

COMMISSION FOR HIGHER EDUCATION

Friday, May 14, 2010

DECISION ITEM B-4: Increase in Authority for Windsor Residence Halls Renovations at Purdue University – West Lafayette

Staff Recommendation

That the Commission for Higher Education recommend approval to the State Budget Agency and the State Budget Committee of the project *Windsor Residence Halls Renovations at Purdue University – West Lafayette*, as described in the project description and staff analysis April 30, 2010.

Background

By statute, the Commission for Higher Education must review all projects to construct buildings or facilities costing more than \$500,000, regardless of the source of funding. Each repair and rehabilitation project must be reviewed by the Commission for Higher Education and approved by the Governor, on recommendation of the Budget Agency, if the cost of the project exceeds seven hundred fifty thousand dollars (\$750,000) and if any part of the cost of the project is paid by state appropriated funds or by mandatory student fees assessed all students. Such review is required if no part of the project is paid by state appropriated funds or by mandatory student fees and the project cost exceeds one million dollars (\$1,000,000). A project that has been approved or authorized by the General Assembly is not subject to review by the Commission for Higher Education. However, the Commission for Higher Education shall review a project approved or authorized by the General Assembly if the review is requested by the Budget Agency or the Budget Committee. This project was not authorized by the General Assembly.

In January 2006, the Commission reviewed and recommended a project by Purdue University to renovate Windsor Residence Halls at an estimated cost of \$53,000,000. Purdue has been undertaking the renovation in phases. Phases I and II are complete and Phases III and IV are under construction. Based upon actual construction costs for the first four phases, Purdue now requests authority to increase total expenditures on the project to \$59,600,000.

Supporting Document

Windsor Residence Halls Renovations at Purdue University – West Lafayette, April 30, 2010.

WINDSOR RESIDENCE HALLS RENOVATION AT PURDUE UNIVERSITY – WEST LAFAYETTE

Project Description and Staff Analysis

SUMMARY

In January 2006, the Commission reviewed and recommended a project by Purdue University to renovate Windsor Residence Halls on the West Lafayette campus at an estimated cost of \$53,000,000. Purdue has been undertaking the renovation in phases. Phases I and II are complete and Phases III and IV are under construction. Based upon actual construction costs for the first four phases, Purdue now requests authority to increase total expenditures on the project to \$59,600,000.

DESCRIPTION OF THE PROJECT

To meet contemporary student expectations, this project will renovate the Windsor Residence Halls complex by upgrading all facets of the five separate buildings. Work will be completed in phases over a period of five years and encompasses upgrading all five buildings to meet current building codes and accessibility regulations. This work will include fire protection; upgrading, restoring or replacing architectural finishes; repairing historical architectural elements such as decorative plaster, woodwork and ceramic tile; replacing all five passenger elevators; replacing existing electrical and mechanical systems; upgrading community bathrooms and adding air conditioning.

Project Summary:		
Space in Project (approximate):		
Renovated Space	267,929 GSF	
Project Cost:		
Blended (New Const and Renov)	\$59,600,000	\$222 GSF
Sources of Funds:		
Student Facilities Revenue Bonds	\$59,600,000	

The project would be phased over five years under the following proposed schedule:

<u>Hall</u>	<u>start construction</u>	<u>occupancy</u>
Wood	May 2007	August 2008
Duhme	May 2008	August 2009
Shealy	May 2009	August 2010
Warren	May 2010	August 2011
Vawter	May 2011	August 2012

PLANNING CHANGES

Higher than estimated construction costs have lead to a need to request additional expenditure authority. The project is running roughly one year behind the originally planned construction schedule.

RELATIONSHIP TO MISSION AND LONG-RANGE PLANNING

The University Residences are an integral part of the University experience for most students. Over 80% of all first-year students and approximately one-third of all West Lafayette students choose to live in the University Residences although there is no requirement that they live on campus. This allows the University Residences to have a positive and significant impact on the Purdue experience for the vast majority of Purdue students. Additionally, the University Residences make significant financial contributions to the University business operation and support a wide range of academic programs through various programmatic collaborations. This renovation, as part of the overall facilities master plan for the University Residences, will maintain the attractiveness of the on-campus housing operation and allow the University Residences to continue to contribute to the overall mission of the University.

NEED AND EXPECTED CONTRIBUTION TO EDUCATIONAL SERVICES

Windsor was built in phases from 1934 to 1949. Because of its age and the accumulated wear and tear, it requires major renovation if it is to continue to function as a residence hall in the long term. The scope of the required renovation is too large, both in dollars and time, to undertake as a series of smaller renovation projects.

The demands of the marketplace have changed since Windsor Halls were built, and the students today have different expectations for on-campus housing. Windsor Halls not only need to be renewed, they need to be adapted to meet contemporary requirements, including accessibility requirements.

ALTERNATIVES CONSIDERED

N/A

RELATIONSHIP TO LONG-RANGE FACILITY PLANS

The facilities master plan for the University Residences is designed to maintain marketability and attractiveness to students by replacing or renovating older facilities and improving food service via a consolidation of dining operations.

HISTORICAL SIGNIFICANCE

The Windsor Halls complex is historically significant. The proposed renovations are limited to the interior spaces and will not change the exterior appearance of any of the Halls, except as necessary for accessibility.

STAFF ANALYSIS

1. This project is a part of a comprehensive residence halls plan by Purdue University.
2. Purdue has been undertaking the renovation in phases. Phases I and II are complete and Phases III and IV are under construction. The current construction schedule is roughly one year behind original estimates. Recognizing the delayed construction schedule and the fact that this is a large construction project undertaken over a period of several years it would not be considered unusual that the estimates made in 2005 may be incorrect. Based upon actual construction costs for the first four phases, Purdue requests authority to increase total expenditures on the project by \$6,600,000 or 11%.
3. Because of the age of the residence halls around the state, the project is one of many residence hall renovations that are underway at the mature campuses statewide. Residence hall renovations or replacements are underway at Ball State, Indiana State, Indiana University Bloomington and Purdue West Lafayette.
4. The project is funded through student revenue bonds and requires no state funds.