

Office of the President September 12, 2025

Members, Board of Trustees:

APPROVAL OF IMPROVEMENTS TO LEASED SPACE (UK HEALTHCARE CARDIAC REHAB)

<u>Recommendation</u>: that the Board of Trustees approve the payment of up to \$240,000 for improvements to leased space for the University of Kentucky HealthCare Cardiac Rehab Clinic located at 135 E. Maxwell Street, Lexington, Kentucky.

<u>Background</u>: Pursuant to Kentucky Revised Statute §164A.575, a public university may pay for improvements to leased property costing in excess of \$10,000 but less than \$1,000,000. Prior to June 2024, all such improvements were submitted to the Board for approval prior to initiation of the improvements. At its June 2024 meeting, to streamline the process, the Board approved improvements to leased property costing in excess of \$10,000 but less than \$1,000,000 initiated during Fiscal Year 2024-25 that are not funded by state General Funds or debt, and which have been deemed necessary by the Executive Vice President for Finance and Administration.

Prior to the June 2024 Board meeting, UK HealthCare initiated improvements to leased property which renovated the first floor of the Good Samaritan Professional Arts Center (PAC building) to create additional clinical space for cardiac rehab services. The scope of work included minor electrical and low voltage additions, architectural finishes, HVAC improvements, reworked registration/waiting space, training and dietary demonstration spaces in addition to increasing capacity of patient throughput for rehab related activities. This project was completed in April of 2024.

A routine review of capital project documentation revealed that Board approval to proceed with the PAC building improvements was inadvertently missed. Consequently, the improvements to leased space are being presented to the Board retroactively for approval.

Action taken:	Approved	☐ Disapproved	☐ Other	





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