**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 2008-10 budget included authorization to proceed with agency bond-funded projects and bonds were issued in 2009. No additional projects will be bonded 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

 Renovate and Expand Knicely Center, Phase III 2,500,000

 Renovate Underground Electrical Infrastructure Phased 2,000,000

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

 Renovate Property for International Program 3,800,000

 Construct Track Facilities 2,500,000

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

 Renovate Downing University Center 3,000,000

 Capital Renewal Pool 10,000,000

 **Federal Funds**

 Center for Research and Development Infrastructure

 And Renovations 10,500,000

 Purchase Shuttle Buses 2,000,000

 Construct Ag Research Services Greenhouse/Headhouse 1,745,000

* 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.
* Renovate and Expand Knicely Center, Phase III – Construct approximately 3,000 square feet of additional space and renovate the entire north facing façade of the South Campus to blend with the other newer improvements to the Campus. Additional building systems integration between the existing and new sections is also planned.
* Renovate Underground Electrical Infrastructure, Phased – This project renovates, by phase, the existing electrical distribution infrastructure due to the continued deterioration and rapid growth of the campus. The University has been upgrading this system through phased plans as funds become available since 1998. Over $10 million has been invested to date.
* 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.
* Renovate Property for International Program – This project will acquire approximately one acre of land adjacent to the WKU campus containing three four-unit apartment buildings. Building C will be completely renovated and buildings A and B will be demolished to build one facility to house an expanded International Center.
* Construct Track Facilities – This project would add the following: field house, grandstands, landscape, walkways, scoreboard and lights. This facility presently contains no seating, lockers, offices or restroom/food facilities. This upgrade would allow WKU to host a variety of track and field competitions that are currently not possible due to the lack of amenities.
* Convert WKYU-NPR and WKYU-PBS to Digital/HD – WKYU-TV and WKU Public Radio are planning the phase-in of a digital transmission of its television signal. In order to remain competitive in the marketplace for viewership and to maintain external production opportunities, WKYU-TV must have the ability to produce “High Definition” programming locally. This proposal will allow us to begin phasing in local production capability. Similarly, WKU Public Radio needs to upgrade their broadcast capability for digital transmission and production. This initiative will also support a new academic focus on a sports broadcasting major.
* 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.
* Capital Renewal Pool – This project will renovate and maintain elements of the campus infrastructure. Currently planned elements include, but are not limited to, renewal of exterior windows, boiler repairs, retaining walls, roofing, pedestrian paving and roadway maintenance. The authorization exceeds anticipated expenditures; however, no projections of actual costs are available yet.
* Center for Research and Development Infrastructure and Renovations – This project is multi-faceted and will be implemented as funds are available. The first phase in the build out for the Bowling Green Data Center and an expansion of the WKU Small Business Accelerator with the funding coming from federal funds.
* Purchase Shuttle Buses – With federal earmarked funds, the Parking and Transportation Department will purchase one heavy duty diesel-electric hybrid bus and two regular diesel buses that will use bio-fuel. The new buses will be replacing two medium duty diesel buses and increasing the fleet from nine to ten.
* 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.

**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 Design

 University Funds 996,300

 Total 2,000,000

 **Agency Bonds/University Funds**

 Business College Building Replacement, Phase I

 Agency Bonds 2,400,000 Design

 Renovate Ivan Wilson Center Phase I

 Agency Bonds 8,198,000 Design

 University Funds 955,000

 Total 9,153,000

 **Federal Funds/University Funds**

 Install Bike Paths, Federal Funds

 Federal Funds 831,250 Planning

 University Match 59,375

 City of Bowling Green Match 59,375

 Total 950,000

 **University Funds**

 Renovate/Expand Carroll Knicely Center, Phase II 1,500,000 Construction

 Renovate Downing University Center 2,000,000 Design

* 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.
* Business College Building Replacement, Phase I – The Six-Year Capital Plan calls for a replacement building with a scope of approximately $49.8 million. Agency bond proceeds are allocated for initial design costs.
* 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 June 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.
* Renovate/Expand Carroll Knicely Center, Phase II – Additional funding from DELO has been allocated to expand the Knicely Conference Center.
* Renovate Downing University Center – Renovation of the DUC theatre to include: reworking floor slope to accommodate ADA accessibility, new seating, sprinkler system, house lighting and HVAC ductwork. Significant roof repairs will be made within this phase of renovations.

**Project Name Estimated Cost Status**

***2006-08 Authorized Projects***

 **State General Fund Bonds**

Construct College of Education Building 35,000,000 Construction

 **University Funds**

 Renovation/Expansion of Carroll Knicely Center 3,500,000 Construction

* Construct College of Education Building – This project replaces the College of Education and Behavioral Sciences at Tate Page Hall and includes land acquisition, design/programming, and construction to house the College of Education and Behavioral Sciences. The site has been approved, property has been acquired, and the existing structures on the site have been demolished. Construction is underway and is expected to be complete in December of 2010 for Spring Semester 2010.
* Renovate/Expand Carroll Knicely Center –The Carroll Knicely Center is a key facility for distance learning, conferences, and training/development programs. As the programs have continued to grow, WKU has not been able to respond to all of the public demand for meeting space. Funding from the Division of Extended Learning and Outreach (DELO) is being allocated for the renovation and expansion project. This project is currently under construction and expected to be complete in December 2010.

**Total Capital Budget $101,298,000**

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

**Lease Final Pymt 2010-11 Pymt Balance**

1. President’s Residence 07/10 $ 26,395 $ 0
2. 2007 Chevy Silverado 2500HD 04/12 4,751 3,958
3. Toyota Tacoma (Biology Dept.) 04/11 4,291 0
4. Honda Accord-DELO 06/11 8,527 0
5. SLF – Food Bldg by PFT 07/28 194,149 2,077,504

 **Total $238,113 $2,081,462**

***Projects Authorized but Not Scheduled for FY 2011***

**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

 Equipment Pool 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 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

**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

**Private Funds**

 Construct Alumni Center 7,000,000

**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

 Research Equipment for Ogden Campus 3,000,000

 Renovate Radcliff Business Incubator 2,000,000

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