Office of the President  
September 9, 2008

Members, Board of Trustees:

PATIENT CARE FACILITY PROJECT

Recommendation: that the Board of Trustees approve the consolidation of existing but separate legislative authorities relating to the new UK HealthCare Patient Care Facility and formally establish the scope of the initial phases of the project at $525,000,000 (which includes clinically and non-clinically related expenditures) to be funded from hospital revenues and agency bonds and $7,300,000 for the fit-out of shelled space and other improvements using private gifts and pledges.

Background:

- At its December 14, 2004 meeting, the Board approved initiation of a major initiative to replace the original 1959 hospital structure. The project would be completed in multiple phases over an estimated five-year period.
- At its October 25, 2005 meeting, the Board approved the consolidation of the Patient Care Facility project with several authorized infrastructure projects to bring the aggregate authorized scope to $450 million.
- At its September 11, 2007 meeting, the Board approved adding two shelled patient bed floors to the project.
- The 2008 Kentucky General Assembly authorized an additional $250 million for the project, increasing the total legislative authorization to $700 million.

As previously discussed, the total project budget continues to be $532,300,000 (which includes clinically and non-clinically related expenditures). Any increase in the project budget beyond this point will entail additional Board approval prior to implementation.

The consolidation of the separate authorities is necessary for administrative reporting purposes. Contingent upon approval by the Board of Trustees, the University will request similar legislative authorization to consolidate the authorities from the Capital Projects and Bond Oversight Committee.

Action taken:  ✅ Approved  ❑ Disapproved  ❑ Other ————