



Matthew G. Bevin
Governor

Commonwealth of Kentucky
Finance and Administration Cabinet
OFFICE OF THE SECRETARY
Room 383, Capitol Annex
702 Capital Avenue
Frankfort, KY 40601-3462
(502) 564-4240
Fax (502) 564-6785

William M. Landrum III
Secretary

July 9, 2019

The Honorable Rick Girdler, Co-Chairman
The Honorable Walker Thomas, Co-Chairman
Members of the Committee
Capital Projects and Bond Oversight Committee
Legislative Research Commission
Frankfort, Kentucky 40601

Dear Senator Girdler, Representative Thomas, and Members of the Capital Projects and Bond Oversight Committee:

In accordance with the provisions of KRS 45.750-800, the Finance and Administration Cabinet is reporting the attached actions involving:

Appropriation Increase – Federal Funds

Department of Military Affairs, Range Operations Expansion Project at the Wendell H. Ford Regional Training Center in the amount of \$41,412 federal funds for a total scope of \$1,315,149.

Equipment Purchase in Excess of \$200,000

Justice and Public Safety Cabinet, Department of Kentucky State Police – KSP Helicopter purchase in the amount of \$1,700,000 (\$1,000,000 federal asset forfeiture funds; \$700,000 restricted funds).

New Project – Restricted Funds

Kentucky Community and Technical College System, Renovate (KCTCS), Building A – Main Campus, Southcentral Kentucky Community and Technical College (SKYCTC) in the amount of \$3,000,000 funded entirely from KCTCS's restricted funds.

Sincerely,

William M. Landrum III
Secretary

Attachments



Commonwealth of Kentucky
Finance and Administration Cabinet
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Room 383, Capitol Annex
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William M. Landrum III
Secretary

July 9, 2019

Michael A. Jones, Executive Director
Office of Management & Administration
Department of Military Affairs
Boone National Guard Center
100 Minuteman Parkway
Frankfort, Kentucky 40601

Dear Mr. Jones:

This letter is to inform you that approval has been given pursuant to KRS 45.760 for an appropriation increase in the amount of \$41,412 for a total project scope amount of \$1,315,149 for the Department of Military Affairs Range Operations Expansion Project at the Wendell H. Ford Regional Training Center. This project is 100% Federal funded.

This action will be on the agenda of the Capital Projects Bond Oversight Committee currently scheduled for July 23, 2019 at 1:00 pm in Room 169, Capitol Annex. Please have a representative familiar with this project in attendance for any related question the committee may have.

Sincerely,

A handwritten signature in blue ink that reads "William M. Landrum III".

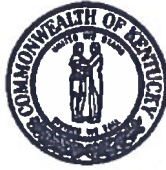
William M. Landrum III
Secretary

Date: July 9, 2019
Agency: Department of Military Affairs
Project: DMA Wendell H. Ford Regional Training Center (WHFRTC) Range Operations Expansion
Account Number: C8MD
Type of Action: Approval for a Federal Funds Appropriation Increase

Pursuant to KRS 45.760(7), the Secretary of the Finance and Administration Cabinet has approved an appropriation increase in the amount of \$41,412 for a total of \$1,315,149 for the Department of Military Affairs Range Operations Expansion at the WHFRTC in Greenville, KY capital project. The project is 100% Federal funded.

This project was previously reported in October 2017 as a new project in the amount of \$1,273,737

This project will construct an approximately 3,800 square foot expansion to the Range Operations Center and will serve as a central security checkpoint. This appropriation increase will allow funding for change orders of the design and construction contracts, such as the relocation of existing electrical conduit and to change metal lockers and wood benches to polyethylene plastic.



DEPARTMENT OF MILITARY AFFAIRS

Matthew G. Bevin
Governor

100 Minuteman Parkway
BNGC – EOC Building
Frankfort, KY 40601-6168

STEPHEN R. HOGAN
Major General, KYNG
The Adjutant General

June 17, 2019

COL (R) William M. Landrum III, Secretary
Finance and Administration Cabinet
Room 383, Capital Annex
Frankfort, Kentucky 40601-3462

RE: Capital Construction Project:
DMA Range Operations Expansion
Wendell H. Ford Regional Training Center
Greenville, KY

Dear Secretary Landrum:

Authorization is requested, pursuant to KRS 45.760, for the approval of an increase to the Capital Construction project to construct an expansion of the Range Operations Center at the Wendell H. Ford Regional Training Center (WHFRTC) in Greenville, KY. The requested appropriation increase to \$1,315,149 is 100% federally funded from the DoD cooperative agreement Army Operations and Maintenance 2018. This appropriation increase request will allow for change orders of the design and construction contracts such as relocation of existing electric conduit that interferes with the installation of the new footers, change proposed metal lockers and wood benches from metal to water resistant high density polyethylene plastic and any additional unforeseen circumstances.

This project is constructing an approximately 3,800 square foot expansion to the Range Operations Center. The purpose of the expansion is to provide additional security during peak hunting periods when the general public is allowed to come on to the base to hunt wild game. The expanded space will be used as a central check out area for hunters which takes pressure off the security guards manning the main entrance and exit points of the base. The construction will include all the necessary interior and exterior finishes, plumbing, heating and cooling, and electrical work.

Your assistance is greatly appreciated. If you should have any questions regarding this matter please contact the undersigned at 502-607-1447.

Cordially,

MICHAEL A. JONES
Executive Director
Office of Management & Administration
Department of Military Affairs



Matthew G. Bevin
Governor

Commonwealth of Kentucky
Finance and Administration Cabinet
OFFICE OF THE SECRETARY
Room 383, Capitol Annex
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William M. Landrum III
Secretary

June 28, 2019

John Tilley
Secretary
Justice and Public Protection Cabinet
125 Holmes Street
Frankfort, KY 40601

Richard W. Sanders
Commissioner
Kentucky State Police
919 Versailles Rd
Frankfort, KY 40601

Dear Secretary Tilley and Commissioner Sanders:

This letter is to inform you that approval has been given pursuant to KRS 45.760(7)(a) for a new major item of equipment in the amount of \$1,700,000 for a 2016 McDonnell Douglas 530FF helicopter for the Department of State Police. The appropriation of \$1,700,000 will be funded with \$1,000,000 in Federal Asset Forfeiture funds and \$700,000 from the State Police Operations Restricted Fund.

This action will be on the agenda of the Capital Projects Bond Oversight Committee currently scheduled for Tuesday, July 23, 2019 at 1:00 pm in Room 169, Capitol Annex. Please have a representative familiar with this project in attendance for any related question the committee may have.

Sincerely,

William M. Landrum III
Secretary

Date: June 28 2019
Agency: Justice and Public Safety Cabinet/Department of State Police
Project: KSP Helicopter
Account Number: C9E7
Type of Action: Approval of Equipment Purchase in Excess of \$200,000

The Secretary of the Finance and Administration Cabinet has approved the purchase of major items of equipment in the amount of \$1,700,000 for a 2016 McDonnell Douglas 530FF helicopter to be used by the Department of State Police. Of that total, \$1,000,000 will be Federal Asset Forfeiture funds and \$700,000 will be State Police Operations Restricted Funds. This helicopter is essential to the core function of State Police duty to provide public safety. This helicopter will be utilized for search and rescue missions, manhunts, Secret Service missions, search/surveillance, high-risk procedures, disaster survey, transport Critical Response Teams, marijuana eradication, and other official business. The citizenry of the Commonwealth depend upon State Police and State Police equipment to aid in the time of need.



KENTUCKY STATE POLICE

Matthew G. Bevin
Governor

919 Versailles Road
Frankfort, Kentucky 40601
www.kentuckystatepolice.org

John C. Tilley
Secretary

Richard W. Sanders
Commissioner

June 28, 2019

Secretary William M. Landrum III
Secretary of the Finance & Administration Cabinet
702 Capitol Avenue
Room 383, Capitol Annex
Frankfort, Kentucky 40601

Dear Secretary Landrum:

The Department of Kentucky State Police (KSP) requests the acquisition of equipment (helicopter) in excess of \$200,000 as a capital project, which will be financed with over 50% federal asset forfeiture funds in accordance with KRS 45.760(7)(a). The total cost of purchase is \$1,700,000 (\$1,000,000 federal asset forfeiture funds and \$700,000 restricted funds).

This is a 2016 McDonnell Douglas 530FF Helicopter, serial number 0714FF, from vendor Ryan Duff. The 2016 McDonnell Douglas 530FF Helicopter includes a C30 Rolls Royce engine, new exterior and interior, a Garmin G500H, GTN 650, GTN750 and ADS B. The total air time is 5,598 hours. This helicopter appraised at a \$1,826,000 value by Avworth Aviation Consulting, Inc. A copy of the appraisal is attached.

Helicopters are essential to the core function of KSP's duty to provide public safety. They are utilized for search and rescue missions, manhunts, Secret Service missions, search/surveillance, high-risk procedures, disaster survey, transport Critical Response Teams (CRTs), marijuana eradication, and other official business. The citizenry of the Commonwealth depend upon KSP and its equipment to aid in the time of need.

KSP's current helicopter fleet as described in the 2020-2026 Capital Plan is obsolete and outdated. KSP operates six (6) helicopters ranging in date from 1967-1983, equating to 52-36 years old. KSP currently only owns one (1) helicopter. The remaining five (5) are Department Of Defense 1033 program equipment, which could be requested by the federal government for return at any time. It is also noted that one of the helicopters is not airworthy and is used for parts only. These helicopters are maintained to standards.

William M. Landrum III

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June 28, 2019

However, associated maintenance is becoming increasingly hard to provide as parts are obsolete and those capable of working on such aging equipment is rare.

This equates to a rising cost to maintain which nearly exceeds the value of the equipment itself. Between the calendar years of 2013 and 2018, KSP expended approximately 1.8 million dollars on maintenance.

Aged aircraft of this type would not be a standard use in the private sector, while at KSP they are utilized on a daily basis for critical work to ensure public safety. Currently KSP does not carry insurance on 3 of the 6 helicopters. The value of the 3 that KSP carries insurance on range from \$275,000 to \$900,000. KSP insures the only helicopter it owns at \$900,000. The average fair market value for the helicopters is estimated at approximately \$350,000.

KSP has the unique opportunity to purchase a used helicopter at a price of \$1,700,000 (invoice attached). This amount is below the estimated market value of \$1,826,000 as evidenced by the attached appraisal and mentioned hereinabove. This helicopter has been extremely well maintained and has upgrades that have an estimated value of well over \$1,000,000 alone (see pictures in appraisal). There are no other quality helicopters on the re-sale market that meet the needs of KSP with this quality and value and that are also below market value. KSP is fortunate to have available funds for this purchase due to asset forfeiture funding and other restricted fund sources this year. However, the purchase of a new helicopter at an estimated cost of \$4,000,000 is not a feasible cost at this time.

It is also noted that N65SP, serial number 1280964 (67-16579), a 1968 a MDOH-6A helicopter, which is owned by DOD, will be returned to the federal government as required.

Finally, please note that this helicopter is for public re-sale, and it may be purchased by the first available buyer. Therefore, time is of the essence for KSP's opportunity to purchase.

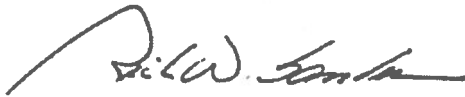
William M. Landrum III

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June 28, 2019

If you should have any questions, please contact Lieutenant Colonel Tom Pyzik, tom.pyzik@ky.gov, (859) 200-0317. Thank you in advance for your consideration.

Sincerely,



Richard W. Sanders
Commissioner



On behalf of Cabinet Secretary per KRS 15A.020

Secretary John C. Tilley
Justice & Public Safety Cabinet

Attachments
Appraisal
Invoice



Commonwealth of Kentucky
Finance and Administration Cabinet
OFFICE OF THE SECRETARY
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Matthew G. Bevin
Governor

William M. Landrum III
Secretary

July 9, 2019

Wendell Followell
Vice President for Finance
Kentucky Community and Technical College System
300 North Main Street
Versailles, KY 40383

Dear Mr. Followell:

This letter is to inform you that approval has been given pursuant to KRS 164A.575(15) for a new capital project in the amount of \$3,000,000 for the Renovate Building A – Main Campus project at Southcentral Kentucky Community and Technical College. The project will be funded entirely from restricted funds.

This action will be on the agenda of the Capital Projects Bond Oversight Committee currently scheduled for July 23, 2019 at 1:00 pm in Room 169, Capitol Annex. Please have a representative familiar with this project in attendance for any related question the committee may have.

Sincerely,


William M. Landrum III
Secretary

Date: July 9, 2019
Agency: Kentucky Community and Technical College System
Project: Renovate Building A – Main Campus, SKYCTC
Account Number: To be determined
Type of Action: New Project – Restricted Funds

Pursuant to KRS 164A.575(15), the Secretary of the Finance and Administration Cabinet has approved a new capital project, Renovate Building A – Main Campus, SKYCTC, in the amount of \$3,000,000 to be funded entirely from KCTCS' Restricted Funds. The renovation will include HVAC upgrades, a bookstore expansion, and the addition of faculty offices.



July 1, 2019

Mr. William M. Landrum III, Secretary
Finance and Administration Cabinet
Room 383, Capitol Annex
702 Capitol Avenue
Frankfort, KY. 40601

Re: Interim Authorization Request
Kentucky Community and Technical College System

Dear Secretary Landrum:

In accordance with House Bill 592, Kentucky Community and Technical College System (KCTCS) respectfully requests interim authorization for the Southcentral KY Community and Technical College for a renovation on the Main Campus. The total budget is \$3,000,000. This project will be funded with agency restricted funds.

With the new Instructional Complex that was opened in the fall of 2018, certain programs were moved into the new building allowing for vacant space in other buildings to be repurposed. Primarily, at this time, the funds will be used to renovate Building A for HVAC upgrades, a bookstore expansion and building additional faculty offices. The design and construction of the project will be implemented through the Finance and Administration Cabinet as a capital project.

KCTCS' Board of Regents approved this project on June 15, 2018 and the Council for Postsecondary Education approved it on June 28, 2019.

Should you have any questions, please feel free to contact Ken Marks at 859-256-3594.

Sincerely,

Wendell Followell
Vice President

Cc: President Jay Box
Sandy Adkins
Ken Marks
Shaun McKiernan
Carla Wright



Kentucky Community and Technical College System
300 North Main Street
Versailles, KY 40383
(859) 256-3100
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