

# FCR 3

Office of the President  
March 9, 2010

Members, Board of Trustees:

CONSTRUCT CENTER FOR APPLIED ENERGY  
RESEARCH LABORATORY BUILDING #2

Recommendation: that the Board of Trustees approve the initiation of the Construct Center for Applied Energy Research Laboratory Building #2 capital project.

Background: The University of Kentucky's Center for Applied Energy Research (CAER) received an \$11,832,685 grant from the National Institute of Standards and Technology (NIST) under the "America Recovery and Reinvestment Act" federal stimulus package. This NIST grant will be used to construct a new standalone 36,000 gross square foot laboratory building at the Spindletop Research site. The new facility will include labs for process development and prototype manufacturing and testing to support applied research on batteries, capacitors, solar energy materials, and biofuels. The Kentucky Biofuels Laboratory also will be located within the new facility.

The initial scope of the project is \$16,276,913: \$11,832,685 will be funded from the NIST grant, \$3,500,000 million from the Kentucky Energy and Environment Cabinet; and the remaining \$944,228 from the University's Office of the Vice President for Research as the University's non-federal cost share. Additionally, a State Energy Plan demonstration grant for \$3,500,000 is being negotiated with the Energy and Environment Cabinet, to allow expanded energy efficiency and renewable energy technology within the building. If successful, the application will bring the total scope of the project to \$19,776,913. The University will request maintenance and operations funding for the facility from the state.

The interim capital approval process begins with the Board of Trustees, and if approved, the University then requests approval from the Council on Postsecondary Education (CPE) followed by the Capital Projects and Bond Oversight Committee. Because of the timing requirements of the NIST grant, President Lee T. Todd, upon consultation with Chair Mira Ball, submitted the project to CPE on February 11, 2010 prior to obtaining Board approval. CPE approved the project pending the Board's approval at its March 9 meeting. The project will be submitted to the Capital Projects and Bond Oversight Committee on March 15, 2010, if approved by the Board.

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