

**Council on Postsecondary Education
January 16, 2009**

**Renovation of Wildcat Lodge
University of Kentucky**

ACTION: The staff recommends that the Council approve the request of the University of Kentucky to renovate the Wildcat Lodge residential facility on the university's main campus with \$1,500,000 of private funds. The project scope is \$1,500,000.

The University of Kentucky proposes to renovate the Wildcat Lodge residential facility using \$1,500,000 of private funds. The facility houses the university basketball players and other UK students. The total project cost is \$1,500,000. The University of Kentucky's board of trustees approved the project at its December 9, 2008, meeting.

The Council has the statutory responsibility to review and approve postsecondary education capital projects costing \$600,000 or more, regardless of fund source, that have been approved by an institution's governing board. Since the estimated cost of this project exceeds the \$600,000 threshold, the Council and the Capital Projects and Bond Oversight Committee must approve the project before it is initiated. During the interim, capital projects are evaluated under the requirements established by KRS 45.760(14) and KRS 45.763.

This project will implement general refurbishment of the interior finishes (carpet, walls, stairways, and general furnishings), interior lighting improvements in the common areas, and replacement of several nonfunctional exterior glass doors. The project is scheduled to be completed by fall 2009. The project requires interim authorization because the private donors have all come forward after the 2008-10 budgetary process was completed and to allow the university time to properly design the renovation, go through the project bid process, award a contract, and complete the work during late spring and summer of 2009. The project will result in an improvement to state-owned property with ownership of the improvements to accrue to the university upon completion.

The University of Kentucky states that funding for the project will come from privately raised funds. The university further confirms that the private funds are available to implement the project. The cost of operations and maintenance for this project is provided by the university and does not represent a demand on the General Fund.

The project meets the requirement of KRS 45.760(14) that the source of funds be at least 50 percent federal or private. The university does not anticipate debt financing any portion of

this project. The University of Kentucky's Capital Project Management Division will implement the project, and the university will pay the operations and maintenance.

Following Council approval, the staff will forward the Council's recommendation to the secretary of the Finance and Administration Cabinet and to the Capital Projects and Bond Oversight Committee.