Office of the President
June 13, 2006

Members, Board of Trustees:

CAPITAL PROJECTS

Recommendation: that the Board of Trustees approve initiation of the following capital projects:

<table>
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<tr>
<th>Project Title</th>
<th>Fund Source</th>
<th>Scope</th>
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<td>1. Construct Biological/Pharmaceutical Complex – Phase II</td>
<td>State Bonds</td>
<td>$79,892,000</td>
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<tr>
<td>2. Upgrade Cancer Center Radiologic Facility</td>
<td>Agency Funds</td>
<td>$6,000,000</td>
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<tr>
<td>3. Fit-Up Gill Building Ground Floor</td>
<td>Agency Funds</td>
<td>$6,500,000</td>
</tr>
<tr>
<td>4. Hospital Dining Facilities and Equipment</td>
<td>Agency Funds</td>
<td>$1,500,000</td>
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Background: These projects were authorized by the 2006 General Assembly as part of House Bills 380 and 557. These projects were approved by the University Hospital Committee on June 8, 2006. A brief description of each project is attached.

Action taken: □ Approved □ Disapproved □ Other ______________________
1. **Construct Biological/Pharmaceutical Complex - Phase II**

State Bonds - $79,892,000

At its September 20, 2005 meeting the Board of Trustees approved Phase I of the Biological/Pharmaceutical Complex Project to construct a new facility serving the College of Pharmacy. Phase I was funded by $40,000,000 in state funded bonds authorized by the 2005 Session of the Kentucky General Assembly. Phase II will fit-up the new facility and provide a state-of-the-art teaching and research facility.

2. **Upgrade Cancer Center Radiologic Facility**

Agency Funds - $6,000,000

This project will upgrade existing space to facilitate new radiological equipment and expand exam space to support technological improvements and changes in current practice patterns and provide a convenient and efficient system for patients to receive radiation medicine services. The project will be funded by the University Hospital.

3. **Fit-Up Gill Building Ground Floor**

Agency Funds - $6,500,000

This project will fit-up shelled space on the first floor of the Gill Building to accommodate equipment to expand the imaging capacity of the clinical enterprise within the Gill Building. This will serve cardiology patients more effectively and expeditiously. The project will be funded by the University Hospital.

4. **Hospital Dining Facilities and Equipment**

Agency Funds - $1,500,000

This project will renovate the existing University Hospital cafeteria located on the first floor of the Hospital. This renovation will enable the Hospital to better serve visitors and staff with a more comfortable, inviting and efficient dining environment. The project will be funded by the University Hospital.