

CAPITAL PLANNING ADVISORY BOARD

Minutes

October 11, 2022

Call to Order and Roll Call

The 3rd meeting of the Capital Planning Advisory Board was held on October 11, 2022, at 1:00 PM in Room 169 of the Capitol Annex. Representative Bobby McCool, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Bobby McCool, Co-Chair; Senator Adrienne Southworth, Co-Chair; Senator Phillip Wheeler, Representative Derek Lewis, Pat Abell, Charles Byers, Laurie Givens, Carole Henderson, John Hicks, Patsy Jackson, and Holly Johnson

Guests: Chay Ritter, Division Director, Division of District Support, Kentucky Department of Education (KDE); Dr. Harry Burchett, Superintendent, Harrison County School District; Tom Cochran, Superintendent, Johnson County School District; and Russ Meyer, Commissioner, Kentucky Department of Parks

LRC Staff: Shawn Bowen and Jennifer Luttrell

Approval of Minutes (September 14, 2022)

A motion to approve the minutes of the September 14, 2022, meeting was made by Representative Lewis, seconded by Mr. Hicks, and approved by voice vote.

Information Item

The members' folders included two information items - the instructions for completing state agency capital plans and follow-up information from KDE. Ms. Bowen said there had been no changes to the capital planning system, and the instructions for completing the capital plans will remain the same as in years past. Two dates are written into statute that the board must follow – April 15, the due date for the agency plans, and November 1, the date the plan book must be published and distributed to the heads of the three branches of government. Between those two dates, the board will hold monthly meetings to hear from agencies with capital project needs, discuss the organization of the statewide capital plan book, and discuss any potential policy recommendations.

Mr. Ritter discussed the second information item, a prioritized listing of ongoing school facility construction projects (K-12) impacted by inflation. After the KDE presentation at the September meeting, additional information was requested: a prioritized listing of the projects, school facility capacity figures, projects situated in a flood zone, projects with prior funding from budget bills and SFCC, and justification for the project.

In response to questions from Senator Southworth, Mr. Ritter said that most projects included in the prioritized listing were started in 2022, the oldest started in 2019, and some are shovel-ready

or ongoing. The local school boards determine project timing. Phases and project timing are based on bonding potential, supply chain issues, potential interruption of the education process, relocation of students, increasing interest rates, credit reviews from credit agencies, and the availability of construction companies that can do the work.

In response to a question from Representative McCool, Mr. Ritter said every project on the prioritized list had levied two nickel taxes, and construction is ready to start or is ongoing.

Presentation - Kentucky Department of Parks

Commissioner Meyer gave a brief overview of the Kentucky Department of Parks' role in the emergency response plan during the western Kentucky tornados and the eastern Kentucky flooding. He also discussed DOP's equipment needs for emergency generators for the state parks.

In response to questions from members, Mr. Meyer said that the Kentucky Department of Parks has one mobile generator for emergencies for the entire park system. The department leased a portable generator. However, permanent generators may be better suited, considering the exorbitant cost of portable generators. The General Assembly plans to add federal infrastructure funding. He said that five of the parks own and maintain their electrical systems.

Mr. Hicks stated that the Kentucky Department of Corrections has full-time facility generators, and the last two purchased were approximately \$1.5 million each. He added that the DOP has collaborated with the Finance and Administration Cabinet and the Energy and Environment Cabinet to improve the electrical distribution systems in the park system.

Other Business

Ms. Bowen discussed the results of the member survey. After the board's July meeting, the co-chairs and the board's staff developed a survey to gauge members' overall level of satisfaction with the board. Legislative Oversight and Investigations Committee staff edited and further refined the survey. The LRC Office of Service and Support then created and published the survey. Nine of 16 board members responded.

Senator Southworth encouraged the members to share any concerns or ideas regarding the capital planning process with the co-chairs or the staff.

Mr. Hicks commented that the depth of information brought before this board is immense and that the staff's analysis of that information is most important to his decision-making of the top 15 projects in three categories to present to the General Assembly and the Governor.

Adjournment

There being no further business, the meeting adjourned at 1:46 PM.