**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 $600,000 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. The 2010-12 Budget includes authorization for the Downing University Center Renovation Project and institutional bonds will be issued in 2011.

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.

**Project Name Estimated Cost Status**

***2010-12 Authorized Projects***

 **University Funds**

Purchase Property for Campus Expansion $ 3,000,000 As Needed

 Repair Parking Structure I, Phase I 1,750,000 Summer 2011

 Capital Renewal Pool 10,000,000 Small Projects

 Construct Fit-out of Leased Space 4,175,000

 **Agency Bonds/University Funds**

Renovate Downing University Center, Phase III

 Agency Bonds 33,500,000

 University Funds 4,000,000

 Total 37,500,000 Design

 **Federal Funds**

 Center for Research and Development Infrastructure

 And Renovations

 Bowling Green Data Center 1,100,000 Design

 Construct Ag Research Services

 Greenhouse/Headhouse 1,745,000 Construction

 **Private Funds**

 Construct Alumni Center 2,000,000 Design

* Purchase Property for Campus Expansion – This project will allow the University to purchase property surrounding the campus, as it becomes available, to accommodate growth and increased parking needs.
* Repair Parking Structure I, Phase I – As funding becomes available, this phased project will address expansion joints, drainage systems, lighting and other components in order to extend the life of this 37-year-old structure which houses 1,000 vehicles. Two phases out of three have been completed and the third phase will be completed summer 2011.
* Capital Renewal Pool – This project will renovate and maintain elements of the campus infrastructure. Currently planned elements include, but are not limited to, Kentucky Building HVAC upgrades, renovation of Grise Hall common areas, water line replacements, Colonnade repairs, parking lot maintenance, Helm Library windows, and ductwork cleaning in Cravens Library and Kentucky Building. As funds are available, other projects such as boiler repairs, retaining walls, roofing, pedestrian paving and roadway maintenance will be completed. The authorization exceeds anticipated expenditures. To date, nearly $2,000,000 has been spent on needed infrastructure repairs.
* Construct Fit-out of Leased Space – This project will finish space in Block 12 to house Alumni Center, police, bookstore/coffee shop, and parking garage office in order to serve students, faculty, staff, and visitors at the north end of campus.
* Renovate Downing University Center – Work of this phase will be undertaken in order to address immediate pressing needs of infrastructure components, including ADA and life/safety compliance requirements and architectural renovations necessary to maintain viable facility use. Design work will be included to ensure proper identification of Phase V and Phase IV. Specific items of work may include electrical service upgrades, HVAC air handling unit replacement, ADA accessible building entrances, and re-purposing renovations of spaces not currently in use. These projects are necessary to allow the continued and more efficient use of the space and to meet enrollment growth pressures. It will allow for replacement of failing and insufficient engineering systems. It will meet current life/safety and ADA requirements and will achieve enhanced levels of energy efficiency.
* Center for Research and Development Infrastructure and Renovations – This project is multi-faceted and will be implemented as funds are available. The first phase is the build out for the Bowling Green Data Center with the funding coming from federal funds.
* Construct Agriculture Research Services Greenhouse/Headhouse – This project will construct a federally-funded Agriculture Research Services Greenhouse/Headhouse in collaboration with WKU. The construction will include a 2,400 square foot greenhouse and connected 1,200 square foot headhouse located adjacent to the existing USDA ARS facilities at the WKU Farm.
* Construct Alumni Center – The WKU Alumni Association is contributing $2,000,000 toward the construction of the alumni/conference center in Block 12. The balance of the cost of the project will be included in an annual lease agreement with SPE II.

**Project Name Estimated Cost Status**

***2008-10 Authorized Projects***

 **CPE Capital Renewal, Replacement and Maintenance**

Underground Electrical Distribution Improvements

 State Matching Funds 1,003,700

 University Funds 2,197,000

 Total 3,200,700 Construction

 **Agency Bonds/University Funds**

 Renovate Ivan Wilson Center Phase I

 Agency Bonds 8,198,000

 University Funds 955,000

 Total 9,153,000 Construction

 **Federal Funds/University Funds**

 Install Bike Paths, Federal Funds

 Federal Funds 831,250

 University Match 59,375

 City of Bowling Green Match 59,375

 Total 950,000 Planning

* Underground Electrical Distribution Improvements – WKU is required to match state funds with $702,600. A request for the entire amount of $1,706,300 has been approved to continue Underground Electrical Distribution upgrades. The project is to upgrade the electrical distribution system and upgrade exterior lighting to meet current and future needs. This project has been phased for years and will continue to be phased based on available funds.
* Ivan Wilson Fine Arts Center Renovation – This project will construct a new Music Hall facility with 25,000 square feet. The addition will include an instrumental rehearsal hall, choral rehearsal hall, music library, commons space, and Potter College administrative faculty offices and associated storage and support space. The project also will include the renovation of the existing rehearsal hall into reconfigured practice and rehearsal space, focusing on the acoustical isolation between this space and the adjacent recital hall. Construction is anticipated to be completed by December 2011.
* Install Bike Paths – Develop a network of bicycle and pedestrian facilities that connects area schools, parks and shopping areas to low- and medium-density residential neighborhoods and dormitories. This project is funded by an equally shared federal grant with the City of Bowling Green.

**Total Capital Budget $74,573,700**

***Capital Leases Paid from Operating Budget***

**Lease Final Pymt 2011-12 Pymt Balance**

1. 2007 Chevy Silverado 2500HD 04/12 $ 3,958 $ 0
2. SLF – Food Bldg by PFT 07/28 194,149 1,987,984

 **Total $198,107 $1,987,984**

***Projects Authorized but Not Scheduled for FY 2012***

**University Funds**

Underground Infrastructure Repair and Replacement 35,000,000

 Renovate Tate Page Hall 6,000,000

 Environmental Science and Technology Hall, Design 2,500,000

 Upgrade IT Infrastructure 2,300,000

 Central Region Postsecondary Education Center Design 1,200,000

 Interior Renovation of Jones Jaggers 1,000,000

 Construct Track Facilities 2,500,000

 Convert WKYU-NPR and WKYU-PBS to Digital/HD 2,000,000

 Renovate Underground Electrical, Phased 2,000,000

**University Funds/Private Funds**

 Construct Honors College Facility

 University Funds 2,000,000

 Other Funds 12,000,000

 Total 14,000,000

**University Funds/Federal Funds**

 Construct Mesonet Computer Center

 University Funds 800,000

 Federal Funds 5,000,000

 Total 5,800,000

 Improve University Drive Intersection

 University Funds 240,000

 Federal Funds 960,000

 Total 1,200,000

**Federal Funds**

Construct Agriculture Research Services Lab 22,825,000

 Construct Next Generation UI-LO Emission

 Coal-Fired Plant 20,000,000

 Renovate Elizabethtown Research Center 10,000,000

 Construct Center for Dairy Education and

 Innovation 5,000,000

 Construct SKyTeach Program Facility 5,000,000

 Renovate Radcliff Business Incubator 2,000,000

 Construct Scale-up Compost Heat Greenhouse 1,500,000

 Purchase Shuttle Buses 2,000,000