		7,200
<u>ANNUAL OPERATING COST/SAVINGS (1)</u>							
	Cost per GSF	Total Operating Cost	Personal Services	Supplies and Expenses			
1. Operations	\$ 2.19	\$ 15,768	\$ 15,768	\$ -			
2. Maintenance	\$ 5.92	\$ 42,624	\$ -	\$ 42,624			
3. Fuel	\$ -	\$ -	\$ -	\$ -			
4. Utilities	\$ 0.63	\$ 4,536	\$ -	\$ 4,536			
5. Other	\$ -	\$ -	\$ -	\$ -			
<b>TOTAL ESTIMATED OPERATIONAL COST/SAVINGS</b>	<b>\$ 8.74</b>	<b>\$ 62,928</b>	<b>\$ 15,768</b>	<b>\$ 47,160</b>			

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

N/A

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