

June 11, 2020

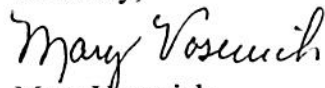
Senator Rick Girdler, Co-Chair,  
Representative Walker Thomas, Co-Chair  
Capital Projects and Bond Oversight Committee  
Legislative Research Commission  
Capitol Annex Building – Room 34  
702 Capitol Avenue  
Frankfort, Kentucky 40601

Dear Senator Girdler and Representative Walker and Members of the Capital Projects and Bond Oversight Committee:

Pursuant to KRS §45.760(6) the University of Kentucky (UK) is reporting the transfer of \$1,500,000 from Restricted Funds to Federal Funds for the budgeted project, Improve Center for Applied Energy Research Facilities – Mineral Process Building Expansion. This pool project was authorized by the 2018 Kentucky General Assembly with a total scope of \$20,000,000. UK's Center for Applied Energy Research (CAER) is working in partnership with the Department of Defense U.S. Army Corps of Engineers' Engineer Research and Development Center to expand our existing Mineral Process Building. This 2,000 square foot expansion is essential for increasing bulk storage of raw materials to develop high performing concrete for military applications. This project, approved by the UK Board of Trustees at their February 22, 2020 meeting, will be funded by federal funds appropriated to the UK CAER from the US Department of Defense.

If you should have additional questions regarding this project, please contact me at the number below or Elizabeth Baker at 859.257.6315.

Sincerely,



Mary Vosevich  
Vice President for Facilities Management  
Chief Facilities Officer

MV/eb

c: Angie Martin   Katherine Halloran   Rodney Andrews   Elizabeth Baker

see blue.

# FCR 9

Office of the President  
February 21, 2020

Members, Board of Trustees:

IMPROVE CENTER FOR APPLIED ENERGY RESEARCH FACILITIES  
CAPITAL PROJECT (MINERAL PROCESS BUILDING EXPANSION)

Recommendation: that the Board of Trustees approve the request to initiate the Improve Center for Applied Energy Research Facilities Capital Project (Mineral Process Building Expansion).

Background: Pursuant to Administrative Regulation 8:2, any capital project with an estimated cost of \$1,000,000 or more must be approved by the Board prior to initiation.

The University's Center for Applied Energy Research (CAER) is working in partnership with the U.S. Department of Defense to expand the University's Mineral Process Building. This 2,000 square foot expansion is essential for increasing bulk storage of raw materials which are needed to develop high performing concrete for military applications. The elimination of heavy precast rebar-laden structural elements can greatly simplify logistics, speed of construction, and on-going repair. The purpose of the research is to create cements and concretes that can be used to construct or repair bridges, runways, roadways and other hardened structures. These materials must be simple to deploy and use; quickly achieve a very high strength; and achieve high bond strength with little or no surface preparation.

The expansion will allow CAER to develop more concrete variations and increase the scale and scope of specimens for advanced field testing and implementation. As the raw materials are sensitive to environmental conditions such as heat and moisture, monitored and conditioned storage space is required to ensure uniformity in the materials and products.

This \$1,500,000 project, authorized by the 2018 Kentucky General Assembly, is well within the total legislative authorization of \$20,000,000 and will be funded with federal funds from the U.S. Department of Defense.

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Action taken: ☒ Approved    ☐ Disapproved    ☐ Other \_\_\_\_\_







June 11, 2020

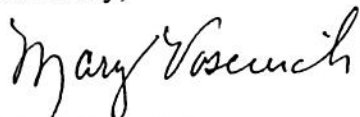
Senator Rick Girdler, Co-Chair,  
Representative Walker Thomas, Co-Chair  
Capital Projects and Bond Oversight Committee  
Legislative Research Commission  
Capitol Annex Building – Room 34  
702 Capitol Avenue  
Frankfort, Kentucky 40601

Dear Senator Girdler and Representative Walker and Members of the Capital Projects and Bond Oversight Committee:

Pursuant to KRS §45.760(6) the University of Kentucky (UK) is reporting the transfer of \$2,500,000 from Restricted Funds to Federal Funds for the budgeted project, Improve Center for Applied Energy Research Facilities – Carbon Fiber Development Facility. This pool project, authorized by the 2018 Kentucky General Assembly with a total scope of \$20,000,000, will construct an approximately 5,000 square foot laboratory building to serve as a pilot-scale process development unit for the conversion of coal to high-value carbon products. The new laboratory will be located at the Center for Applied Energy Research (CAER) location adjacent to the Spline and Pitch Lab buildings. In partnership with the Oak Ridge National Laboratory the CAER will produce high-value carbon fiber from raw coal at the largest scale in the United States. This project, approved by the UK Board of Trustees at their February 22, 2020 meeting, will be funded by federal funds appropriated to the University's CAER from the US Department of Energy.

If you should have additional questions regarding this project, please contact me at the number below or Elizabeth Baker at 859.257.6315.

Sincerely,



Mary Vosevich  
Vice President for Facilities Management  
Chief Facilities Officer

MV/eb

c: Angie Martin   Katherine Halloran   Rodney Andrews   Elizabeth Baker

see blue.

# FCR 10

Office of the President  
February 21, 2020

Members, Board of Trustees:

## IMPROVE CENTER FOR APPLIED ENERGY RESEARCH FACILITIES CAPITAL PROJECT (CARBON FIBER DEVELOPMENT FACILITY)

Recommendation: that the Board of Trustees approve the request to initiate the Improve Center for Applied Energy Research Facilities Capital Project (Carbon Fiber Development Facility).

Background: Pursuant to Administrative Regulation 8:2, any capital project with an estimated cost of \$1,000,000 or more must be approved by the Board prior to initiation.

The University's Center for Applied Energy Research (CAER) is working in partnership with the Oak Ridge National Laboratory Carbon Fiber Technology Facility (ORNL) on the conversion of coal to high-value carbon products. Carbon fiber is being increasingly used in aerospace and automotive applications to replace more traditional metals. Pursuant to this partnership, CAER will construct a new laboratory building to serve as a pilot-scale process development unit.

The new laboratory will be approximately 5,000 square feet and located on Research Park Drive, Lexington, KY, adjacent to other CAER facilities (the Spinline and Pitch Lab buildings). In partnership with ORNL, CAER will produce high-value carbon fiber from raw coal on the largest-scale in the United States. The new special purpose-built facility is necessary to efficiently and safely process tons of coal into mesophase pitch, recover and utilize by-products, and develop new sustainable technologies to generate high-value carbon fiber, binders, and other materials for composite structures.

This \$2,500,000 project, authorized by the 2018 Kentucky General Assembly, is well within the total legislative authorization of \$20,000,000 and will be funded with federal funds from the U.S. Department of Energy.

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Action taken: ☒ Approved    ☐ Disapproved    ☐ Other \_\_\_\_\_





June 11, 2020

Senator Rick Girdler, Co-Chair  
Representative Walker Thomas, Co-Chair  
Capital Projects and Bond Oversight Committee  
Legislative Research Commission  
Capitol Annex Building – Room 34  
702 Capitol Avenue  
Frankfort, Kentucky 40601

Dear Senator Girdler and Representative Walker and Members of the Capital Projects and Bond Oversight Committee:

Pursuant to KRS §45.760(6) the University of Kentucky (UK) is reporting the transfer of \$2,000,000 from Restricted Funds to Federal Funds for the budgeted project, Acquire Land. This pool project was authorized by the 2020 Kentucky General Assembly with a total scope of \$50,000,000. At its June 19, 2020 meeting, the University's Board of Trustees is expected to approve the acquisition of 287.54 acres in Caldwell County adjacent to the Princeton Research and Education Center which is the only UK agricultural research facility in the western part of the state. Since 2016, the College of Agriculture, Food, and Environment (CAFE) has leased this tract of land to grow the Center's capacity in conjunction with the recruitment of new faculty and the creation of a Grain and Forage Center of Excellence. Purchasing this tract ensures availability of the location for long-term research on crop production systems and supports the installation of the infrastructure and instrumentation needed to best facilitate research.

The land is within 80 miles of 80 percent of the acreage used to grow grains in Kentucky and spans the two types of soil in which most Kentucky grains are grown. The acquisition will expand CAFE's research capabilities on the better of those two soil types for crop production, allowing researchers to study the needed cohesion of efficient farming practices with generational sustainability and ecosystem services. The land purchase is core to CAFE's shared mission with stakeholders, is part of the College's foundational plans, and supports research on shared concerns over food safety, environmental sustainability, and rural economies. This acquisition will be funded by federal funds from CAFE's Federal Capacity Grants.



If you have additional questions regarding this project, please contact me at 859.231.8324 or Elizabeth Baker at 859.257.6315.

Sincerely,

A handwritten signature in blue ink, appearing to read "G Ward". The signature is fluid and cursive, with the first letter "G" being large and stylized.

George Ward  
Executive Director

c: Katherine Halloran      Angela Martin      Elizabeth Baker



# FCR 7

Office of the President  
June 19, 2020

Members, Board of Trustees:

APPROVAL TO ACQUIRE PROPERTY  
(287.53 ACRES IN CALDWELL COUNTY ADJACENT  
TO THE PRINCETON RESEARCH AND EDUCATION CENTER)

Recommendation: That the Board of Trustees authorize the Executive Vice President for Finance and Administration to acquire a 287.53 acre parcel of real property and improvements located in Princeton, Caldwell County, Kentucky along Hopkinsville Road, Cadiz Road, and Cadiz Street, as indicated on the attached map. The land will be purchased from the Kentucky Corn Growers Association.

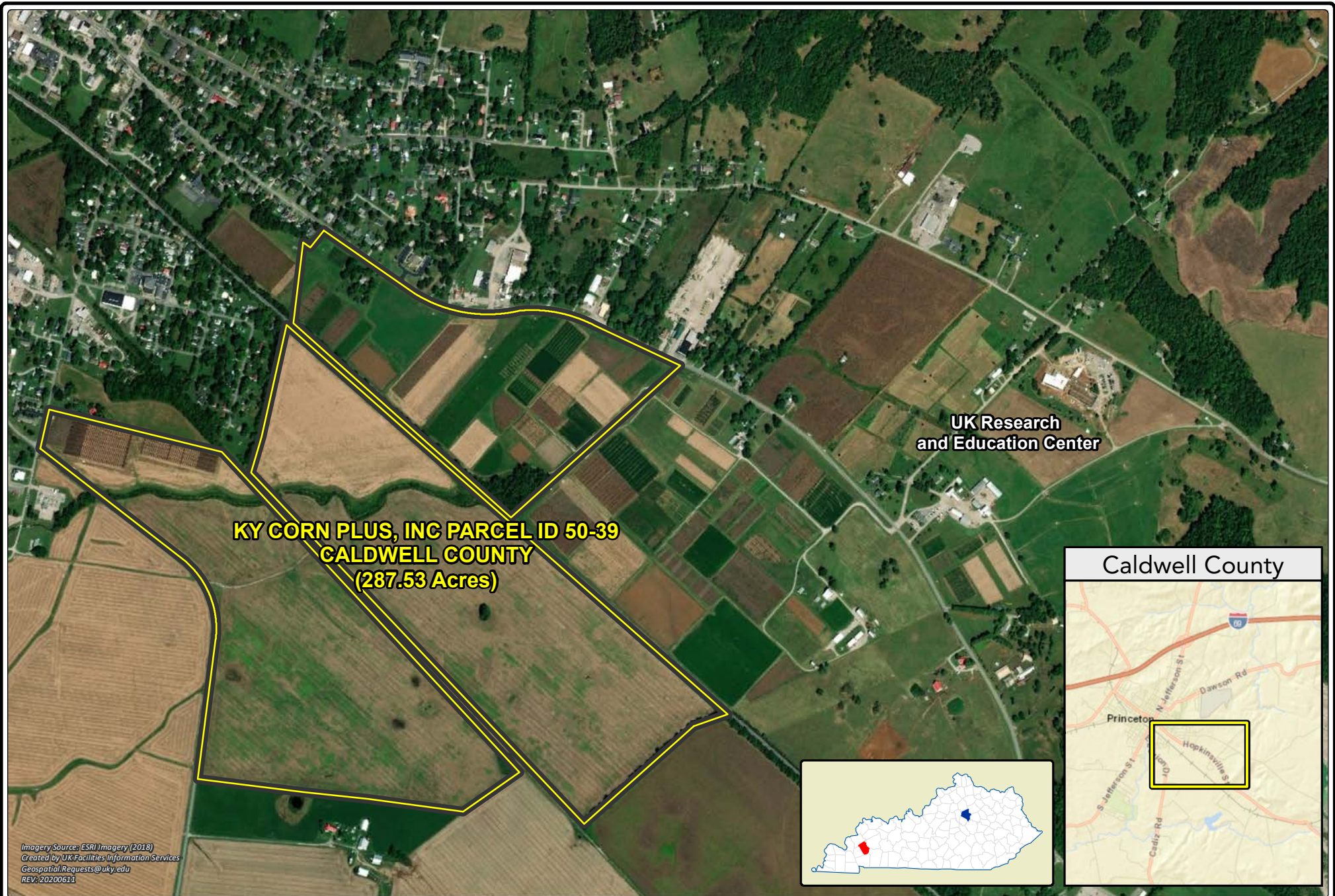
Background: The UK Research and Education Center at Princeton is the only UK agricultural research facility in the western part of the state. Since 2016, the College of Agriculture, Food, and Environment (CAFÉ) has been leasing the land in order to grow the Center's capacity in conjunction with the recruitment of new faculty and the creation of a Grain and Forage Center of Excellence. Purchasing the proposed tract would ensure availability of the location for long-term research on crop production systems and support the installation of the infrastructure and instrumentation needed to best facilitate research.

The land is within 80 miles of 80 percent of the acreage used to grow grains in Kentucky and spans the two types of soil in which most Kentucky grains are grown. The acquisition will expand CAFÉ's research capabilities on the better of those two soil types for crop production, allowing researchers to study the needed cohesion of efficient farming practices with generational sustainability and ecosystem services. The land purchase is core to CAFÉ's shared mission with stakeholders, is part of CAFÉ's foundational plans, and supports research on shared concerns over food safety, environmental sustainability, and rural economies.

The property is expected to cost \$2,000,000 and will be acquired with federal funds. The property appraised for \$2,513,000. The acquisition, authorized by the 2020 Session of the Kentucky General Assembly, is within the total authorized scope of \$50,000,000.

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Action taken:    ☐ Approved    ☐ Disapproved    ☐ Other \_\_\_\_\_





June 15, 2020

Senator Rick Girdler, Co-Chair,  
Representative Walker Thomas, Co-Chair  
Capital Projects and Bond Oversight Committee  
Legislative Research Commission  
Capitol Annex Building – Room 34  
702 Capitol Avenue  
Frankfort, Kentucky 40601

Dear Senator Girdler and Representative Walker and Members of the Capital Projects and Bond Oversight Committee:

Pursuant to KRS §56.823 this is to report a new lease for the University of Kentucky that will exceed \$200,000 annually and is authorized in the Executive Branch Budget Bill, House Bill 352.

This is a lease between UK HealthCare and Kentucky Medical Services Foundation for 25,903 square feet of office space at 245 Fountain Court in Lexington. The cost of this lease is \$23 per square foot, with an annual cost of \$595,769, including utilities. The effective date of the lease will be July 1, 2020, with an expiration date of June 30, 2022.

UK HealthCare's Information Technology serves the entire UK HealthCare enterprise and was moved off campus to this location in 2012 to ensure that the unit has sufficient space to house IT staff while also freeing up valuable space on campus for clinical and hospital use. The Fountain Court space best fits the needs of UK HealthCare and allows it to better serve its patients. KRS 164A.575 (7) (a) allows universities to renegotiate leases for renewal terms not provided in the lease. It is currently in the best interest of the University to stay in this location, therefore this lease was renegotiated to be extended for a two year period.



If you should have additional questions regarding the lease, please contact me at 859.231.8324 or Elizabeth Baker at 859.257.6315.

Sincerely,

A handwritten signature in blue ink, appearing to read "G Ward". The signature is fluid and cursive, with the first letter "G" being large and stylized.

George Ward  
Executive Director

c: Angie Martin Katherine Halloran Christine O'Brien Elizabeth Baker



Real Estate Services Division

## Report to Capital Projects and Bond Oversight Committee

Lease with Annual Rental Exceeding \$100,000  
(to be reported after lessor selection, but before lease execution)

**Lease number:** PR 8338      **County:** Fayette

**Using agency:** UK HealthCare Information Technology

**Lessor:** Kentucky Medical Services Foundation

**Property location:** 245 Fountain Court, Lexington

**Check one:**   New Lease ☐   Renewal ☒   Addendum ☐

**Type of space:** Administrative offices

**Cost per square foot:** \$23.00   **Annual cost:** \$595,769.00

**Average square foot cost of state leased cost in county:** \$22.00

**Includes utilities:**   Yes ☒   No ☐

**Cancellation clause:**   Yes ☒   No ☐

*If yes, explain terms:* 30 day cancellation clause in accordance with KRS

*if no, explain why not:* Click or tap here to enter text.

**Effective date:** July 1, 2020      **Expiration date:** June 30, 2022

**Justification for lease:** As the department has leased space at this location since 2012 it was determined to be in the best interests of the University and the most cost effective to remain in place.

**Statements as to whether the University of Kentucky complied with statutory requirements:** (if not in compliance, explain why) Yes, the University is in compliance with applicable statutory requirements. Pursuant to KRS 164A.575(7)(a), the University's governing board may renegotiate the cost of a lease after the expiration of the lease term and any renewal terms provided in the lease prior to any renewal not provided for in the terms of the lease.

**Explanation of why the University of Kentucky chose this lessor over the competition:** Pursuant to KRS 164A.575(7)(a) no RFP was issued as the lease was



renegotiated and it was determined to be in the University's and the Commonwealth's best interest.



June 15, 2020

Senator Rick Girdler, Co-Chair,  
Representative Walker Thomas, Co-Chair  
Capital Projects and Bond Oversight Committee  
Legislative Research Commission  
Capitol Annex Building – Room 34  
702 Capitol Avenue  
Frankfort, Kentucky 40601

Dear Senator Girdler and Representative Walker and Members of the Capital Projects and Bond Oversight Committee:

Pursuant to KRS §56.823 this is to report a new lease for the University of Kentucky that will exceed \$100,000 annually.

This is a lease between the University of Kentucky and St. Elizabeth Medical Center for, 4,907 square feet of classroom and administrative space at 20 Medical Village Drive, Suite 200 in Edgewood for the University's College of Medicine. The cost of this lease is \$19.04 per square foot plus \$3.81 per square foot for operating expenses. The annual cost of \$112,135.57, includes utilities. The effective date of the lease will be July 1, 2021, with an expiration date of June 30, 2022.

This space will serve as a secondary space to the UK College of Medicine-Northern Kentucky Campus, in support of the third and fourth year medical education program. Primary clinical rotations will be at St. Elizabeth Healthcare's Edgewood campus. Given its geographic location to Northern Kentucky University (Highland Heights) and activities pertaining to the delivery of medical education, including but not limited to lectures, group discussions, interview simulation, assessment and training, clinical technical training, and dissecting, this secondary location is necessary. The space will accommodate an increase of 70 to 80 students and host primary clinical training activities.



Real Estate Services Division

## Report to Capital Projects and Bond Oversight Committee

Lease with Annual Rental Exceeding \$100,000  
(to be reported after lessor selection, but before lease execution)

**Lease number:** PR 8425      **County:** Kenton

**Using agency:** College of Medicine

**Lessor:** St Elizabeth Medical Center, dba St Elizabeth Healthcare

**Property location:** 20 Medical Village Drive, Suite 200, Edgewood, KY

**Check one:**   New Lease ☒   Renewal ☐   Addendum ☐

**Type of space:** Classroom/Administrative

**Total square feet being leased:** 4,907

**Cost per square foot:** \$19.04 + \$3.81 for operating costs   **Annual cost:** \$112,135.57

**Average square foot cost of state leased cost in county:** \$20.41

**Includes utilities:**   yes ☒   no ☐

**Cancellation clause:**   yes ☒   no ☐

*If yes, explain terms:* 30-day cancellation clause

*if no, explain why not:* [Click or tap here to enter text.](#)

**Effective date:** May 1, 2021      **Expiration date:** June 30, 2022

**Justification for lease:** This space will serve as a secondary space to the UK College of Medicine-Northern Kentucky Campus, in support of the third and fourth year medical education program. Primary clinical rotations will be at St. Elizabeth Healthcare's Edgewood campus. Given its geographic location to Northern Kentucky University (Highland Heights) and activities pertaining to the delivery of medical education, including but not limited to lectures, group discussions, interview simulation, assessment and training, clinical technical training, and dissecting, this secondary location is necessary. The space will accommodate an increase of 70 to 80 students and host primary clinical training activities.



**Statements as to whether the University of Kentucky complied with statutory requirements:** Yes, the University has complied with applicable statutory requirements. An RFP was published in March 2019.

**Explanation of why the University of Kentucky chose this lessor over the competition:** The University made the final determination that was deemed to be in the best interest of the University and the Commonwealth. There was only one response to the RFP.



If you should have additional questions regarding the lease, please contact me at 859.231.8324 or Elizabeth Baker at 859.257.6315.

Sincerely,

A handwritten signature in blue ink that reads "G Ward". The signature is fluid and cursive, with the first letter "G" being large and stylized.

George Ward  
Executive Director

c: Angie Martin Katherine Halloran Christine O'Brien Elizabeth Baker