

**CAPITAL PLANNING ADVISORY BOARD**

**2020-2026  
Agency Capital Plan**

**Staff Analysis and Comments**

**INSTITUTION:**

Eastern Kentucky University

**OVERVIEW**

In 1906, Eastern Kentucky University was established as a comprehensive institution created by KRS and governed by a Board of Regents (KRS 164.310). It is statutorily charged (KRS 164.295) with providing — upon approval by the Council on Postsecondary Education (CPE) — associate, baccalaureate, specialist, master’s and doctoral degrees. In 2008, the university introduced its first doctoral program, the Doctor of Education (Ed.D.) in Educational Leadership and Policy Studies, and awarded its first doctoral degree in 2010. Since that time, ECU has added doctoral degrees in Nursing Practice (DNP), Occupational Therapy (OTD) and Clinical Psychology (Psy.D.). The university is also charged with conducting research and service programs directly related to the needs of its primary service region, which comprises 22 counties in central and southeastern Kentucky.

The university fulfills its academic mission through the work of its six academic colleges: Arts, Letters and Social Sciences; Sciences; Business and Technology; Education; Health Sciences; and Justice and Safety. The Office of Regional Stewardship, in cooperation with Academic Affairs, coordinates the extension of programs and services beyond the main campus at Richmond. The Office of University Programs provides and supports university-wide interdisciplinary academic programs that promote student success and faculty development. A faculty of approximately 650 provides instruction on the main campus at Richmond, at extended campuses in Corbin and Manchester, and at learning centers in Hazard and Lancaster.

**Changes since the last capital plan submission**

Through a capital lease structure, ECU leased two residential halls that sit adjacent to the campus. Grand Campus is located on the west side of campus at the intersection of Lancaster Ave/US52 and Barnes Mill Road. There is a pedestrian walkway over Lancaster Ave/US25 to join Grand Campus and the west side of campus. There are two new residence halls that opened in the fall of 2017, New Martin and North Hall, that are a public-private Partnership with Municipal Acquisitions, a Washington, D.C. based real estate company that invests exclusively in the public sector real estate market, and has significant experience with higher education public-private partnerships.

**PROPOSED PROJECTS – Financial Summary**

<b>Funding by Source</b>	<b><u>2020-2022</u></b>	<b><u>2022-2024</u></b>	<b><u>2024-2026</u></b>	<b><u>Total</u></b>
General Fund	\$208,700,000	\$100,847,000	\$31,350,000	\$340,897,000
Restricted Funds	163,200,000	23,000,000	24,000,000	210,200,000
Federal Funds	17,200,000	0	0	17,200,000
Agency Bonds	60,000,000	31,700,000	70,250,000	161,950,000
Other Cash	63,755,000	30,000,000	2,250,000	96,005,000
Other LTF	<u>129,000,000</u>	<u>0</u>	<u>0</u>	<u>129,000,000</u>
Total	\$641,855,000	\$185,547,000	\$127,850,000	\$955,252,000

**Number of Projects by Type**

Construction - Other	15	4	2	21
Construction - PIP	13	3	3	19
Equipment	3	0	0	3
IT	<u>3</u>	<u>0</u>	<u>0</u>	<u>3</u>
Total	34	7	5	46

\*Postsecondary institutions were required to submit equipment and IT projects only for the first biennium.

PIP - Protect Investment in Plant; LTF - Long Term Funding

**2020-2026 CAPITAL PLAN  
PLAN OVERVIEW  
FORM SYP-P1**

**Branch:**  
**Cabinet/Function:**  
**Agency/Institution:**

Executive Branch  
Cabinet for Postsecondary Education  
Eastern Kentucky University

Major projects completed at Eastern Kentucky University since the last submittal of the six-year plan include completion of the new science building, the new public-private partnership residential housing projects, New Martin and North Hall, the first parking garage on the EKU Richmond Campus, the first major athletic improvements to a new football complex since the construction of the Begley Building and major baseball and softball facility improvements, the completion of the new Case Dining Hall, and the initiation of a revitalization of the central campus under the FY16-18 biennial budget act, which includes a new recreation center and a remodeled Powell Student Center. Renovation work in the university's heat/steam plant was completed, and distribution system renovations and repairs continue. All of these projects have been funded with university restricted funds or private funds as available except for the new science building initial through final phases, authorized over a decade ago with general fund bonds.

The new science building was the top priority for the university since the 2006 biennium, and Eastern Kentucky University students have benefited from the improvement, as almost every department in the new building reports better grades and higher retention of students. The new science building is critical to meet the need for STEM-H training in the university's service region.

A focus on deferred maintenance during the 2018-2020 biennium followed the student life improvements, which were aimed at revitalizing the core of the campus and include the previously mentioned renovated student union; new student recreation center; new dining facility; a single parent residential facility; a parking facility; a new campus garden area; and a new pedestrian bridge over the Eastern Bypass (the renovated student union and the construction of a new student recreation center funded with agency bonds and serviced with a dedicated \$150 per student/per semester special-use fee implemented and approved by the student body). The university sought and received approval from the Council on Postsecondary Education for an asset fee that followed a similar model as the special use fee referenced for the student life projects, \$10 per credit hour up to 15 hours per semester or \$150 per semester, and dedicated to facility maintenance needs. This fee base in the initial inception year, fiscal year 2019, is being built up to ensure a reserve and to be of use for potential debt service needs in the event a far-reaching capital renewal pool can be authorized in the 2020 Regular Session. An update to the 2007 VFA Facility needs assessment will be underway in fiscal year 2020 as well, the result of this study would hopefully reacquaint the Executive Branch and Legislature with the continued and ongoing severe maintenance needs of all Kentucky Postsecondary Institutions.

Requests appearing again in the six-year plan include a new academic complex, new model laboratory school; an aviation facility; and the aforementioned capital renewal pool. The university's top priority state general fund project for the upcoming biennium is the capital renewal pool and the university's top agency bond priority is the new model laboratory school.

**EASTERN KENTUCKY UNIVERSITY**  
**Proposed Projects Involving the General Fund (cash or bonds)**  
(amounts in **bold** are the total budget)

**2020-2022**

(Projects listed by agency priority; descriptions are from the agency submission)

- 1. Capital Asset Renewal Match Pool** **\$35,000,000**  
This project will address prioritized critical asset infrastructure needs as documented by the FY20 CPE facility study. (C-PI)  
CPAB Staff Notes  
– *NEW project – has not been listed in a previous capital plan.*
- 2. Construct Academic Complex** **\$94,000,000**  
This project will construct and consolidate academic-use classroom, lab, and office space, currently housed in several buildings on campus, into a single complex, designed to provide an opportunity to study in modern classrooms, experience modern methodologies, and have opportunities for in-situ research. It will also provide an energy-efficient environment for students and faculty. (C-O)  
CPAB Staff Notes  
– *This project replaces the Wallace Building, among several other similar vintage buildings under consideration, constructed in the early 1970s. It will serve as a more energy-efficient and less maintenance-intensive general use academic building that will include classrooms, lab space, and office space.*  
– *This project was EKU's top priority in their 2018-24 capital plan. The project was requested as Construct Education Complex, \$93,154,000 GF. Rather than focus on just one college within the academic area, the university is in need of new, energy-efficient, modernized academic and office space for several academic areas. This project was revised in purpose and marginally in scope to address the need for such space.*
- 3. Renovate and Upgrade Heat Plant** **\$14,000,000**  
The university's central heat plant was constructed in 1909 and has undergone several renovations between construction and the present. However, the boiler equipment and associated emissions control equipment are obsolete and dilapidated in spite of several years of concerted effort to keep it operational. This project will replace two coal-fired boilers that were originally installed in 1960 and 1964 with modern equipment that allows more efficient and clean operation. (C-PI)  
CPAB Staff Notes  
– *The project includes \$7 million RF.*  
– *This project was the #3 priority in the last capital plan, with a project scope of \$5,500,000. The university's capital plan notes that project costs were updated from the prior plan to reflect routine inflationary increase assumptions to more accurately estimate the future biennial costs. The differences are primarily focused on components such as construction materials and labor costs.*
- 4. Renovate Mechanical Systems Pool 2020-2022** **\$20,000,000**  
This pool will fund replacement of major mechanical components such as air handlers, pumps, chillers, variable air volume boxes, control systems, control and hydronic piping for projects costing in excess of \$1,000,000 (C-PI)  
CPAB Staff Notes  
– *The project includes \$10 million RF.*  
– *Over half of EKU's current buildings were constructed in 1971 or earlier. Significant investment was made in maintaining building systems; however, many of those systems require major component (air handler, pump, chiller, variable air volume boxes, control systems, control and hydronic piping and so on) replacement. EKU will perform an evaluation to determine which buildings have the greatest need at the time of funding.*  
– *This project was the #4 priority in the last capital plan, with a project scope of \$10,000,000. The project scope has doubled in size due to increased design (\$650,000 to \$1,300,000), construction (\$8,500,000 to \$17,000,000), and contingency costs (\$850,000 to \$1,700,000).*

**5. Renovate Moore Building** **\$40,000,000**

This project will renovate or replace the Moore Science, Memorial Science, and Roark Buildings. This renovation will include all HVAC systems, building envelope, and interiors. The renovation or replacement will provide for modern energy-efficient classroom, lab, and office spaces. Before renovations begin, a cost and feasibility study will be conducted to determine whether it is more practical to raze and replace Moore or renovate it. Factors to be considered will include cost of renovation compared to replacement, ability to efficiently use the space after a renovation and energy consumption (C-PI)

CPAB Staff Notes

- *The Moore Building, 115,474 net square feet, was built in 1968 and has HVAC systems requiring major overhaul. It is no longer suited for continued use as venues for science instruction. Laboratories in the building have inadequate heating and cooling, inadequate ventilation, insufficient power, and do not allow the use of modern audio and visual aids. The new science phase two will be completed in time to relocate the occupants of the Moore Building. The Moore Building will be better suited as classrooms and offices for the social sciences.*
- *The renovated space in the Moore Building or the replacement of the building will serve as a social science building housing the departments of anthropology, sociology and social work, economics, government, and history.*

**6. Lease - Aviation** **\$200,000**

This project is a lease of existing and additional aircraft required to potentially avail ECU of a federal grant match to support ECU's aviation program. (EQ)

**7. Renovate Whalen Complex** **\$24,500,000**

Three buildings comprise the Whalen Complex: the Gibson Building (27,610 square feet and completed in 1962); the Fitzpatrick Building (35,403 square feet, 1939), and the Ault Building (34,367 square feet, 1962). This project will make fire safety and handicapped access improvements and add a high bay construction technology lab in addition to general refurbishing. Fire safety and ADA improvements will include sprinklers, smoke detectors, fire alarm systems, ventilation and related improvements as necessary; and restroom door expansion, restroom expansion, a first-floor ramp and an elevator for other floors. (C-PI)

CPAB Staff Notes

- *The project includes \$2 million in private funding (cash) and \$22,500,000 GF.*

**2022-2024**

Construct Health Sciences Building (near hospital)	\$33,150,000
Construct University Information Technology Center	41,397,000
Renovate Bert Combs Building	26,300,000

**2024-2026**

Renovate Alumni Coliseum	\$31,350,000
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**EASTERN KENTUCKY UNIVERSITY**  
**Proposed Projects Involving Agency Bonds**  
(Projects listed by agency priority)

**2020-2022**

(Projects listed by agency priority; descriptions are from the agency submission)

- 1. Construct New Model Laboratory School** **\$40,000,000**  
Eastern Kentucky University requests authorization for an agency bond issue to construct a new Model Laboratory School. The Donovan Building that serves the Model Laboratory School was originally constructed in 1961. (C-PI)
  
- 2. Aviation Acquisition** **5,000,000**  
This project will issue debt to purchase aviation assets required for participation in a federally funded grant award for the aviation program. (C-O)
  
- 3. Improve Campus Pedestrian, Parking, and Transport** **30,000,000**  
This project will facilitate pedestrian, vehicular and bus traffic as the campus expands. In addition, pedestrian access across campus will be addressed through this project, which may include the construction of a pedway, bike lanes, sidewalks, parking garage, parking lots, and multi-modal access routes. (C-O)

**2022-2024**

1. Construct New Student Housing \$19,200,000
2. Renovate Residence Hall 12,500,000

**2024-2026**

1. Renovate Residence Hall \$14,000,000
2. Construct North Residential District Retail Unit 4,500,000
3. Construct New Student Housing-Garden Apartments 54,000,000

**EASTERN KENTUCKY UNIVERSITY**  
**Proposed Projects NOT Involving the General Fund**

The projects listed below are funded with a source other than state general funds. Funding sources include private funding (OT-P), restricted funds (RF), or long-term financing (OT-LTF).

**2020-2022**

Academic Computing Pool	\$8,000,000 RF
Administrative Computing Pool	6,500,000 RF
Campus Data Network Pool	13,000,000 RF
Campus Infrastructure Upgrade	35,000,000 OT-LTF
Chemistry and Translational Research Pool	1,025,000 RF/OT-P
Commonwealth Hall Partial Repurposing and Renovation	6,000,000 RF
Construct Alumni and Welcome Center	13,000,000 OT-P
Construct EKV Early Childhood Center	4,200,000 RF
Construct Regional Health Facility	15,000,000 FF
Construct Student Health Center	2,705,000 OT-P
Demolish Building Pool	40,000,000 RF/OT-P
Guaranteed Energy Savings Performance Contracts	25,000,000 OT-LTF
Innovation and Commercialization Pool	15,000,000 RF/OT-P
Keen Johnson Campus Service Space	2,500,000 RF/OT-P
Miscellaneous Maintenance Pool 2020-2022	20,000,000 RF
Natural Areas Improvement Pool	825,000 RF
Property Acquisitions Pool	6,000,000 RF/OT-LTF
Renovate Women's Soccer Complex	4,000,000 OT-P
Repair/Replace Infrastructure/Building System Pool	20,000,000 RF
Replace and Renovate Student Housing	50,000,000 OT-LTF
Scientific and Research Equipment Pool	7,400,000 RF/FF/OT-P
Steam Line Upgrades	10,000,000 OT-LTF
Upgrade and Improve Residence Halls	10,000,000 RF
Upgrade/Improve Athletics Facilities/Fields Pool	24,000,000 RF/OT-P/OT-LTF

**2022-2024**

Construct University Hotel and Conference Center	\$30,000,000 OT-P
Miscellaneous Maintenance Pool 2022-2024	23,000,000 RF

**2024-2026**

Miscellaneous Maintenance Pool 2024-2026	\$24,000,000 RF
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**EASTERN KENTUCKY UNIVERSITY**  
**Quarterly Status Report - Current Capital Projects**

<b>Project Title</b>	<b>Authorization</b>	<b>Status</b>	<b>Percentage Complete</b>
Construct Dining Facility	2016-2018	Complete/Closed Out	100
Replace and Renovate Student Housing	2016-2018	Complete/Closed Out	100
Construct Science Building Phase 2 and 3	2014-2016	Complete/Not Closed Out	100
Renovate/Improve Athletics Facilities	2014-2016	Complete/Not Closed Out	100
Construct Student Life Facilities	2016-2018	In Construction	36