

CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

Minutes

June 20, 2024

Call to Order and Roll Call

The June meeting of the Capital Projects and Bond Oversight Committee was held on June 20, 2024, at 3:00 PM in Room 131 of the Capitol Annex. Representative Deanna Frazier Gordon, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Deanna Frazier Gordon Co-Chair; Senator Rick Girdler Co-Chair; Senator Robin L. Webb; Representatives Jason Petrie and Walker Thomas.

Guests: Janice Tomes, Deputy State Budget Director, Office of State Budget Director; Natalie Brawner, Director, Division of Real Properties, Department for Facilities and Support Services; Sandy Williams, Executive Director, Kentucky Infrastructure Authority; Katie Smith, Deputy Secretary and Commissioner, Department for Financial Services, Cabinet for Economic Development; Kylee Palmer, Director of Program Administration, Department for Financial Services, Cabinet for Economic Development; and, Steve Starkweather, Deputy Executive Director, Debt, Office of Financial Management.

LRC Staff: Katherine Halloran, Savannah Wiley, and Spring Emerson.

Approval of Minutes

Representative Petrie moved to approve the minutes of the May 23, 2024 meeting. The motion was seconded by Co-Chair Girdler, and the minutes were approved without objection.

Information Items

Ms. Halloran presented the information items as A. KRS 45.760(5) Postsecondary Research Equipment Purchase - University of Kentucky; B. School District Debt Issues - New Projects, including 1. KRS 45.812(1) Revenue Bonds for a. Ballard County, b. Jessamine County, c. Laurel County, and 2. General Obligation Bonds for a. Fayette County, b. Hart County, c. Kenton County, and, d. Wolfe County. Also included were C. KRS 164A.600(2) Emergency Repair, Maintenance, or Replacement Projects - University of Kentucky, 1. Amendment - University of Kentucky, Grain and Forage Center of Excellence, 2. New - Emergency Replacement (Robinson Center for Appalachian Resource Sustainability Multi-Purpose and Pavilion Buildings); D. House Bills 1 and 6 Postsecondary Education Asset Preservation Pool Projects - Northern Kentucky University; E. Project Authorization Consolidation - University

Committee meeting materials may be accessed online at <https://apps.legislature.ky.gov/CommitteeDocuments/13>

of Kentucky, Construct Agriculture Research Facility; and, F. School Facilities Construction Commission House Bill 727 Directive. There were no questions.

Project Report from the Finance and Administration Cabinet

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

The action items were A. New Projects (Amendments) for 1. Postsecondary Education, Kentucky State University, Blazer Library Renovation; and 2. General Government Cabinet, Department of Military Affairs, a. DMA Construct Joint Force Headquarters Boone National Guard Center, and b. DMA Construct Burlington Field Maintenance Shop.

The action item B. New Projects was for 1. Justice and Public Safety Cabinet, State Police, 2009 Cessna 182T Aircraft, and 2. General Government Cabinet, Department of Military Affairs, a. Multi-Purpose Machine Gun Range, and b. Boone National Guard Center Front Access Control Point.

There being no questions, Representative Thomas moved to approve the six items requiring action. The motion was seconded by Co-Chair Girdler, and the action items were approved without objection by roll call vote.

The fifteen items requiring no action were C. Pool Projects for 1. Justice and Public Safety Cabinet, a. Department of Criminal Justice Training (Miscellaneous Maintenance Pool - 2022-2024), Boonesborough Firing Range - General Upgrades, and b. Department of Corrections, Adult Correctional Institutions (Maintenance Pools - 2014-2016, 2020-2022, and 2022-2024), Luther Lockett Correctional Complex - Fire Alarm Replacement; 2. Cabinet for Health and Family Services, Department for Behavioral Health, Developmental and Intellectual Disabilities (General Administration and Program Support Maintenance Pool - 2022-2024), Central State Hospital Building Psychiatric Dorm Building Roof; 3. Tourism, Arts, and Heritage Cabinet, Department of Parks (House Joint Resolution 56), a. Building Systems Repair and Replacement Pool, Central Office-Multi-Park - Building Automated Systems Upgrades; b. Accommodations Hospitality Upgrades Pool, Accommodations and Hospitality Upgrades-DECA; c. Accommodations Hospitality Upgrades Pool, Accommodations and Hospitality Upgrades-Parks; 4. Postsecondary Education, Kentucky Community and Technical College System (Asset Preservation Pool - 2022-2024) for a. Renovate/Construct Transportation Training Center-Ashland Community and Technical College, b. Renovate Main Building Phase II-Ashland Community and Technical College; c. Fire Alarm Upgrades-Big Sandy Community and Technical College; d. HVAC Replacements-Bluegrass Community and Technical College; e. Renovate Science Building Labs-

Elizabethtown Community and Technical College; f. Renovate Edgewood Campus-Gateway Community and Technical College; g. Renovate Science Labs-Jefferson Community and Technical College; h. Replace Switchgear Downtown Campus-Owensboro Community and Technical College; and, D. Pool Project (Amendment) - Department of Education, Operations and Support Services (State Schools HVAC Pool - 2022-2024), Kentucky School for the Blind HVAC. There were no questions.

Lease Report from the Finance and Administration Cabinet

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

The action items included A. Lease Modifications of at Least \$50,000 for 1. Amortization of Improvements - Cabinet for Health and Family Services, a. General Administration and Program Support, Franklin County, PR-4882, and b. Office for Children with Special Healthcare Needs and Department for Income Support, Hardin County, PR-5819; and, 2. Square Footage Increase - General Government Cabinet, Office of the Auditor of Public Accounts, Franklin County, PR-3920. There being no questions, Co-Chair Girdler moved to approve the three lease modifications. The motion was seconded by Representative Thomas, and the modifications were approved without objection by roll call vote.

The two lease modifications requiring no action were B. Lease Modifications Under \$50,000 (Amortization of Improvements) - General Government Cabinet, Jefferson County, for 1. Board of Dentistry, PR-4874, and 2. Commission on Human Rights, PR-5801. There were no questions.

Report from the Office of Financial Management

Ms. Williams presented information on Kentucky Infrastructure Authority (KIA) action items which included one loan and twenty-two Cleaner Water Program grants. Representative Petrie moved to roll the twenty-three action items into one roll call vote. The motion was seconded by Senator Webb and the votes were rolled into one without objection.

The loan was for 1. Drinking Water State Revolving Fund (Fund F) Program Loan - City of Hardinsburg (Breckinridge County), F24-023L, and the grants were for 2. Cleaner Water Program grants for a. Round One (Senate Bill 36) - Sewer (Two - Supplemental Pool); b. Round One (Senate Bill 36) - Water (Six - Supplemental Pool/Two - County Pool Reallocations); c. Round Two (House Bill 1) - Sewer (Four - Supplemental Pool/One - County Pool Reallocation); and, d. Round Two (House Bill 1) - Water (Five - Supplemental Pool/Two - County Pool Reallocations).

There being no questions, Co-Chair Girdler moved to approve the twenty-three KIA transactions. The motion was seconded by Representative Thomas, and the transactions were approved without objection by roll call vote.

Ms. Smith and Ms. Palmer presented information on six Economic Development Fund (EDF) grants. Representative Petrie moved to roll the six grants into one roll call vote. The motion was seconded by Senator Webb, and the votes were rolled into one without objection.

The EDF grants included 1. City of Cynthiana on behalf of the Cynthiana-Harrison County Economic Development Authority; 2. Clay County Fiscal Court on behalf of the Elk Hill Regional Industrial Authority; 3. Garrard County Fiscal Court on behalf of the Lancaster-Garrard County Industrial Development Authority; 4. Hickman County Fiscal Court on behalf of the Hickman County Industrial Development Authority; 5. Jessamine County Fiscal Court on behalf of the Jessamine County Joint Economic Development Authority; and, 6. Woodford County Fiscal Court on behalf of the City of Versailles. There being no questions, Representative Petrie moved to approve the six grants. The motion was seconded by Representative Thomas and the grants were approved without objection by roll call vote.

Mr. Starkweather presented information on two previous debt issues requiring no action and six school district debt issues with School Facilities Construction Commission (SFCC) participation, requiring action. The previous debt issues included 1. University of Kentucky General Receipts Bonds, 2024 Series B and 2024 Taxable Series C; 2. State Property and Buildings Commission Revenue Bonds, Project No. 130 Series A, Revenue Refunding Bonds, Project No. 130 Series B, and Revenue Refunding Bonds, Project No. 130 Series C. There were no questions.

Mr. Starkweather continued with information on D. Action Item - School District Debt Issues with SFCC Participation - New Projects. Co-Chair Girdler moved to roll the six SFCC debt issues into one roll call vote. The motion was seconded by Representative Petrie, and the votes were rolled into one without objection. They included 1. Bardstown Independent (Nelson County), 2. Bourbon County, 3. Harrison County, 4. Lawrence County, 5. Mayfield Independent (Graves County), and, 6. Wolfe County. There were no questions. Senator Webb moved to approve the six SFCC debt issues. The motion was seconded by Representative Petrie, and the debt issues were approved without objection by roll call vote.

Adjournment

The next meeting is scheduled for Wednesday, July 31, 2024 at 3:00 PM in Room 131 of the Capitol Annex. There being no further business before the committee, the meeting was adjourned at 3:32 PM.