



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 University and Schleman Halls Strategic Transformer Replacement on the West Lafayette campus.

This project will replace the shared electrical distribution system's transformer and equipment and install two new transformers to support each building individually.

The planned work will provide increased service reliability, operational flexibility and safety by modernizing and separating the electrical distribution system.

The estimated total project cost is \$3,200,000 and will be fully funded by 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', with a long, sweeping flourish extending to the right.

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
University and Schleman Halls Strategic Transformer Replacement

Institution:	Purdue University	Budget Agency Project No.:	B-1-24-2-06
Campus:	West Lafayette	Institutional Priority:	N/A
Previously approved by General Assembly:	No	Previously recommended by CHE:	No
Part of the Institution's Long-term Capital Plan:	Yes		

Project Size:	N/A	N/A	ASF (2)	N/A	ASF/GSF
Net change in overall campus space:	N/A	GSF	N/A	ASF	

Total cost of the project (3):	\$ 3,200,000	Cost per ASF/GSF:	N/A	GSF
Total cost of the demolition:	\$ -		N/A	ASF
Funding Source(s) for project (4):	Amount	Type		
	\$ 3,200,000	Operating Funds		
Estimated annual debt payment (6):	\$0			
Are all funds for the project secured:	Yes			

Project Funding:
The project is being fully funded by Operating Funds, and all funds are secured.

Project Cost Justification
Since the project is utilities based, there is not a ASF or GSF associated with the work. 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:	\$ -
Estimated annual repair and rehabilitation investment (5):	\$ 48,000

(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

University and Schleman Halls Strategic Transformer Replacement

Institution:	Purdue University	Budget Agency Project No.:	B-1-24-2-06
Campus:	West Lafayette	Institutional Priority:	N/A

Description of Project

This project will replace and enhance the electrical distribution system that serves University and Schleman Halls on the West Lafayette campus. The existing shared transformer and related equipment will be replaced, and two new, individual transformers, supporting equipment and wiring from the transformers to the buildings will be installed. The existing electrical distribution equipment is past its expected service life and is not meeting the buildings' needs.

Work will be performed while University Hall is under renovations for a separate project, minimizing customer impacts. Since both facilities provide classroom and administrative support, work will be completed during nights and weekends to further minimize impactful shutdowns.

Need and Purpose of the Program

The existing transformer is more than 60 years old and has exceeded its service life. This project will provide increased service reliability, operational flexibility and safety by modernizing and separating the electrical distribution system. Currently both buildings that run off the shared transformer are required to be shut down for planned and unplanned outages. Following completion of this project, only the affected building will lose power, and the other will remain operational while work is performed. This is especially beneficial since both facilities are academic in nature.

This project is included in Purdue's FY24 Repair and Rehabilitation budget.

Space Utilization

This project does not have a net impact on total assignable campus space.

Comparable Projects

Owen Hall Transformer Replacement (2017)

- \$825,000
- This project replaced the gear inside of the existing vault and included some masonry rework.

The comparable project was purely an equipment change within an existing structure. For the proposed project, excavation and enlargement and waterproofing of the concrete vault are required, contributing to the higher costs.

Background Materials

CAPITAL PROJECT REQUEST FORM
INDIANA PUBLIC POSTSECONDARY EDUCATION
INSTITUTION CAMPUS SPACE DETAILS FOR University and Schleman Halls Strategic Transformer Replacement

(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	(2,532)	18,301	351,378	-	-	351,378
Class Lab (210,215,220,225,230,235)	798,413	(16,463)	24,260	806,210	-	-	806,210
Non-class Lab (250 & 255)	1,705,678	25,281	(662)	1,730,297	-	-	1,730,297
Office Facilities (300)	2,337,380	(46,473)	26,472	2,317,379	-	-	2,317,379
Study Facilities (400)	416,131	55,895	13,307	485,333	-	-	485,333
Special Use Facilities (500)	1,207,887	8,486	1,124	1,217,497	-	-	1,217,497
General Use Facilities (600)	977,156	(27,128)	16,832	966,860	-	-	966,860
Support Facilities (700)	2,881,468	(876)	(8,559)	2,872,033	-	-	2,872,033
Health Care Facilities (800)	220,687	-	(1,900)	218,787	-	-	218,787
Resident Facilities (900)	2,424,325	-	111,146	2,535,471	-	-	2,535,471
Unclassified (000)	129,184	-	-	129,184	-	-	129,184
B. OTHER FACILITIES							
(Please list major categories)							
TOTAL SPACE	13,433,918	(3,810)	200,321	13,630,429	-	-	13,630,429

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
- Mackey Locker Rooms Renovation
- Brown Family Hall Renovation
- Libraries Study Space Renovation
- University Hall and Related Renovations

Space planned and funded includes:

- Life Sciences Phenotyping Greenhouse Building
- Nursing and Pharmacy Education Building
- Northwest Chiller Plant System Improvements
- Vawter Hall Electrical Enhancements and Replacement
- PMU 2nd Floor Hospitality Renovation
- Mechanical Engineering Building Renovation
- Birck 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
- Wetherill Lab Drain and Supply Line Replacement Phase I

(1) There is no assignable space terminated as part of this project.

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

CAPITAL PROJECT COST DETAILS
University and Schleman Halls Strategic Transformer Replacement

Institution:	Purdue University	Budget Agency Project No.:	B-1-24-2-06
Campus:	West Lafayette	Institutional Priority:	N/A

ANTICIPATED CONSTRUCTION SCHEDULE

	<u>Month</u>	<u>Year</u>
Bid Date	March	2024
Start Construction	March	2025
Occupancy (End Date)	July	2025

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	\$ 300,000		N/A
b. Architectural	\$ -		N/A
c. Consulting	\$ -		N/A
<u>Construction</u>			
a. Structure (Civil)	\$ -		N/A
b. Mechanical	\$ -		N/A
c. Electrical	\$ 2,070,000		N/A
<u>Movable Equipment</u>	\$ -		N/A
<u>Fixed Equipment</u>	\$ 350,000		N/A
<u>Site Development/Land Acquisition</u>	\$ -		N/A
<u>Other (PM fee, contingencies)</u>	\$ 480,000		N/A
TOTAL ESTIMATED PROJECT COST	\$ 3,200,000	\$ -	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
University and Schleman Halls Strategic Transformer Replacement

Institution:	Purdue University	Budget Agency Project No.:	B-1-24-2-06
Campus:	West Lafayette	Institutional Priority:	N/A

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

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

This project will have a negligible impact on operating and maintenance costs/savings.

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