

**CAPITAL PLANNING ADVISORY BOARD**

**2022-2028  
Agency Capital Plan**

**Staff Analysis and Comments**

**CABINET:**

Education and Workforce Development

**OVERVIEW**

The mission of the Education and Workforce Development Cabinet (EWDC) is to educate, prepare, and train Kentucky's current and future workforce. The cabinet also provides employers with a qualified, skilled workforce, and Kentuckians with quality employment opportunities, education, and training.

In addition to the Office of the Secretary, one agency of the cabinet, the Kentucky Authority for Educational Television (KET), reports proposed projects during the 2022-2028 capital planning period. KET's mission is to provide educational and informational services to the citizens of the Commonwealth in institutions of education, in the workplace, and in the home through the power of public media.

**Proposed Projects – Financial Summary**

| <b>Funding by Source</b> | <b><u>2022-2024</u></b> | <b><u>2024-2026</u></b> | <b><u>2026-2028</u></b> | <b><u>Total</u></b> |
|--------------------------|-------------------------|-------------------------|-------------------------|---------------------|
| General Funds            | \$8,534,000             | \$27,500,000            | \$16,810,000            | \$52,844,000        |
| Federal Funds            | <u>7,938,000</u>        | <u>0</u>                | <u>0</u>                | <u>7,938,000</u>    |
| Total                    | \$16,472,000            | \$27,500,000            | \$16,810,000            | \$60,782,000        |
| <b>Funding by Agency</b> |                         |                         |                         |                     |
| KET                      | \$3,000,000             | \$25,000,000            | \$14,500,000            | \$42,500,000        |
| Office of the Secretary  | <u>13,472,000</u>       | <u>2,500,000</u>        | <u>2,310,000</u>        | <u>18,282,000</u>   |
| Total                    | \$16,472,000            | \$27,500,000            | \$16,810,000            | \$60,782,000        |

**2022-2028 CAPITAL PLAN  
CABINET PLAN OVERVIEW  
FORM SYP-P1**

**Branch:**

Executive Branch

**Cabinet/Function:**

Education and Workforce Development Cabinet

The cabinet will continue its focus to update and maintain current owned facilities. As such it has identified a regular and deferred maintenance pool request and established a priority.

In this 6-Year Capital Plan, the cabinet is focusing on updating the antiquated IT systems that are in place, in order to increase the efficiency and effectiveness of providing service to the numerous clients, employers, and job seekers in need of assistance.

KET is concentrating on the maintenance of facilities and distribution systems as we prepare for the next generation of multi-media broadcasting. The request contains maintenance funds necessary to protect the state's considerable investment in KET's facilities and technology infrastructure. It also provides for the replacement of aging broadcast equipment and the transition toward ATSC 3.0, the new television standard authorized by the FCC in 2017, which will replace the current HDTV system and KET's transition is underway.

Replacing and updating our technology infrastructure is the main goal for the cabinet in order to maximize the ability to serve the Commonwealth of Kentucky.

**EDUCATION AND WORKFORCE DEVELOPMENT CABINET**  
**Proposed Projects Involving the General Fund (cash or bonds)**  
(amounts in **bold** are the total budget)

**2022-2024**

(Projects listed by **cabinet priority**; descriptions are from the agency submission)

- 1 Cabinet Regular Maintenance Pool 22-24** **\$1,000,000**  
This project represents the cabinet's regular, recurring maintenance pool, funded \$500,000 in each fiscal year from the state's investment income account. This pool is designed to fund all manner of maintenance projects. (C-PI) Secretary's Office Priority #1  
CPAB Staff Notes  
– *Maintenance pools are proposed for 2024-26 and 2026-28 at \$1 million each.*  
– *This pool is used for routine and capital maintenance for the Carl Perkins Vocational Training Center and the Charles McDowell Center for the Blind.*
- 2 KET Maintenance Pool** **\$1,500,000**  
The maintenance pool provides essential support for KET's network center production and broadcast facilities (110,000 square feet on 7 acres) and 15 transmitter buildings and towers located throughout the Commonwealth. These facilities and related equipment are maintained solely by KET – with significant expense and manpower – and require continuous security, monitoring, repairs, and maintenance to ensure uninterrupted 24/7 statewide broadcasting services and emergency communications, as well as the onsite safety of employees, students, and other visitors. (C-PI) KET Priority #1  
CPAB Staff Notes  
– *This pool, at the same funding level, is proposed for 2024-26 and 2026-28.*  
– *The current budget allocation for the KET maintenance pool is \$900,000 Investment Income (II).*
- 3 ATSC 3.0 Conversion Phase 2** **\$1,500,000**  
ATSC 3.0 Conversion Phase 2: The KET network center and transmission sites provide a reliable, redundant infrastructure for public safety and communications 24/7/365 (relied upon by NOAA, state police, FBI, and others). To help ensure the safety of Kentuckians, KET's statewide transmitters need to be equipped to distribute regional localized emergency alerts for weather and other disasters. Emergency Alert System receivers and processors are needed for all 16 transmitters to provide critical local emergency alerts for the Commonwealth. As Kentucky's only statewide broadcast network, this will also enable KET to serve as the much-needed public safety connector for commercial broadcasters in rural and urban communities. (IT) KET Priority #2  
CPAB Staff Notes  
– *Phase 1 was authorized in the 2018-2020 Executive Budget – KET Transmitter and Repack project, \$2.1 million BF. The project was 100% complete in August 2019.*  
– *Phases 3 and 4 are proposed in 2022-24 (GF - \$11,500,000) and 2024-2026 (\$13,000,000).*
- 4 Adult Education System Modernization** **\$1,914,000**  
The current system is over 10 years old. It lacks best practices, latest security enhancements, and clean data. (IT) Secretary's Office Priority #2  
CPAB Staff Notes  
– *NEW project – has not been listed in a previous capital plan.*
- 5 Deferred Maintenance Pool 2022-2024 Education-Workforce Development Cabinet** **\$2,620,000**  
The Deferred Maintenance Pool will provide the cabinet with a source of funds for capital construction maintenance and renovation projects with a cost of less than \$1,000,000 each. (C-PI) Secretary's Office Priority #3

**EDUCATION AND WORKFORCE DEVELOPMENT CABINET – cont'd**

**Proposed Projects Involving the General Fund (cash or bonds)**

(Projects listed in alphabetical order)

**2024-2026**

|   |              |
|---|--------------|
| ATSC 3.0 Conversion Phase 3   | \$11,500,000 |
| Cabinet Regular Maintenance Pool  | 1,000,000    |
| Deferred Maintenance Pool 2022-24 Education-Workforce Development Cabinet | 1,500,000    |
| KET Maintenance Pool  | 1,500,000    |
| Rural Service Access and Reception  | 12,000,000   |

**2026-2028**

|                                  |              |
|----------------------------------|--------------|
| ATSC 3.0 Conversion Phase 4      | \$13,000,000 |
| Cabinet Regular Maintenance Pool | 1,000,000    |
| Deferred Maintenance Pool        | 1,310,000    |
| KET Maintenance Pool             | 1,500,000    |

**EDUCATION AND WORKFORCE DEVELOPMENT CABINET – cont'd**

**Proposed Projects Involving Federal Funds**

(Projects listed in alphabetical order)

**Case Management System for Vocational Rehab**

**\$4,620,000 FF**

The Kentucky Vocational Rehabilitation program is a federal/state program that works with people who have physical or mental disabilities to prepare for, gain, or retain meaningful employment. The program is authorized by the federal Rehabilitation Act of 1973. The current case management system was implemented in 2008, and is primarily an in-house custom developed system. The technology used is now outdated and the agency is unable to deploy new enhancements and updates. A new and improved system will allow for less development support dollars for OTS and reduce agency analysts costs. (IT)

**Labor Market Data Technologies for Job Matching**

**\$3,318,000 FF**

A system to replace a current system used to provide labor market information to job seekers and employers. This system will contain job openings, skills of job seekers, and ability to match skillsets with job seekers and employers. (IT)

**EDUCATION AND WORKFORCE DEVELOPMENT CABINET  
2020-2022 Maintenance Pool Allocations**

**General Administration and Program Support Maintenance Pool\***

\$1,200,000 Investment Income

|  |           |          |
|--|-----------|----------|
| Perkins - Renovate Medical Wing And Restrooms    | \$550,000 | Proposed |
| Perkins - Replace Fire Alarm Panel And Devices   | 90,000    | Proposed |
| Perkins - Replace Building Automation Controls   | 125,000   | Proposed |
| Perkins - Replace All Dorm Heating/Cooling Units | 145,000   | Proposed |
| McDowell - Upgrade Building Automation Controls  | 25,000    | Proposed |
| McDowell - Replace Chillers                      | 550,000   | Proposed |

**KET Maintenance Pool**

\$900,000 Investment Income

|   |           |          |
|---|-----------|----------|
| Building Repairs                            | \$100,000 | Proposed |
| Digital Broadcast Equipment                 | 69,500    | Proposed |
| Network Center Boiler Repairs               | 5,000     | Proposed |
| Digital Production Equipment Upgrade        | 48,200    | Proposed |
| KET IT Infrastructure                       | 26,600    | Proposed |
| KET Broadcast and Production Infrastructure | 170,000   | Proposed |

*\*The proposed allocations exceed the authorized project pool. These projects are all currently under consideration for a pool allocation. A decision will be made at a later date as to the actual allocations.*

**Education and Workforce Development Cabinet  
Quarterly Status Report - Current Capital Projects**

**Kentucky Educational Television**

| <b>Project Title</b>             | <b>County</b> | <b>Authorization</b> | <b>Status</b>           |
|----------------------------------|---------------|----------------------|-------------------------|
| KET FCC Repacking Project        | Multi         | CPBOC                | Complete/Not Closed Out |
| Transmitter and Repack           | Multi         | 2018-2020            | Complete/Not Closed Out |
| Replace Unemployment Ins. System | Multi         | 2018-2020            | Planning Phase          |

**Project Status** is identified as one of the following:

- Complete/Not Closed Out - the scheduled closeout date for the project account has been exceeded (13 months after substantial completion) but the project account has not yet been closed.

In addition to the Awaiting Initiation by Agency, Closeout, and Other categories as above; **IT project phases** are follows:

- *Initiation* – definition of a new project or a new phase of existing project.
- *Planning* – establishment of project scope, objectives, and course of action.
- *Execution and Control* – activities to fulfill project specifications.

CPBOC – Project approved by the Capital Projects and Bond Oversight Committee, a statutory committee of the Kentucky General Assembly.