

CAPITAL PLANNING ADVISORY BOARD

Minutes

May 21, 2025

Call to Order and Roll Call

The Capital Planning Advisory Board's first meeting was held on May 21, 2025, at 1:00 PM in Room 169 of the Capitol Annex. Representative Ryan Dotson, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Ryan Dotson Co-Chair; Senator Gary Boswell Co-Chair; Senator Steve Rawlings; Pat Abell, Charles Byers, Carole Henderson, John Hicks, Bryan Hix, Patsy Jackson, Holly Johnson, Danny Rhoades, and David Rhodes.

Guests: Astrud Masterson, Executive Director, Office of Administrative Services; Dr. Stephen Stack, Commissioner, Department of Public Health; Katie Marks, Commissioner, Department for Behavioral Health, Developmental and Intellectual Disabilities; Cabinet for Health and Family Services; Karen Wirth, Division Director, Division of Budget and Financial Management; Walter Hulett, State Schools Facility Supervisor, Office of Finance and Operations; Kentucky Department of Education; Vickie Wise, Deputy Secretary; Jacob Fouts, Assistant Director, Division of Fiscal Management; Cali Arnold, Director, Office of Legislative Services; Shannon Maggard, Senior Director of Finance, Kentucky Education Television; Education and Labor Cabinet; John Lyons, Deputy Secretary; Cori Troutman, Director, Division of Financial Management; Energy and Environment Cabinet; Holly Johnson, Secretary; Charles Bush, Commissioner, Department for Facilities and Support Services; Jim Barnhart, Executive Director, Commonwealth Office of Technology; Scott Baker, Executive Director, Department for Facilities and Support Services; Finance and Administration Cabinet; Mona Womack, Deputy Secretary; Rebecca Norton, Budget Director; Mike Bosse, Deputy Commissioner, Department of Criminal Justice Training; Matt Myers, Capital Construction Administrator, Department of Corrections; Justice and Public Safety Cabinet; Robert Long, Deputy Secretary; Robbie Perkins, Director, Division of Technology Services; Jamie Caldwell, Commissioner, Department of Human Resources Administration; Chris Chamness, Commissioner, Department of Employee Insurance; Personnel Cabinet; Kristi Russell, Executive Director; and Krystal Smith, Executive Advisor; School Facilities Construction Commission.

LRC Staff: Liz Columbia and Jennifer Luttrell.

Approval of Minutes (October 24, 2024)

Committee meeting materials may be accessed online at <https://apps.legislature.ky.gov/CommitteeDocuments/9>

Senator Boswell made a motion to approve the October 24, 2024, meeting minutes, which was seconded by Senator Rawlings and approved by voice vote.

Welcome New Members

The Speaker of the House appointed Representative Ryan Dotson to replace Representative Nancy Tate as Co-Chair. The Senate President appointed Senator Steve Rawlings to replace Senator Phillip Wheeler as Co-Chair, Senator Gary Boswell as a legislative member, and David Rhodes as the new Senate Public Member At-Large.

Information Items

Ms. Columbia reported two information items. The 2026-2032 Capital Planning Process lays out the timeline and process for the capital planning period, and the Summary Information on Boards, Commissions, and Certain Agency Plans provides an overview of state agencies and commissions that submitted capital plans but will not testify before the board.

Review of Executive Branch Agency Plans

The Capital Planning Advisory Board received testimony regarding eight state agency capital plans: Cabinet for Health and Family Services, Kentucky Department of Education, Education and Labor Cabinet, Energy and Environment Cabinet, Finance and Administration Cabinet, Justice and Public Safety Cabinet, Personnel Cabinet, and the School Facilities Construction Commission. The testimony discussed capital construction, information technology, and equipment needs for 2026-2032.

Cabinet for Health and Family Services (CHFS)

Ms. Masterson and Dr. Marks gave a brief overview of the CHFS capital plan. In response to Chair Dotson's question about the youth facility collaboration with the Department of Juvenile Justice (DJJ), Ms. Marks replied that it would be a separate facility primarily supporting the youth served by the Department of Community Based Services (DCBS) or youth needing that level of care. In response to Senator Boswell's question concerning vacant buildings, Ms. Masterson said she was unaware of any vacant buildings owned by CHFS. Dr. Marks confirmed Senator Boswell's remark that the Children's Psychiatric Hospital cost estimate was approximately \$1.9 million per bed. The estimate was \$18.5 million with an added 2.6 percent inflation rate for 18 beds. This initiative is part of a broader care system.

Kentucky Department of Education (KDE)

Karen Wirth and Walter Hulett provided an overview of the KDE plan. In response to Mr. Abell's question, Mr. Hulett said that over 1,000 students would be served on the campuses. In response to a comment made by Senator Boswell, Ms. Wirth said she would

provide the correct size of the swimming pool mentioned. She believed there may have been a typo in the submission. Ms. Wirth replied to Dr. Jackson's question that the Office of Special Education and Early Learning tracked student outcomes. In response to Senator Rawlings' question, Mr. Hulett said the department used a 30 percent multiplier to estimate project costs.

Education and Labor Cabinet (ELC)

Vickie Wise gave a brief overview of the ELC plan. Ms. Maggard replied to Chair Dotson that the state funding to Kentucky Education Television (KET) is approximately 85 percent. In response to Senator Rawlings' question, Mr. Fouts explained that building the new facility for the Department of Libraries and Archives would save money over time.

Energy and Environment Cabinet (EEC)

John Lyons and Cori Troutman provided a brief overview of the EEC plan. In response to Senator Rawlings' question concerning banning fluoride, Mr. Lyons said that he didn't know of any sites that had an issue with fluoride. In response to Senator Boswell's questions, Mr. Lyons confirmed that the abandoned wells were bonded, that the Division of Forestry was an EEC agency, and that EEC was not acquiring any land.

Finance and Administration Cabinet (FAC)

Holly Johnson, Charles Bush, and Scott Baker presented the FAC capital plan. In response to Chair Dotson's question, Ms. Johnson said there was a fee for using the EV charging stations. In response to Senator Rawling's question about delaying specific projects, Ms. Johnson and Mr. Baker explained that FAC was trying to be proactive and ensure that certain maintenance was done to avoid deterioration and more costly repairs. In response to Senator Boswell's question about EV chargers, Ms. Johnson said there were federal requirements to acquire credits for electric vehicles strictly. Hybrid cars do not qualify for credits. Ms. Johnson said she would provide the board with the information concerning the maintenance costs for the EV charging stations per Dr. Jackson's request. Ms. Johnson confirmed Mr. Hick's statement that the AI Inventory System was to comply with Senate Bill 4, enacted in the 2025 Regular Session of the General Assembly.

Justice and Public Safety Cabinet (JPSC)

Mona Womack and Rebecca Norton gave a brief overview of the JPSC plan. In response to Senator Boswell's questions, Mr. Bossi confirmed that game wardens receive free training at the Department of Criminal Justice Training (DCJT) through the KLEPF Fund. In response to Mr. Hix's question, Mr. Myers explained that construction costs are approximately 33

percent more at Department of Corrections facilities because of the nature of the facilities and the offenders housed there during the projects.

Personnel Cabinet (PC)

Robert Long, Robbie Perkins, and Jamie Caldwell provided a brief overview of the PC's capital plan. In response to Senator Boswell's question, Mr. Perkins and Ms. Caldwell explained that it was more cost-effective not to outsource the proposed HR payroll system, which should last 20 - 30 years. In response to Representative Dotson's question about the current HR system, Mr. Perkins stated that the system has not received any functionality enhancement since 2016 and will only last until 2030.

School Facilities Construction Commission (SFCC)

Kristi Russell presented the SFCC capital plan. In response to Chair Dotson's question about a ranking system, Ms. Russell stated that a Kentucky Facilities Inventory Classification System (KFICS) through KDE ranks school districts, but the \$100 million pool takes care of the districts statewide. As Senator Boswell stated, Ms. Russell confirmed the funds would be provided for the counties with the greatest need.

Adjournment

There being no further business, the meeting adjourned at 2:52 PM.