

# **CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE**

## **Minutes**

**April 28, 2025**

### **Call to Order and Roll Call**

The April meeting of the Capital Projects and Bond Oversight Committee was held on April 28, 2025, at 12:00 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, and Robin L. Webb; Representatives Jason Petrie, Sarah Stalker, and Walker Thomas.

Guests: Jordan Smith, Assistant Vice President of Public Affairs, Murray State University; Elizabeth Baker, Senior Director, Strategic Capital Planning and Legislative Analysis, University Budget Office, University of Kentucky; Jennifer Fraker, Director, Government Relations, University of Kentucky; Janice Tomes, Deputy State Budget Director, Office of State Budget Director; Captain Kevin Johnson, Commander, Properties Management Branch, Kentucky State Police; Natalie Brawner, Director, Division of Real Properties, Department for Facilities and Support Services; Sandy Williams, Executive Director, Kentucky Infrastructure Authority; Chelsey Couch, Executive Director, Office of Financial Management.

LRC Staff: Katherine Halloran, Savannah Wiley, and Amie Elam.

### **Approval of Minutes**

Co-Chair Funke Frommeyer moved to approve the minutes of the February 25, 2025 meeting. The motion was seconded by Senator Girdler, and the minutes were approved without objection by voice vote.

### **Correspondence and Information Items**

Ms. Halloran presented the information items as A. KRS 26A.168(1), KRS 45.793, and KRS 45.818 Quarterly Capital Projects Status Reports. Also included were B. KRS 45.760(5) Postsecondary Medical and Research Equipment Purchases - University of Kentucky, C. KRS 45.800(2)/KRS 45.810(3) and KRS 45.800(4)/KRS 45.810(4) Correspondence, D. School District Debt Issues - New Projects - General Obligation Bonds for Fayette County, Hart County, and Jessamine County, E. KRS 48.111(6)(a) Advertisement Notices for Leased Space - Finance and Administration Cabinet, F. Updated KRS 56.823(12) Tenant Improvement

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

Fund Request, G. KRS 56.863(11) Semi-Annual Report of the Kentucky Asset/Liability Commission; and H. Postsecondary Asset Preservation Pool Projects for Kentucky Community and Technical College and Eastern Kentucky University.

### **Project Report from the Postsecondary Institutions**

Mr. Smith presented information on the Project Report from the Postsecondary Institutions - Murray State University - New Project - Curris Center Roof Replacement.

In response to a question from Representative Thomas, Mr. Smith said that Murray State University did not have significant flooding damage.

Representative Thomas moved to approve the action item, and Representative Petrie seconded the motion. The project was approved without objection by unanimous roll call vote.

### **Public-Private Partnership Report from the Postsecondary Institutions**

Ms. Baker and Ms. Fraker presented information on the Public-Private Partnership Report from the Postsecondary Institutions - University of Kentucky - Improve Campus Parking and Transportation System (South Campus).

In response to a question from Co-Chair Funke Frommeyer, Ms. Fraker said that the student recreation fee will increase to \$21 per semester. Ms. Baker said the recreation center is open to students, staff, and guests.

Co-Chair Funke Frommeyer moved to approve the action item, and Representative Thomas seconded the motion. The P3 development agreement was approved without objection by unanimous roll call vote.

### **Project Report from the Finance and Administration Cabinet**

Ms. Tomes presented one project requiring no action. The project was for a Pool Allocation - Justice and Public Safety Cabinet, Kentucky State Police (Maintenance Pools - 2022-2024 and 2024-2026), KSP Post 11 Building Renovations.

In response to a question from Representative Petrie, Captain Johnson stated that this will be a long-term investment in this facility. He added that it would be ten years or more before the Post 11 facility would be up for replacement.

### **Lease Report from the Finance and Administration Cabinet**

Ms. Brawner presented seven lease renewals and one lease modification, requiring action. Senator Girdler moved to roll the lease transactions into one roll call vote. The motion was seconded by Representative Stalker, and the votes were rolled into one without objection.

The eight lease transactions included one lease renewal with Rate Increase - Cabinet for Health and Family Services, Department for Community Based Services, Scott County, PR-5874, six renewals with the same terms and conditions for the General Government Cabinet, Unified Prosecutorial System, Offices of the Commonwealth's Attorney, Jefferson County, PR-2591; Cabinet for Health and Family Services, Department for Community Based Services, Montgomery County, PR-2829; Cabinet for Health and Family Services, Department for Community Based Services, Shelby County, PR-4432; Cabinet for Health and Family Services, Department for Community Based Services, Greenup County, PR-5501; Transportation Cabinet, Department of Vehicle Regulation, Jefferson County, PR-5683; and, the Transportation Cabinet, Department of Highways, Whitley County, PR-5723, and one Lease Modification of at Least \$50,000 (Amortization of Improvements) - General Government Cabinet, Office of the Secretary of State, Franklin County, PR-5866.

Senator Webb moved to approve the lease transactions, and Senator Girdler seconded the motion. The transactions were approved without objection by unanimous roll call vote.

### **Report from the Office of Financial Management**

Ms. Williams presented information on three Kentucky Infrastructure Authority water loans requiring action and a line-item sewer grant requiring no action. Senator Webb seconded the motion, and the votes were rolled into one without objection.

The three loans were a. Infrastructure Revolving Fund (Fund B) Program Loan East Clark Water District (Clark County), B25-008; b. Governmental Agencies (Fund C) Program Loan - Oldham County Water District (Oldham County), C25-001; and, the c. Drinking Water State Revolving Fund (Fund F) Program Loan (Increase) - Cannonsburg Water District (Boyd County), F22-030.

Senator Girdler moved to approve the water loans, and Senator Webb seconded the motion. The loans were approved without objection by unanimous roll call vote.

The line-item grant requiring no action was for House Bill 1 (2024 Regular Session), Line-Item Grant - Sewer (One) for Springfield Water & Sewer Commission.

Ms. Couch presented information from the Office of Financial Management (OFM) on one previous debt issue requiring no action and eight school district debt issues with School Facilities Construction Commission debt service participation requiring action.

Senator Frommeyer moved to roll the eight SFCC debt issues into one roll call vote, and the motion was seconded by Senator Webb. The votes were rolled into one without objection. There were no questions.

New projects included 1. General Obligation Bonds for a. Franklin County; b. McLean County; c. Paris Independent (Bourbon County); and 2. Revenue Bonds for a. Clinton County; b. Fulton Independent (Fulton County); c. Lincoln County; d. Somerset Independent (Pulaski County); and, e. Spencer County.

In response to a question from Representative Petrie, Ms. Couch stated that general obligation bonds are performing well, and currently, there are no concerns.

Co-Chair Funke Frommeyer moved to approve the SFCC debt issues, and the motion was seconded by Senator Webb. The debt issues were approved without objection by a unanimous roll call vote.

### **Adjournment**

There being no further business before the committee, the meeting was adjourned at 12:37 p.m.