



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

**Matthew G. Bevin**  
Governor

**William M. Landrum III**  
Secretary

October 31, 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**

Kentucky Communications Network Authority, Next Generation Kentucky Information Highway federal grant award in the amount of \$20,062,400 from the Appalachian Regional Commission (ARC).

Sincerely,

William M. Landrum III  
Secretary  
Attachments

**Date:** October 31, 2019  
**Agency:** Kentucky Communications Network Authority  
**Project:** Next Generation Kentucky Information Highway  
**Account Number:** 137-C735  
**Type of Action:** Appropriation Increase – Federal Funds

Pursuant to KRS 45.760(6), the Secretary of the Finance and Administration Cabinet has approved an appropriation increase of \$20,062,400 in federal funds for the Next Generation Kentucky Information Highway project. This brings the project's total appropriation to \$454,462,400.

The 2014-2016 biennial budget bill included \$20 million in Federal funds and the Secretary authorized an additional \$3.5 million in Federal funds in September 2015. This action reflects an additional increase of Federal funds, which will come from the Appalachian Regional Commission and flow to the Authority through the Center for Rural Development in Somerset, Kentucky.



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Secretary

October 31, 2019

Bernard "Deck" Decker  
Interim Executive Director  
Kentucky Communications Network Authority  
209 St. Clair Street, 4<sup>th</sup> Floor  
Frankfort, KY 40601-3462

Dear Mr. Decker:

This letter is to inform you that approval has been given pursuant to KRS 45.760(6) for an appropriation increase of \$20,062,400 in federal funds for the Next Generation Kentucky Information Highway capital project. This will bring the total appropriation to \$454,462,400.

This action will be on the agenda at the meeting of the Capital Project and Bond Oversight Committee that is currently scheduled for November 14, 2019 at 1:00 in room 169 of the Capitol Annex in Frankfort. Please arrange to have someone who is familiar with this project attend the meeting to answer any questions from members of the committee.

Sincerely,

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

William M. Landrum III  
Secretary



Commonwealth of Kentucky  
Governor's Office

**Kentucky Communications Network Authority**

209 St. Clair Street, 4<sup>th</sup> Floor

Frankfort, KY 40601-3462

(502) 782-9549

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**Matthew G. Bevin**  
Governor

**Bernard "Deck" Decker**  
Interim Executive Director

October 30, 2019

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

Secretary Landrum:

Pursuant to KRS 45.760(6), this letter is the Kentucky Communications Network Authority's (KCNA) request for your approval of an appropriation increase of \$20,062,400 in federal funds for the Next Generation Kentucky Information Highway capital project. The source of the funds is a grant from the Appalachian Regional Commission (ARC) for the construction of the "last mile" of fiber and related equipment to state parks, cities, counties and other entities in the ARC counties. The ARC awarded the grant to the Center for Rural Development, which will release the funds to KCNA based upon the August 19, 2019 lease entered into by the Commonwealth and CRD.

This action will bring the project's total authorization to \$454,462,400, consisting of \$43,562,400 in federal funds, \$30,000,000 in bond funds, and \$380,900,000 in other funds.

Please contact me if you have any questions.

Sincerely,

Bernard "Deck" Decker  
Interim Executive Director