

CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

Minutes

October 16, 2007

The Capital Projects and Bond Oversight Committee met on Tuesday, October 16, 2007, at 1:00 PM, in the Club Lounge at the Kentucky Horse Park in Lexington, Kentucky. Senator Elizabeth Tori, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Elizabeth Tori, Co-Chair; Senators Tom Buford and Dan Seum; and Representatives Steven Rudy and Jim Wayne.

Guests testifying before the Committee: John Nicholson, Kentucky Horse Park; Bob Wiseman and Lance Broeking, University of Kentucky; John Hicks, Governor's Office for Policy and Management; Jim Abbott, Finance and Administration Cabinet; Major Brian Demers, Department of Military Affairs; Tanya Dickinson, Justice Cabinet; Jim Lane, Department for Fish and Wildlife Resources; Katie Smith, Cabinet for Economic Development; Sandy Williams, Kentucky Infrastructure Authority; and Terri Fugate and Tom Howard, Office of Financial Management.

LRC Staff: Nancy Osborne, Shawn Bowen, Kristi Culpepper, and Debbie Rodgers.

Senator Buford made a motion to approve the minutes of the September 18, 2007, meeting. The motion was seconded by Representative Rudy and approved by voice vote.

Senator Tori recognized House Majority Caucus Chair Representative Charlie Hoffman, who represents the district that includes the Kentucky Horse Park. She then recognized Ms. Vickie Armes as her guest today.

Senator Tori noted that Representative Denham is recuperating from heart surgery and was unable to attend the meeting. Ms. Osborne added that Representative Denham is home and resting comfortably and sends his greetings.

Senator Tori asked Nancy Osborne, Committee Staff Administrator, to review the correspondence and information items included in members' folders. Ms. Osborne said the first item of correspondence was the quarterly status reports from the Finance and Administration Cabinet and the universities that manage their own capital construction program, Murray State University, Northern Kentucky University, University of

Kentucky, University of Louisville, and Western Kentucky University. She noted some significant changes since the July 2007 submission including the completion of renovation of two state-owned facilities in Frankfort, the Jones Building and the State Office Building, which will enable the relocation of state employees from leased space to state-owned space. Several projects, including projects to construct a convention center at E.P. Tom Sawyer State Park and a conference center at Lake Cumberland State Park, were being revised and rebid due to the initial bids being over the project scope. The Kentucky Community and Technical College System (KCTCS) Lexington Community College Classroom/Lab Building is reported to be in Design/Phase C (construction documents), but is "on hold" pending a decision on location of the building. The facility being planned for the Cooper Drive campus in Lexington has been designed pursuant to LEED (Leadership in Energy and Environmental Design) certification criteria.

The next item of correspondence was the quarterly status report on court facility projects. Since the July 2007 report, the Administrative Office of the Courts reports four additional projects are in construction in the counties of Livingston, Washington, Taylor, and Grayson. The third item was a report from KCTCS of a purchase exceeding \$100,000 from its Major Item of Equipment Pool of a continuous miner training panel for the Hazard Community and Technical College.

In response to questions raised at the Committee's September 2007 meeting relating to specific projects funded by transfers from the Statewide Deferred Maintenance Fund for the Department of Parks (\$1,000,000) and the Department of Veterans Affairs (\$200,000), correspondence was submitted by the Deputy State Budget Director. The letter stated that "due to the nature of the budgetary challenges facing both agencies, the expenditure of the funds were not made in the form of projects, but were applied to routine maintenance expenditures." Representative Wayne commented that these transfers did not appear to be sound public policy since both agencies have maintenance funds, and the statutory Statewide Deferred Maintenance Fund is primarily for agencies that do not have agency-specific maintenance funds.

The final item of correspondence was from the Cabinet for Economic Development, Department of Commercialization and Innovation, of two allocations over \$400,000 from the New Economy High-Tech Construction / Investment Pool (up to \$500,000 to Data Futures, Inc. and up to \$510,000 to SureGene, LLC).

The two information items were the October staff update and debt issuance calendar.

Next Senator Tori invited Bob Wiseman, Vice President for Facilities Management, University of Kentucky (UK), and Lance Broeking, Director of Campus Services, to discuss four UK project reports.

Mr. Wiseman first reported a modification to the Upgrade Fume Hoods Thomas Hunt Morgan Biological Sciences Building project. This restricted funds project was authorized in the 2006-2008 budget (HB 380) for \$3,188,000. Mr. Wiseman said in addition to the scheduled renovations to the fume hoods and exhaust systems, the University would like to utilize a portion of the project authority to renovate space for offices, teaching, and research labs. The renovations will accommodate needs associated with eight new biology faculty members and provide classroom and research space for additional students. Mr. Wiseman said the project will be completed in phases over the next 18 months. The first phase has a short timeframe to allow for the completion of office space for three new faculty hires starting early next year.

Senator Tori asked if the funds are used to renovate space rather than upgrade the fume hoods will this create an unmet life-safety need in the building. Mr. Wiseman said this modification would not create an unmet need. He explained that 60% of the funds will be used for the fume hoods life safety project as originally intended.

Senator Buford made a motion to approve the project modification contingent upon approval by the Council on Postsecondary Education at its October 17, 2007, meeting. The motion was seconded by Representative Rudy and passed by unanimous roll call vote.

Mr. Wiseman next reported that the University plans to combine three existing restricted funds authorizations relating to the Enterprise Resource Planning (ERP) System. UK has three separate authorities for this project: \$30,000,000 (2002-04 budget); \$10,000,000 (2004-06 budget); and \$20,000,000 (2006-08 budget).

Mr. Wiseman said each of these project authorities were intended to cover what the University thought would be clear and distinct phases of project implementation. Not every phase has been distinct and clear and, for that reason, UK would like to consolidate these three authorizations. He added that combining the projects would assist in accounting and oversight of the project.

Senator Buford made a motion to approve UK's request to consolidate the three project authorizations. The motion was seconded by Representative Wayne and passed by unanimous roll call vote. The total scope of the combined projects is \$60,000,000, and does not exceed the sum of the three authorized projects.

Mr. Broeking reported four new leases as the result of the expiration of existing leases June 30, 2007. Mr. Broeking said due to an administrative oversight, the University failed to report the leases to the Committee in advance of their September 2007 execution. Mr. Broeking said this oversight was purely unintentional, and the University has implemented administrative measures to ensure this does not happen again.

The four leases include: UK Injury Prevention and College of Dentistry (PR-8132), \$129,924; UK HealthCare (PR-8198), \$138,281; UK Information Management (PR-8199), \$138,296; and UK HealthCare (PR-8200), \$115,050.

Senator Tori said the Committee is concerned about the University's internal oversight of projects because the leases were executed without Committee approval. Mr. Broeking said a number of issues contributed to this oversight, including the recent transition of the UK Property Management Division from the Campus Services Division to the Facilities Management Division, new leadership in the Real Property office, and UK's interpretation of the statutes. He added that all leases will now be reviewed internally prior to review by the University's legal counsel and prior to submission to the Committee.

Representative Wayne said the Committee and UK have worked together well for many years and UK's staff is experienced with regard to the process, regardless of new management. He said he was concerned that the universities in general have the mindset of being autonomous entities when in fact they are state universities accountable to the public and to the Committee that represents the public.

In response to questions from Senator Seum, Ms. Osborne explained that even though Committee action is normally required for such leases, no action is being taken because the leases have already been executed. She said this has traditionally been the practice of the Committee when an agency takes action prior to the Committee's review. A record is created at the Committee level noting the report was heard, and it was out of order as far as the timing of the action. No Committee action was taken on the four leases.

Mr. Wiseman next updated the Committee on the status of the UK Hospital Patient Care Facility project that is currently under construction. The current scope is \$450 million (\$250 million agency bonds; \$200 million restricted funds) and is for two, six-story bed towers with 473 beds. He said the project includes a significant amount of "shelled space" to be fit-out over a number of years dependent upon available hospital reserves and need.

Mr. Wiseman said UK plans to request additional authority in the 2008 session to finish out the shelled space over time. On September 11, 2007, the UK Board of Trustees approved a resolution to initiate the design of an expansion of the Patient Care Facility to add two more floors to create a 630-bed facility. He said the growth in patients alone required the additional shelled space within the building. The University will not solicit or accept any construction bids prior to next summer.

Mr. Wiseman said UK intends to request additional restricted fund authorization of \$250 million from the 2008 General Assembly for Phase 1B to add the two floors and to fit-out the shelled space over a multiple year period. Additional bonding authority is not anticipated for the project.

In response to a question from Senator Buford, Mr. Wiseman said the beds at Good Samaritan will be moved to the new UK hospital facility once the facility is complete in 2018. Good Samaritan will remain in operation at least until the year 2016. He said the University may raze the Good Samaritan facility in the future and utilize the space for some other purpose.

Senator Buford commented that the Good Samaritan buildings were old and the second and third floors of one facility do not support the medical equipment. Mr. Wiseman said they are doing some modernization of the facility but it is limited to a ten year design life for those types of improvements. Mr. Wiseman said the Good Samaritan complex is actually three separate buildings constructed between 1954 and 1980. Senator Tori said no action was required for this report.

Senator Tori asked John Hicks, Deputy Budget Director, Governor's Office for Policy and Management (GOPM), and Jim Abbott, Commissioner, Department for Facilities and Support Services, to present the monthly project report submitted by the Finance and Administration Cabinet. Mr. Hicks first reported an allocation of \$551,900 from the Emergency Repair, Maintenance, and Replacement Account for costs associated with the temporary lease and installation of a natural gas fired boiler for Morehead State University (MoSU).

Mr. Hicks said MoSU's boiler failed emissions testing last winter and as a result it could no longer be used. As an intermediate solution, a decision was made to temporarily lease a boiler. Mr. Hicks said MoSU plans to request a capital project in the next budget to permanently address the problem.

Representative Wayne asked what was the balance in the Emergency Account after this allocation. Mr. Hicks said there remains in the account approximately \$2.2 million, which should be sufficient until July 2008. If not, there is a provision in 2006 HB 380, the budget bill, that should the Emergency Account be deemed insufficient, General Fund surplus funds may be used.

Senator Tori asked if there are any additional costs associated with this project. Mr. Hicks said this allocation should be sufficient and that it is possible that the cost of the boiler will be less than estimated. Any unused funds will be returned to the Emergency Account. Senator Tori said allocations from the Emergency Account must be reported to the Committee within 30 days. No Committee action was required.

Mr. Hicks next reported a \$278,412 federally-funded scope increase for the Department of Military Affairs (DMA) Construct Joint Operations Center Counter Drug Program Building project in Laurel County. This 100% federally-funded project was approved by the Committee at its June 2007 meeting at a scope of \$1,922,300.

Mr. Hicks said this project was bid in August and had a base bid of \$1,672,000 and included two add alternatives for a paved parking lot (\$142,000) and a classroom (\$85,200). Funding was sufficient to cover the base bid, and DMA received additional federal funds to finance the two add alternatives.

Representative Wayne asked why was the scope increase not reported before the contract was awarded. Mr. Hicks explained when this project was reported to the Committee in June, funding was sufficient to award the base bid; however, the scope increase being reported today was necessary to award the two add alternatives. Mr. Hicks said normally the Secretary of the Finance Cabinet approves the scope increase request, the project is brought to the Committee for its review and approval, and only then are the additional funds allotted to the project account. In this case, however, the contract including the two add alternatives was awarded prior to Committee's review and approval.

Mr. Hicks said the Department of Military Affairs approached the Finance Cabinet saying it had until the closeout of the federal fiscal year on September 30 to obligate the additional federal funds. Mr. Hicks said the federal funds were allotted prior to Committee approval in this case as a financial representation of the obligation of the funds. This has been an accepted practice that communicates to the federal government that the project is moving forward. He emphasized that when a request for a scope increase is submitted to the Committee, GOPM usually does not allot the funds to the project account until the Committee has reviewed the request.

Mr. Hicks said by allotting the funds to signal the federal government they have properly been obligated, GOPM inadvertently eliminated its internal control to assure that contracts are not rewarded before the Committee reviews the scope increase. He said they will review their internal control procedures and work closely with DMA to perhaps look at another method by which they can improve this process.

Representative Wayne said that he hoped that those internal controls are now back in place. He asked why this item was not brought to the Committee in August. Mr. Hicks explained that the request was not received from DMA until September.

In response to comments from Representative Wayne, Mr. Hicks said they should and could have awarded the base bid under the existing appropriation prior to the scope increase request and deferred the award of the two add alternatives until after the Committee had reviewed it. He said this truly was just an inadvertent oversight. Mr.

Hicks said they would not have had to make significant adjustments in order to meet all the necessary timelines.

Mr. Abbott said when staff looked at bid tabulation sheets and saw that the entire allotment was in place, they did not understand the situation relative to the reporting issue. Rather, staff saw the additional funds had been allotted and therefore awarded the entire contract amount. Mr. Abbott said they are sorry this happened, and this is not how their office typically does business. Representative Wayne said he realized this and complimented him on the good work his office generally does. He requested that the agency fix the problem.

Senator Tori asked if the federal funding will be sufficient to cover the scope increase. Mr. Hicks said the federal funds should be sufficient.

Senator Buford asked if construction on this project has started. Mr. Abbott said the contractor is still putting in place its required performance bonds and construction may be starting within the next few days or weeks. Senator Buford said it is difficult to avoid these types of problems when the state tries to coordinate its budget with the federal budget.

Major Brian Demers, Construction Facility Manager, DMA, agreed with Mr. Hicks and added that the contract was awarded on September 27. He explained that the add alternatives were bid in case the funding was not sufficient. When the bid tabs were sent to Washington, they were informed additional money for the state was available. Major Demers said they were told by the federal government if they could not execute the contract at the end of the federal fiscal year, they would not get the money. He said they received the additional money, as well as an additional \$1 million for 30 smaller projects. Major Demers said DMA would work harder and preplan to eliminate this kind of problem in the future.

Action is generally required for a scope increase, but in this case the contract was awarded prior to the Committee's review and approval. No action was taken.

Mr. Hicks reported an unbudgeted project for the Justice and Public Safety Cabinet, Grants Management Branch, to purchase an Electronic Grants Management System at a cost of \$842,500. The project will be funded with federal funds of \$589,700 from four U.S. Department of Justice grants and state restricted funds of \$252,800. Mr. Hicks said the Grants Management Branch manages federal grants that are awarded to small non-profit organizations and to local and state government, and this information technology system will assist in that effort.

In response to a question from Senator Buford, Ms. Tanya Dickinson, Grants Management Branch Manager, Justice and Public Safety Cabinet, responded that the funds for this project are in hand.

In response to a question from Senator Seum, Ms. Dickinson said the Law Enforcement Service Fee (unbudgeted agency receipts) is derived from fines paid by individuals convicted of driving under the influence (DUI) violations. Mr. Hicks added that the Justice Cabinet receives a portion of this fee which is subgranted out to local law enforcement agencies for DUI enforcement activities.

Senator Buford made a motion to approve the project. The motion was seconded by Representative Rudy and passed by unanimous roll call vote.

The last item Mr. Hicks reported was a project expansion for the Department of Fish and Wildlife Resources' Laurel Fork (Guy Cove) project in Perry County, which was initially reported to the Committee in September 2006. This project is 100% funded with moneys from the Fees-In-Lieu of Stream Mitigation Pool. The expanded project will include the restoration and enhancement of an additional 1,700 feet of stream on a hollowfill in Robinson Forest, and the project scope will increase from \$1,220,700 to \$1,806,308, an additional \$585,608.

Senator Tori asked if this project relates to the University of Kentucky's plan to log a portion of Robinson Forest. Mr. Hicks responded that this is a separate project that involves the remediation and restoration of previously mined land. Mr. Jim Lane, Environmental Scientist, Department of Fish and Wildlife Resources, added that it is a unique demonstration project that has not been done in the United States relating to mining and stream restoration and does not relate to the mining of Robinson Forest.

In response to a question from Senator Buford, Mr. Lane said the hollow being restored was actually filled in with mining materials when the area was mined.

Senator Tori said this project required no action. She noted that the remaining project, an information item regarding private development on state-owned property at the Kentucky Horse Park was withdrawn by the Finance Cabinet.

Senator Tori next welcomed Katie Smith, Deputy Commissioner for the Department of Financial Incentives, Cabinet for Economic Development, to report on a proposed Economic Development Bond (EDB) grant.

Ms. Smith reported a proposed grant of \$750,000 to the Louisville/Jefferson County Metro Government for the benefit of BAE Systems Land and Armament LP. Proceeds will be used to furnish and equip a new 42,000 SF stand-alone engineering and fleet support center to be added to the company's existing 629,000 SF facility. Ms. Smith

said the funds will help BAE establish an engineering Center of Excellence that will house the fourth largest concentration of engineers in the United States.

In response to a question from Senator Tori, Ms. Smith said the company currently has manufacturing operations in Louisville, but does not have an engineering center.

Representative Wayne asked where the facility is located. Ms. Smith said the facility is located at the Old Naval Ordinance Station off the Gene Snyder Freeway.

Representative Rudy made a motion to approve the EDB project. The motion was seconded by Senator Buford and passed by unanimous roll call vote.

Ms. Smith said included in members' folders were three additional items submitted by the Cabinet for Economic Development: the Annual Report on Economic Development Bond Pool Program/Monitoring of Jobs Creation/Payback Requirements for Fiscal Year 2007; an EDB grant modification for the Sister Schubert's Homemade Rolls Company in Hart County; and an EDB grant modification for the Purchase Area Regional Industrial Park Authority in Graves County. Senator Tori said no Committee action was required for these reports.

Sandy Williams, Financial Analyst, Kentucky Infrastructure Authority (KIA), presented three new KIA grants for the Committee's approval. The first request was a Fund A1 loan (Federally Assisted Wastewater Revolving Loan Fund) in the amount of \$169,500 for the City of Barlow in Ballard County. The funds will be used to complete planning and design work associated with the construction of a new wastewater treatment plant and a sewer system evaluation study.

The second request Ms. Williams reported was a Fund A loan in the amount of \$1,040,900 for the City of Whitesburg in Letcher County. The proceeds will be used to construct a new wastewater treatment plant.

The third request Ms. Williams reported was a \$125,000 Fund B loan (Infrastructure Revolving Loan Fund with state-supported debt service) for the Caveland Sanitation Authority in Hart County. The proceeds will be used to construct a wastewater collection system to serve Bonnieville and an I-65 rest area.

Representative Wayne noted that the City of Whitesburg loan had not been approved by the City's Council and that the loan will require a rate increase of 62%. He recommended that the Committee's approval be contingent upon approval by the Whitesburg City Council.

Senator Buford asked if the City of Whitesburg prepared the request for this loan. Ms. Williams said the City requested the loan and was aware of the need for a rate

increase to pay off the loan. She said the City has agreed verbally to the increased rates, but the project has not been presented to nor approved by the Whitesburg City Council.

Representative Rudy made a motion to approve the three KIA loans. The approval of the City of Whitesburg loan is contingent upon the approval by the Whitesburg City Council. The motion was seconded by Representative Wayne and passed by unanimous roll call vote.

Ms. Williams next reported various coal/tobacco development grants that were funded through line item appropriations from the General Assembly in 2005 and 2006. Senator Tori said this item did not require Committee action.

The next report was provided by Terri Fugate, Deputy Executive Director, Office of Financial Management (OFM) and Tom Howard, Executive Director. Mr. Howard said there were four new bond issues to be presented to the Committee. The first new bond issue was Kentucky Housing Corporation (KHC) Conduit Multifamily Housing Revenue Bonds, Series 2007 (Highlands Court Apartments), \$4,000,000. The proceeds will be used to acquire and rehabilitate a facility with 100 one-bedroom apartments located adjacent to Bellarmine University's campus in Louisville. The facility houses low-income elderly residents.

Senator Buford made a motion to approve the KHC bond issue. The motion was seconded by Representative Wayne and passed by unanimous roll call vote.

The second new bond issue was Kentucky Asset / Liability Commission (ALCo) University of Kentucky General Receipts Project Notes, 2007 Series B, \$82,450,345. The proceeds will be used to complete the authorized agency bond financing for Phase II construction of the new UK Hospital Patient Care facility.

Representative Rudy made a motion to approve the new ALCo bond issue. The motion was seconded by Representative Wayne and passed by unanimous roll call vote.

Ms. Fugate presented the next new bond issue report: State Property and Buildings Commission (SPBC) Revenue and Revenue Refunding Bonds, Project No. 88, \$300,000,000. The proceeds will be used to provide permanent financing of approximately \$170 million for capital projects authorized in the 2004-06 and 2006-08 budgets.

In response to a question from Representative Wayne, Mr. Howard said OFM periodically issues SPBC bonds on a competitive basis, even though the Commission's previous bond issues have been negotiated deals. He explained that they have considered having a competitive sale for a some time, but have not done so for a variety of reasons such as the lack of a timely enacted budget, the inclusion of a refunding component, or a

complicated transaction. Mr. Howard said they feel comfortable going into the marketplace with a significant competitive bond sale now that the environment has stabilized and the state no longer has a negative credit outlook. He said they try to give preference to Kentucky purchasers of bonds, who benefit from the projects and from the double exemption.

Senator Buford said the anticipated rate on this bond issue (4.424%) may be of great benefit. Mr. Howard said the bonds will be sold later in the month and they expect a very aggressive bidding syndicate. He said to entice the underwriting community in the negotiated underwriting pool, the winning bidder will move to the top of the list for the next negotiated deal. Mr. Howard said the Kentucky companies bidding on the issue will partner with Wall Street firms for the distribution.

Senator Buford made a motion to approve the new SPBC bond issue. The motion was seconded by Representative Wayne and passed by unanimous roll call vote.

The last bond issue Mr. Howard reported was Kentucky Economic Development Finance Authority (KEDFA) Healthcare Revenue Refunding Bonds (Christian Care Communities, Inc. Obligated Group), 2007 Series, \$14,830,000. The proceeds from this issue will advance refund KEDFA Health Care Facilities Revenue Bonds, Series 1998 (The Christian Church Homes of Kentucky, Inc. Obligated Group). Mr. Howard noted that these bonds are conduit bonds and not an obligation of the Commonwealth, but of the benefiting institution.

Senator Buford made a motion to approve the KEDFA bond issue. The motion was seconded by Representative Wayne and approved by unanimous roll call vote.

Ms. Fugate then presented two follow-up reports for previously approved bond issues: ALCo Project Notes, 2007 Federal Highway Trust Fund First Series, dated 9/12/2007, \$277,910,000; and ALCo Project Notes, 2007 Road Fund Series A, dated 9/25/2007, \$350,000,000. Senator Tori said no Committee action was required for these follow-up reports.

Ms. Fugate then presented 17 new school bond issues with School Facilities Construction Commission (SFCC) debt service participation: Anderson County, Augusta Independent (Bracken County), Bath County, Bell County, Butler County, Carroll County, Cloverport Independent (Breckinridge County), Covington Independent (Kenton County), Elliott County, Ft. Thomas Independent (Campbell County), Fulton County, Knox County, Lewis County, Ludlow Independent (Kenton County), Russellville Independent (Logan County), Warren County, and Williamstown Independent (Grant County).

Representative Rudy made a motion to approve the school bond issues. The motion was seconded by Senator Buford and passed by unanimous roll call vote.

Ms. Osborne briefed the Committee on Information Items related to an assessment of needs and project costs of local school facilities. She said the SFCC recently approved a \$6 million budget request to the 2008 General Assembly to perform an assessment of local school facilities. She said the Kentucky Department of Education has a facility ranking system, but it was not intended to serve as the basis for allocating state funds. The SFCC thought it would be better to have a third-party evaluator assess the schools.

She then noted for the Committee's review two items regarding the Harlan County high school construction project. According to an October 4 article in the *Louisville Courier-Journal*, the cost of this project was estimated in 2003 to be \$23 million. By the time the offers of assistance were made and the construction began three years later, the estimated cost had risen to between \$48-\$53 million due to the time interval, the increased cost of construction, and an increase in the size of the building from 173,000 SF to 220,000 SF.

Ms. Osborne added that on October 3, the Auditor of Public Accounts released an audit on the Harlan County high school project. The audit notes that it is critical that accurate cost analysis be conducted at the beginning of the process so policy makers can make decisions based on accurate data.

Senator Buford noted that the news article stated there were about \$700 million worth of school facility projects currently under construction and the chairman of the Kentucky Board of Education was quoted that the Board does not know if the projects are within their original budgets. He asked if the Committee should send a letter to the Board of Education asking what oversight is provided for local school facility construction projects. Representative Wayne agreed with Senator Buford and said even though the projects are local, they involved state funds; there appears to be little oversight and the Committee should lend its voice to this effort. Senator Tori said she agreed and the Committee would be lax if it does not address some of these issues.

Next Ms. Osborne reported there were three locally-funded school bond issues submitted to the Committee for review this month: Beechwood Independent (Kenton County), Bowling Green Independent (Warren County), and Nelson County. She said all disclosure information has been filed, and no further action on the bond issues was required.

Senator Tori said the Committee's next meeting is scheduled for November 20 at 10:00 a.m. in the Capitol Annex.

With there being no further business, Senator Buford made a motion to adjourn the meeting. The motion was seconded and the meeting adjourned at 2:30. A tour of the Kentucky Horse Park followed the meeting.