

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>2016-18 Authorized Projects (HB 303)</i>		
Agency Bonds		
Construct Parking Structure III	\$10,000,000	Construction
Restricted Funds		
Purchase Property/Parking & Street Improvements	3,000,000	
Purchase Property for Campus Expansion, 2016-18	3,000,000	
Private Funds		
Renovate Foundation Building	1,200,000	Planning
Renovate Garrett Conference Center	12,000,000	Planning

- Construct Parking Structure III – With current enrollment, WKU has an immediate need to provide an additional 500 parking spaces and will do so with a new parking structure located in the Creason Lot. This project began in July 2016 and is expected to be complete in September 2017.
- Parking and Street Improvements, 2016-18 – As needed, this project is intended to improve pedestrian, vehicular and bus traffic flow.
- Purchase Property for Campus Expansion, 2016-18 – This project will allow the University to purchase property surrounding the campus, as it becomes available, to accommodate growth and increased parking needs.

- Renovate Foundation Building – This project consists of improvements and additions to the College Heights Foundation building. Improvements include transformation to a traditional style building, changing out tired unsustainable systems, envelope improvements, providing handicap accessibility, material upgrades, and improving interior efficiencies.
- Renovate Garrett Conference Center Academic Space – A consultant selection process is underway to select the A/E design team to lead a major multi-phase/multi-year project to renovate and complete a potential addition to this facility.

2014-16 Authorized Projects (HB 235)

Bond Funds

Renovate Science Campus Phase IV	48,000,000	
Phase I – Demolition of Thompson North		Complete
Phase II – Construct Science Building		Construction
Phase III – Minor Renovation Thompson Center		Design PH C
Phase IV – Renovate Hardin Planetarium		Complete

University/Private Funds

Miscellaneous Maintenance Pool, 2014-16	10,000,000	
Replace Underground Infrastructure – Steam/Electric	1,000,000	Planning

- 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 began in February 2016. Hardin Planetarium was renovated during the summer of 2016. Thompson Center Wing renovation is scheduled to begin in January 2018.
- Miscellaneous Maintenance Pool, 2014-16 – This project is intended for repair and maintenance of critical systems, as needed. Approximately \$1,571,000 has been committed to make repairs to the Raymond Cravens Library/Helm Library building envelope. Phase I and II have been completed and Phase III has been designed. As funds are available this project will be completed.
- Replace Underground Infrastructure – Steam/Electric – During the summer of 2016, Zacharias Hall, Meredith Hall, Pearce Ford Tower Food Court and Preston Center were connected to the 12,470 volt campus distribution system. During the summer of 2017, Grise Hall will be connected. During the summer of 2017, steam lines will be replaced under the service drive at Academic Complex and adjacent to Zacharias Hall.

2008-10 Authorized Projects (HB 406)

Federal Funds/University Funds

Install Bike Paths, Federal Funds		
Federal Funds	889,200	
University Match	111,150	
City of Bowling Green Match	111,150	
Total	1,111,500	Construction

- Install Bike Paths – Develop a network of bicycle and pedestrian facilities that connects area schools, parks and shopping areas to low/medium density residential neighborhoods and dormitories. This project is funded by an equally shared federal grant with the City of Bowling Green. The WKU portion of this project is complete. The City of Bowling Green project will be completed during the summer of 2017.

Total Capital Budget **\$89,311,500**

Capital Leases Paid from Operating Budget

Lease	Final Payment	2017-18 Payment	Balance
1. SLF – Food Bldg by PFT	07/28	194,149	1,452,037
2. TV Production Truck	10/17	278,898	0
3. IT CISCO Network Equipment	01/18	183,332	0
4. FFE MSN/DPT Program	6/19	210,846	204,668
5. Alumni Square, Conference Center	11/41	196,690	
6. Alumni Square, Garage	11/41	505,772	
Total		\$1,569,687	

Projects Legislatively-Authorized and not Scheduled for FY 2018:

Construct Football Pressbox	\$ 5,000,000
Renovate Center for Research and Development, Phase I	6,000,000
Renovate Central Heat Plant	5,000,000
Upgrade IT Infrastructure	5,000,000
Construct Baseball Grandstand	4,500,000
Renovate Art Lab/Museum	4,200,000
Construct Track and Field Facilities Phase I	4,000,000
Renovate Gordon Wilson Hall	4,000,000
Acquire Equipment Diddle Arena	3,000,000
Renovate Thompson Complex Center Wing	3,000,000
Construct Science Gallery	2,500,000
Construct South Plaza	2,500,000
Major Items of Equipment, 2016-18	2,500,000
Add Club Seating at Diddle Arena	2,200,000
Construct Academic/Retail Space	2,000,000
Design Environmental Science and Technology Hall Renov.	2,000,000
Renovate International Center to Multicultural Center	1,500,000
Renovate Tate Page Hall	1,200,000
Design Agriculture Expo Center Renovation	1,000,000
Renovate Jones Jaggars Interior	1,000,000
Construct Parking Garage	10,000,000
Renovate State/Normal Street Properties	1,500,000