

FCR 9

Office of the President
September 12, 2025

Members, Board of Trustees:

IMPROVE UK HEALTHCARE FACILITIES – UK CHANDLER HOSPITAL (VARIOUS PROJECTS) CAPITAL PROJECT

Recommendation: that the Board of Trustees approve a scope increase for the Improve UK Healthcare Facilities – UK Chandler Hospital (Various Projects) capital project.

Background: Pursuant to Administrative Regulation 8:2, any capital project with an estimated scope of \$1,000,000 or more must be approved by the Board prior to initiation.

On April 28, 2023, the Board approved the initiation of the following projects for the Albert B. Chandler Hospital with an approved scope of \$82,000,000.00:

1. Renovation of approximately 34,000 gross square feet of active clinical space on the third floor of Pavilion HA in the Mother Baby and Labor and Delivery Units. The scope of work includes renovation of triage and post-anesthesia care units; standardization of operating rooms; update of staff workspaces; and renovation of all inpatient workrooms, labor and delivery rooms, and public areas. The scope of work also includes relocation of the nursery to an approximately 1,550 gross square feet space in the Post Partum Unit on the ninth floor of Pavilion A.
2. Creation of space for advanced endoscopy services in the Interventional Services Suite on the first floor of Pavilion A. The scope of work includes two fixed and two mobile C-arm rooms within existing procedure rooms and constructing two general endoscopy rooms and clinical support spaces. Existing prep and recovery rooms will be equipped as appropriate to support the added advanced endoscopy rooms.
3. Construction of an observation unit in the approximately 5,500 square feet of available ground-floor space adjacent to the existing Pavilion A Emergency Department (ED). The scope of work includes the construction of observation rooms and associated clinical support spaces.
4. Completion of the operating room expansion project. The scope of work will use 15,000 square feet of shelled space adjacent to the existing operating rooms and pre-op/post-op rooms on the second floor of Pavilion A to create eight additional

operating rooms, including one hybrid operating room, eight prep and recovery rooms, and all associated support spaces.

Multiple factors have contributed to the increase in the capital project scope to \$115,000,000. The first is the need for increased investment in equipment to accommodate the conversion of an operating room into a hybrid operating room and to meet the projected demands for the operating rooms, the mother/baby unit and the labor delivery unit. Additional scope is necessary to provide high quality lighting, utilities and HVAC equipment in the C-section rooms to better serve patients. Finally, the market conditions for labor, materials and equipment have changed significantly due to regional market saturation and project complexity.

The revised scope of \$115,000,000 is well within the total legislative authorization of \$150,000,000, authorized by the 2024 Kentucky General Assembly, and will be funded with agency funds.

Action taken: ☒ Approved ☐ Disapproved ☐ Other _____