

CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

Minutes

February 25, 2025

Call to Order and Roll Call

The February meeting of the Capital Projects and Bond Oversight Committee was held on February 25, 2025, at 3:00 PM in Room 131 of the Capitol Annex. Representative Shawn McPherson, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Shawn McPherson Co-Chair; Senator Shelley Funke Frommeyer Co-Chair; Senators Rick Girdler, Scott Madon, and Robin L. Webb; Representatives Jason Petrie, Sarah Stalker, and Walker Thomas.

Guests: Janice Tomes, Deputy State Budget Director, Office of State Budget Director; Sandy Williams, Executive Director, Kentucky Infrastructure Authority; and, Chelsey Couch, Executive Director, Office of Financial Management.

LRC Staff: Savannah Wiley and Spring Emerson.

Approval of Minutes

Co-Chair Funke Frommeyer moved to approve the minutes of the January 22, 2025 meeting. The motion was seconded by Representative Thomas, and the minutes were approved without objection by voice vote.

Correspondence and Information Items

Ms. Wiley presented the information items as A. School District Debt Issues - New Projects on 1. General Obligation Bonds for a. Crittenden County, b. Eminence Independent (Henry County), c. Estill County, and d. Graves County Board of Education; 2. KRS 45.812(1) Revenue Bonds for a. Henderson County and b. Jessamine County.

Also included were B. KRS 48.111(6)(a) Notices of Advertisement for Lease Space for 1. Cabinet for Health and Family Services, Pulaski County, PR-5882; 2. Cabinet for Health and Family Services, Muhlenberg County, PR-5884; and 3. Justice and Public Safety Cabinet, Department for Juvenile Justice, Hardin County, PR-5886; C. KRS 48.111(6)(e) Notifications - Finance and Administration Cabinet; and, D. House Bill 6 Reporting for 1. Kentucky Communications Network Authority Capital Projects, and 2. Postsecondary Education Asset Preservation Pool Project Revisions - Eastern Kentucky University.

Project Report from the Finance and Administration Cabinet

Ms. Tomes presented information on three items requiring action and one item requiring no action. Senator Girdler moved to roll the three action items into one roll call vote. The motion was seconded by Representative Thomas, and the votes were rolled into one without objection.

The action items included 1. New Project - Postsecondary Education, Kentucky State University, Betty White Building Renovation; 2. Appropriation Increase - Department of Education, State Schools Dormitory and Cottage Renovation; and, 3. New Project (Amendment) - Postsecondary Education, Kentucky Community and Technical College, Science Building Expansion - Elizabethtown CTC.

In response to a question from Representative Petrie regarding the use of KRS 45.760(6), Ms. Tomes said that statute is used often.

In response to a question from Chair McPherson regarding project bids, Ms. Tomes said the bidding process is competitive, and recent estimates are higher than in the past due to inflation within the construction industry.

Representative Thomas moved to approve the three action items. The motion was seconded by Senator Webb, and the items were approved without objection by unanimous roll call vote.

Ms. Tomes presented information on one item requiring no action, which was the Pool Allocation - Justice and Public Safety Cabinet, Department of Corrections, Adult Correctional Institutions (Maintenance Pools - 2022-2024 and 2024-2026) - KCIW Kitchen Drain Line Repair/Replace.

Report from the Office of Financial Management

Kentucky Infrastructure Authority - Ms. Williams presented information on six loans and one grant requiring action. Senator Girdler moved to roll the seven items into one roll call vote. The motion was seconded by Co-Chair Funke Frommeyer, and the votes were rolled into one without objection.

The items were 1. Clean Water State Revolving Fund (Fund A) Program Loans and Loan Increase for a. City of Frankfort (Franklin County), A21-018 (Increase); b. City of Sturgis (Union County), A245-020S; c. City of Scottsville (Allen County), A25-016S; and d. City of Morganfield (Union County), A25-022; 2. Infrastructure Revolving Fund (Fund B) Program Loan - Western Pulaski County Water District (Pulaski County), B25-006; 3. Drinking Water State Revolving Fund (Fund F) Program Loan - City of Springfield (Washington County), F25-016S; and, 4. Kentucky Water and Wastewater Assistance for Troubled or Economically

Restrained Systems (Kentucky WWATERS - Fund W) Program Grant - City of Eddyville (Lyon County), W25-004E.

Senator Madon moved to approve the seven KIA transactions, and the motion was seconded by Co-Chair Funke Frommeyer. The items were approved without objection by unanimous roll call vote.

Office of Financial Management - Ms. Couch presented information on two New Debt Issues, one requiring action and one requiring no action. The action item was for Kentucky Housing Corporation Multifamily Note (Governmental) (Cedar Grove Commons Project), Series 2025.

In response to a question from Co-Chair Funke Frommeyer, Ms. Couch said this new debt issue is through the Kentucky Housing Corporation and is a conduit issuance.

Senator Madon moved to approve the new debt issuance. The motion was seconded by Senator Webb, and the items were approved without objection by unanimous roll call vote.

The New Debt Issue requiring no action was for 2. Turnpike Authority of Kentucky, Economic Development Road Revenue Refunding Bonds (Revitalization Projects), 2025 Series A.

Ms. Couch presented information on the Action Item - School District Debt Issues with School Facilities Construction Commission Debt Service Participation - New Projects, which included 1. General Obligation Bonds for a. Pulaski County, b. Scott County, and c. Trimble County; 2. Lease Revenue Bonds for a. Henderson County (Resubmission from January 2025).

Senator Girdler moved to approve the four SFCC debt issues. The motion was seconded by Senator Madon, and the items were approved without objection by unanimous roll call vote.

Next Meeting Date

The next meeting is scheduled for Thursday, March 27, upon recess of both Chambers, in Capitol Annex 131, with Senator Funke Frommeyer presiding. Submissions are due March 13, 2025.

Adjournment

There being no further business before the committee, the meeting was adjourned at 4:36 PM.