

CAPITAL BUDGET

Introduction

Capital expenditures are expenditures that create assets with a multi-year life (i.e., assets that will last for more than one budget period). Capital projects are budgeted separately from the operating budget since the source of funding for capital projects is generally different from the source of funding for operating expenditures. For selected projects, there is a link between the operating budget and the capital budget. For example, the State or WKU may choose to finance capital projects, which results in a debt service or lease/purchase payment obligation in the operating budget. WKU cannot initiate any capital construction project in an amount that exceeds \$1,000,000 without prior approval of the Kentucky General Assembly. An exception is made for projects whereby greater than 50 percent of the cost is funded by private gifts or federal funds. However, these projects must be submitted to an interim committee of the General Assembly and the Council on Postsecondary Education for approval.

The Capital Budget includes legislatively-authorized capital projects that will be under way next year or are currently under way including the source of funding, estimated cost, and the status of each respective project.

Most of the following projects reflect scopes equal to legislative authorization; projects started at an amount less than the authorized amount are displayed at the intended scope.

<u>Project Name</u>	<u>Estimated Cost</u>	<u>Status</u>
<i>2018-20 Authorized Projects (HB 200)</i>		
University and Other Funds		
Renovate or Replace Garrett Conference Center	38,500,000	Early Design
Capital Renewal Pool	10,000,000	
Upgrade Underground Infrastructure	2,500,000	
Upgrade IT infrastructure	6,000,000	
Private Funds		
Renovate/Expand Clinical Education Complex	8,000,000	
Renovate/Construct College Heights Foundation Bldg	3,000,000	Early Design

- Renovate or Replace Garrett Conference Center – This project will renovate or replace the building and it will be determined as to what is in the best interest of the University. This multi-phase, multi-year renovation or replacement project would address our state asset by upgrading/replacing the interior, exterior and infrastructure for this building.
- Capital Renewal Pool – This project is a multi-phased, multi-year pool listing including: exterior windows, boiler repairs, HVAC, roofing, pedestrian paving, roadways, life/safety/controls, and elevators. Other infrastructure and major maintenance as needed.

- Upgrade Underground Infrastructure - This project continues the multi-year, multi-phased replacement of the existing 5kv underground electrical distribution infrastructure; replacement of campus underground steam lines; and replacement of underground domestic water, sanitary sewer and storm lines.
- Upgrade IT Infrastructure - This project will replace core routers, moving one of the primary routers from Academic Complex building to Downing Student Union building and complete upgrades to the cable plant to enable redundant connections to all campus buildings. This project will also replace/increase the storage in the Wetherby Administration Building Disaster Recovery Data Center.
- Renovate/Expand Clinical Education Complex (CEC) – In an effort to support program growth, current space needs, and improve utilization, this project will expand and functionally renovate the CEC.
- Renovate/Construct College Heights Foundation Building – This project will renovate or build new space, add additional square footage as needed to accommodate programming needs, and bring building into current building code requirements. This project will include staff offices, support spaces, restrooms, board room, mechanical spaces, and circulation.

2014-16 Authorized Projects (HB 235)

Bond Funds

Renovate Science Campus Phase IV	8,000,000	
Phase I – Demolition of Thompson North		Complete
Phase II – Construct Science Building		Complete
Phase III – Minor Renovation Thompson Center		Construction
Phase IV – Renovate Hardin Planetarium		Complete

University/Private Funds

Replace Underground Infrastructure – Steam/Electric	1,000,000	Planning
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- Renovate Science Campus Phase IV – This project was approved and financed with state bonds. Thompson Complex North Wing was demolished in January 2015. Construction for the new Ogden Hall was completed in December 2017. Hardin Planetarium was renovated during the summer of 2016. Thompson Center Wing renovation began in January 2018 and is scheduled for completion December 2018.
- Replace Underground Infrastructure – Steam/Electric – During the summer of 2017, Grise Hall was added to the 12,470 volt campus distribution system. Planned for the summer of 2018 is the baseball field area which includes the field lighting, press box and other adjacent areas.

During the summer of 2017, three steam lines were replaced including 190’ at Academic Complex, 140’ section at Bemis-Lawrence Hall and a 100’ section at Zacharias Hall. During the summer of 2018, there are four sections planned; one

100' section from the Colonnade to Wetherby, 2 short sections between Raymond B. Preston Health & Activities Center and the Health Services Facility and one on the east side of Smith Stadium.

Total Capital Budget **\$77,000,000**

Capital Leases Paid from Operating Budget

Lease	Final Payment	2018-19 Payment	Balance
1. SLF – Food Bldg by PFT	07/28	194,149	1,342,578
2. FFE MSN/DPT Program	6/19	204,668	0
3. Alumni Square, Conference Center	11/41	200,722	
4. Alumni Square, Garage	11/41	516,140	
Total		\$1,115,679	

Projects Authorized but not Scheduled for FY 2019 Until Funds are Identified:

- Construct Indoor Athletic Training Facility
- Construct Football Pressbox
- Renovate Central Heat Plant
- Renovate South Campus
- Repair or Replace Roof at Center for Research and Development
- Construct Track and Field Facilities Phase I
- Construct Baseball Grandstand
- Renovate and Improve Softball Complex
- Acquire Furnishings and Equipment for Diddle Arena
- Acquire Furnishings and Equipment Pool
- Add Club Seating at Diddle Arena
- Hilltopper Hall Furnishings and Equipment
- Construct Science Gallery
- Construct South Plaza
- Renovate Free Stall Horse Barns
- Construct Tertiary Data Center
- Remove and Replace Student Housing at Farm
- Renovate State and Normal Street Properties
- Renovate Tate Page Hall
- Renovate Grise Hall Restrooms, ADA
- Renovate Jones Jagers Interior
- Renovate Helm/Cravens Library
- Improve Life Safety Pool/Academic Facilities
- Guaranteed Energy Savings Performance Contracts