

INTERLOCAL COOPERATION AGREEMENT

This INTERLOCAL COOPERATION AGREEMENT (the "Agreement") is made, entered into, and is effective on this the 25th day of August, 2021, by and between the City of Paducah, Kentucky (the "City"), the County of McCracken County, Kentucky (the "County"), and the Barkley Regional Airport Authority (the "Airport").

RECITALS

WHEREAS, the Airport is a local air board established by the City and the County and duly organized and operating under the laws of the Commonwealth of Kentucky as set forth in KRS 183.132, *et seq.*;

WHEREAS, the Airport has, with the encouragement and support of the City and County, undertaken a project to construct a new terminal at the airport located at 2901 Fisher Road, West Paducah, Kentucky 42086 (the "Terminal Project");

WHEREAS, the Terminal Project is estimated to cost Forty-Two Million Dollars (\$42,000,000.00) (the "Total Estimated Cost");

WHEREAS, the Airport has received and obtained commitments from the Federal Aviation Administration (the "FAA"), the Kentucky Department of Aviation ("KDA"), and other federal, state, and local resources to provide funding for approximately eighty-seven percent (87%) of the Total Estimated Cost of the Terminal Project;

WHEREAS, the City and the County desire for the Airport to proceed with and complete the Terminal Project and recognize that doing so will be a benefit to Paducah, McCracken County, and western Kentucky;

WHEREAS, the City and County desire to provide resources and funding for any portion of the Terminal Project not funded by the FAA, the KDA, and other federal state, and local resources (the "Local Share");

WHEREAS, the City, County, and the Airport desire to enter into this Agreement in order to set forth and clearly understand what portion of the Local Share of the Terminal Project will be funded by the City and what portion of the Local Share of the Terminal Project will be funded by the County;

NOW THEREFORE, for and in consideration of the mutual promises and covenants set forth herein, the Airport, the City, and the County agree as follows:

ARTICLE I: ESTIMATE OF LOCAL SHARE

1.1. As of the date of this Agreement, the Airport estimates that the Local Share of the Terminal Project will be Five Million Eight Hundred Thousand Dollars (\$5,800,000.00). A more precise estimate of the amount and value of the Local Share will be known by the Airport when bids for certain packages of the Terminal Project are received and opened by the Airport. When bids are awarded, the Airport will complete and provide Exhibit A to this Agreement to the City

and County in order to appraise them of the more precise total amount of the Local Share. A final Local Share in excess of Six Million Dollars (\$6,000,000.00) is subject to a full review of the Paducah City Commission and the McCracken County Fiscal Court.

1.2. The City and County acknowledge, understand, and agree that the total amount of the Local Share set forth in Article 1.1 is only an estimate and that the Local Share may be higher or lower than the estimate in Article 1.1. Regardless of whether the actual amount of the Local Share is higher or lower than the estimate in Article 1.1, the City and County are committed to and will provide the Airport with funding sufficient to cover the Local Share in accordance with the terms of this Agreement.

ARTICLE II: DIVISION OF LOCAL SHARE BETWEEN CITY AND COUNTY

2.1. Responsibility for paying the Local Share of the Terminal Project shall be split equally between the City and the County. That is, in accordance with the terms of this Agreement, the City and the County are each, individually, committing and agreeing to provide funds sufficient to cover fifty percent (50%) of the of the Local Share of the Terminal Project.

ARTICLE III: DISBURSEMENT OF THE LOCAL SHARE

3.1. Under the terms of this Agreement, neither the City nor the County are required to advance or provide the entire amount of the Local Share to the Airport at any one time or on a date certain. Rather, the City and the County are permitted and will disburse portions of their amount of the Local Share in accordance with this Article 3.

3.2. As the Airport proceeds with the Terminal Project and receives invoices and demands for payment for items on the Terminal Project that are to be paid for, funded, and covered by the Local Share, the Airport shall present those to the City and County for payment. For the City, the Airport shall present the invoices and items for payment for the Local Share to the Mayor and City Manager. For the County, the Airport shall present the invoices and items for payment from the Local Share to the County Judge Executive and the Deputy Judge Executive.

3.3. Within five (5) business days of receipt of an invoice or demand for payment from the Airport, the City and the County shall deposit their share of such invoice into an account designated by the Airport. Upon deposit of those funds, the Airport will be responsible for paying the invoice or demand for payment and the City and County will be relieved of any further obligation with respect to that invoice or demand for payment.

ARTICLE IV: PROVISION REQUIRED BY THE INTERLOCAL COOPERATION ACT

4.1. The Interlocal Cooperation Act, KRS 65.250, *et seq.* (the "Act") requires this Agreement to contain certain specific provisions. The provision required by the Act are set forth in this Article 4.

4.2. The purpose of this Agreement is to allow the Airport to secure funding from the City and the County for the Local Share of the Terminal Project and to set forth the City and the County's obligations with respect to payment of the Local Share.

4.3. This Agreement shall remain in force and effect and its duration shall last until the Terminal Project is complete. This Agreement may not be terminated while the Terminal Project is ongoing.

4.4. The Executive Director of the Airport, or his designee, shall serve as the administrator of this Agreement and shall be responsible for the administration and oversight of the joint and cooperative undertaking of the City, County, and Airport set forth herein.

4.5. Any real or personal property acquired or disposed of by the Airport through use of funding or proceeds provided by the City or County under their portion of the Local Share shall be owned, titled, acquired, held, and/or disposed of by the Airport and in its name.

ARTICLE V: APPROVALS, AUTHORIZATIONS, AND NOTIFICATIONS REQUIRED PRIOR TO AGREEMENT BECOMING EFFECTIVE

5.1. Before this Agreement shall become effective, it shall be submitted to the Kentucky Department of Local Government for approval in accordance with KRS 65.260(3).

5.2. Before this Agreement shall become effective, the City shall submit it to the Paducah Board of Commissioners for approval. By entering into this Agreement, the City warrants and represents that it has obtained approval to do so from the Paducah Board of Commissioners.

5.3. Before this Agreement shall become effective, the County shall submit it to the McCracken County Fiscal Court for approval. By entering into this Agreement, the County warrants and represents that it has obtained approval to do so from the McCracken County Fiscal Court.

5.4. Before this Agreement shall become effective, the Airport shall submit it to the Barkley Regional Airport Authority Board for approval. By entering into this Agreement, the Airport warrants and represents that it has obtained approval to do so from the Barkley Regional Airport Authority Board.

5.5. In accordance and compliance with KRS 65.241, the Airport has provided notice of its intent to enter into this Agreement to the City and County, which are the governing bodies of the local governments which jointly established the Airport. By entering into this Agreement, the Airport, City, and County all acknowledge and agree that the notice requirements of KRS 65.241 have been met and complied with by the Airport.

ARTICLE VI: NON-LIABILITY OF OFFICES AND EMPLOYEES

6.1. No officer, board member, commissioner, or employee of the City, County, or Airport may be subjected to any personal liability for any debt or contract created by this Agreement or resulting from it.

ARTICLE VII: NATURE OF AGREEMENT AND FURTHER ASSURANCES

7.1. The City, County, and Airport agree to engage in a joint and cooperative undertaking within only the scope set out in this Agreement. They do not intend to create any



relationship of surety or indemnification, nor responsibility for indebtedness, liabilities, or claims incurred by either the City, the County, or the Airport in their operations, other than as provided in this Agreement. Furthermore, the execution of this Agreement will not constitute a waiver of any defense or immunity to which the City, County, or Airport may otherwise be entitled under any applicable law.

7.2. The City, County, and Airport agree that they shall, at any time upon the request of another party, make, execute, and deliver or cause to be made, executed, and delivered to the requesting party any and all other further instruments, certificates, and other documents as may, in the reasonable opinion of requesting party, be necessary or desirable in order to effect, complete, perfect, or otherwise to fulfill the obligations of the parties under this Agreement.

ARTICLE VIII: MISCELLANEOUS

8.1. This Agreement represents the entire agreement of the parties hereto, and all prior agreements, discussions, or understandings between the parties regarding the City and County's payment of the Local Share of the Terminal Project are hereby rescinded and shall be of no force or effect.

8.2. This Agreement may only be amended by a written document authorized, executed, and delivered by each of the parties hereto.

8.3. This Agreement shall be binding upon the parties hereto and upon their respective permitted successors, assignees, and transferees.

8.4. This Agreement may not be transferred or assigned to another unless written consent is obtained from all of the parties hereto.

8.5. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon any person, firm, or corporation other than the parties hereto any right, remedy or claim by reason of this Agreement or any term hereof, and all terms contained herein shall be for the sole and exclusive benefit of the parties hereto, their successors and permitted transferees or assignees.

8.6. Time is of the essence is carrying out the terms and conditions of this Agreement, and the parties agree to act expeditiously in doing so.

8.7. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

8.8. Any legal action between the parties regarding this Agreement or the terms and rights contained herein shall be filed in the federal or state courts of McCracken County, Kentucky, and the parties waive any argument that such courts are an inconvenient forum.

8.9. If one or more provisions of this Agreement, or the applicability of any such provisions for any set of circumstances, shall be determined to be invalid or ineffective for any reason, such determination shall not affect the validity and enforceability of the remaining provisions of this Agreement.

8.10. The waiver by any party of a breach, default or violation of this Agreement shall not operate as or be constructed to be a waiver of any subsequent breach hereof.

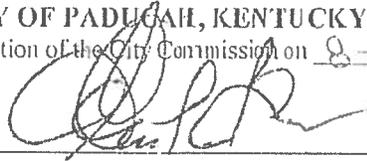
8.11. This Agreement may be executed in one or more counterparts and when each party hereto has executed at least one counterpart, this Agreement shall become binding on all parties and such counterparts shall be deemed to be one and the same document.

[remainder of this page left intentionally blank]

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

CITY OF PADUCAH, KENTUCKY, Authorized
by Action of the City Commission on 8-24-21



Mayor Date

Attest:

Wendy Paritz
City Clerk

COUNTY OF MCCRACKEN, KENTUCKY,
Authorized by Action of the Fiscal Court of the County
on 8-23-21

[Signature] 8-23-21
Judge Executive Date

Attest:

Julie Brinkley
Fiscal Court Clerk

BARKLEY REGIONAL AIRPORT
AUTHORITY, Authorized by Action of the
Barkley Regional Airport Authority Board on
8/23/2021

[Signature] 8/25/2021
Board Chair Date

APPROVAL

Department of Local Government
100 Airport Road, 3rd Floor
Frankfort, Kentucky 40601
P: (800) 346-5606
F: (502) 227-8691

This Interlocal Cooperation Agreement is in proper form and is compatible with the laws of the Commonwealth of Kentucky; therefore, it is approved this the ____ day of _____, 2021.

DEPARTMENT OF LOCAL GOVERNMENT

By: _____

Title: _____

Date: _____



Project Information

Project ID	KY-54713
Entity Type	Non-Profit
Funding Type	SEDAP
LDD	Purchase Area Development District
Areas Affected by Project:	[McCracken KY] [Graves KY] [Ballard KY] [Carlisle KY] [Hickman KY] [Fulton KY] [Marshall KY] [Calloway KY] [Massac IL] [Pulaski IL]
Funding Category	BPI
Attachments	6

All Investment Information

Requested DRA Investment	87.6%	\$1,771,500
Other Public Investment	12.4%	\$250,000
Other Private Investment	0.0%	\$0
Total Investment	100.0%	\$2,021,500

Project Narrative

Summary	<p>Project will connect new Barkley Regional Airport terminal and 20 homes to public sewer infrastructure replacing 1960s package treatment plant. Ext. is 7700 lf w/ pump station, 3000 lf of force main.</p>
Description	<p>The scope of this project creates a regional impact for Western Kentucky. The proposed project is a sewer extension for Paducah-McCracken County Joint Sewer Agency (JSA) to the Barkley Regional Airport property owned by Federal Aviation Administration (FAA). This would entail 7,700 linear feet of 8", 10", 12" sanitary sewer extension with pump station, 3,000 linear feet of 4" PVC force main. The current package plant servicing the facilities on the Barkley Regional campus is circa 1960's. This JSA project is a crucial piece of a multifaceted project. To begin, the proposed sanitary sewer extension with pump station will service 20 households located along US 60, and HWY 305 near Barkley Regional Airport. Next, the existing package plant that services Barkley Regional, the National Weather Service location and the Kentucky National Guard Armory (all located on the Barkley Regional campus) was constructed in the 1960's and is obsolete. The abandonment of the existing package plant that services these facilities will prevent continual deterioration and potential failure and environmental insult. In addition, Barkley Regional Airport is in the planning process of an approximate \$40 million dollar investment into a new terminal.</p>



This new terminal project at Barkley Airport is a foundational and transformational project for the airport, Paducah and all of far Western Kentucky. Local leaders are encouraged that the investment into the terminal creates economic growth. Estimated completion date is Spring of 2023.

According to Kentucky Governor Andy Beshear, "The new multi-million-dollar terminal at Barkley Regional Airport will truly open up Western Kentucky to the world and help us build that bigger, brighter future for all our families..." The terminal that is currently operating at Barkley Regional Airport has been in operation since 1955, and according to Barkley Regional Airport representatives, "we anticipate that it will be a catalyst for economic development and growth for the airport, and our area as well; fully putting the "Regional" back into Barkley Regional Airport."

Lastly, West Kentucky and Community and Technical College (WKCTC) is in the planning process of bringing an aerospace training program to their campus, and all technical training will be located at Barkley Regional Airport. WKCTC anticipates this program to certify 20 cohorts through the Spring semester of 2024.

Purpose

The purpose of the project is multifaceted. To begin, this sewer extension project will provide public sewer service to 20 households. The project will also alleviate any concerns about the failing system that services Barkley Regional Airport, the National Weather Service facility, and the Kentucky National Guard Armory location.

During the Ice Storm of 2009, the Kentucky National Guard was deployed due to the state of emergency. The facility located on the Barkley Regional Campus served as a shelter and warming facility for those in need, as well as the base for the deployed National Guard members. It became apparent that the package plant that services the facility (constructed in the 1960's) was not sufficient for the use that was taken place. The system quickly became overloaded and began to overflow. This is an ongoing issue that could arise with added use of the facilities located on the Barkley Regional Airport campus.

Additionally, the project would be the most cost-effective manner to address the sewer waste system impacting the creation of a new Barkley Regional terminal, and the nearing aerospace program that is soon coming to Western Kentucky and Community Technical College.

Lastly, with creation of a new terminal, the surrounding properties become prime opportunity for economic growth. The proposed sewer extension and pump station will help with future projects that arise in the area on the JSA network.

Benefits and Outcomes

The benefits of this project include the providing sewer to approximately 20 households or 42 JSA clientele. Additionally, the project would eliminate a potential source of contamination to the environment, and create opportunities for growth at Barkley Regional Airport, the National Weather Service facility, and the Kentucky National Guard Facility, also impacting job retention, (approximately 25 positions) for those facilities. The added capacity allows for growth through educational programming at



Western Kentucky Community and Technical College, which will create 20 cohort positions through their new aerospace program, located at Barkley Regional Airport. Finally, the project would increase sewer capacity in an area that has great potential for economic growth.

Budget Narrative

This investment into Paducah-McCracken County Joint Sewer Agency plays a critical role into the overall \$40+ million-dollar investment into the Barkley Regional Airport terminal project, and the WKCTC aerospace program that creates a regional impact.

The overall project is estimated to cost \$2 million dollars. The request is that DRA's investment into the project total is \$1.75 million. JSA is leveraging \$250,000 in cash towards the project.

As for budgeted funds, the DRA investment is broken down into three line-items: \$50,000 in Right of Way; \$1,450,000 in Construction; \$250,000 in Contingencies. The Non-DRA investment falls under one line item: \$250,000 in Construction. The total project cost is \$2,000,000 and is broken down into the line items previously mentioned.

Right of Way - \$50,000
Construction - \$1,700,000
Contingencies - \$250,000
TOTAL: \$2,000,000

Note: The Opinion of Cost from Bacon, Farmer, Workman Engineering and Testing totals \$1,990,500. We are figuring fluctuation in costs between the application period and the potential construction date. Thus, the application total is \$2,000,000.



Application for Federal Assistance SF-424

8. Applicant Information

a. Legal Name:	Paducah McCracken Joint Sewer Agency		
b. Employer/Taxpayer Identification Number (EIN/TIN):	61-1344391		
c. Organizational DUNS:	111156167		
d. Address:			
Street 1:	621 Northview Street		
City:	Paducah		
County/Parish:	McCracken		
State:	KY		
Country:	United States		
Zip / Postal Code:	42001		
f. Name and contact information of person to be contacted on matters involving this application:			
Prefix:	Mrs.	Name:	Mattea Mitchell
Suffix:	.	Title:	Assistant Director for Planning and Development
Telephone Number:	270-575-0056	Fax Number:	
Email:	jhodges@jointsewer.com		

Application for Federal Assistance SF-424

9. Type of Applicant:	Non-Profit
10. Name of Federal Agency:	Delta Regional Authority
11. Catalog of Federal Domestic Assistance Number:	90.201
CFDA Title:	States' Economic Development Assistance Program
14. Areas Affected by Project:	[McCracken KY], [Graves KY], [Ballard KY], [Carlisle KY], [Hickman KY], [Fulton KY], [Marshall KY], [Calloway KY], [Massac IL], [Pulaski IL],
15. Descriptive Title of Applicant's Project:	JSA-Barkley Regional Airport Sewer Extension Project

Attach supporting documents as specified in agency instructions.

[BFW Opinion of Cost for Airport Sewer \(DRA Application\).pdf](#)

[New_GravityExtension_Full.Layout.pdf](#)

[Transportation Committee Signed Resolution.pdf](#)



DRA Funding Letter **Attachment Supporting documents as specified in agency instructions.**

WAVE Judges Support Letter.pdf

WKCTC SprtLtr JSA DRA 061522.pdf



Application for Federal Assistance SF-424

16. Congressional Districts Of:			
a. Applicant	KY01	b. Program/Project	KY01
17. Proposed Project:			
a. Start Date:	Notice To Proceed	b. Duration:	18
18. Estimated Funding (\$):			
a. DRA			1771500
b. Other			250000
c. TOTAL			2021500

20. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

** I AGREE

**The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:			
Prefix:	Mrs.	Name:	Mattea Mitchell
Suffix:	.	Title:	Assistant Director for Planning and Development
Telephone Number:	270-575-0056	Fax Number:	
Email:	jhodges@jointsewer.com		
Signature of Authorized Representative:			
Mrs. Mattea Mitchell .			
Date Signed:			



BUDGET INFORMATION - Construction Programs

NOTE: Certain Federal assistance programs require additional computations to arrive at the Federal share of project costs eligible for participation. If such is the case you will be notified.

COST CLASSIFICATION	a. DRA	b. Other	c. Total Allowable Costs (Columns a - b)
1. Administrative and legal expenses	\$0	\$0	\$0
2. Land, structures, rights-of-way, appraisals, etc.	\$50,000	\$0	\$50,000
3. Relocation expenses and payments	\$0	\$0	\$0
4. Architectural and engineering fees	\$0	\$0	\$0
5. Other architectural and engineering fees	\$0	\$0	\$0
6. Project inspection fees	\$0	\$0	\$0
7. Site work	\$0	\$0	\$0
8. Demolition and removal	\$0	\$0	\$0
9. Construction	\$1,450,000	\$250,000	\$1,700,000
10. Equipment	\$0	\$0	\$0
11. Miscellaneous	\$0	\$0	\$0
12. Subtotal	\$0	\$0	\$0
13. Contingencies	\$250,000	\$0	\$250,000
14. Subtotal	\$0	\$0	\$0
15. Project (program) income	\$0	\$0	\$0
16. Total Project Costs	\$1,750,000	\$250,000	\$2,000,000

1 AN ACT relating to appropriations providing financing and conditions for the
2 operations, maintenance, support, and functioning of the Transportation Cabinet of the
3 Commonwealth of Kentucky.

4 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

5 →Section 1. Notwithstanding KRS 48.100 and 48.300, the Transportation Cabinet
6 Budget is as follows:

7 **PART I**
8 **OPERATING BUDGET**

9 **(1) Funds Appropriations:** There is appropriated out of the General Fund, Road
10 Fund, Restricted Funds accounts, Federal Funds accounts, or Bond Funds accounts for the
11 fiscal year beginning July 1, 2021, and ending June 30, 2022, for the fiscal year beginning
12 July 1, 2022, and ending June 30, 2023, and for the fiscal year beginning July 1, 2023,
13 and ending June 30, 2024, the following discrete sums, or so much thereof as may be
14 necessary. Appropriated funds are included pursuant to KRS 48.700 and 48.710. Each
15 appropriation is made by source of respective fund or funds accounts. Appropriations for
16 the budget units of the Transportation Cabinet are subject to the provisions of Chapters
17 12, 42, 45, and 48 of the Kentucky Revised Statutes and compliance with the conditions
18 and procedures set forth in this Act.

19 **A. TRANSPORTATION CABINET**

20 **Budget Units**

21 **1. GENERAL ADMINISTRATION AND SUPPORT**

	2021-22	2022-23	2023-24
22 General Fund	-0-	17,864,000	500,000
23 Restricted Funds	31,400	2,743,400	2,752,300
24 Federal Funds	-0-	69,456,000	-0-
25 Road Fund	1,088,200	81,374,000	81,626,400
26 TOTAL	1,119,600	171,437,400	84,878,700

1 **(1) Biennial Highway Construction Plan:** The Secretary of the Transportation
2 Cabinet shall produce a single document that shall detail the enacted fiscal biennium
3 2022-2024 Biennial Highway Construction Program and the 2024-2028 Highway
4 Preconstruction Program.

5 **(2) Debt Service:** Included in the above Road Fund appropriation is \$343,800 in
6 fiscal year 2022-2023 and \$345,000 in fiscal year 2023-2024 for debt service on
7 previously authorized bonds.

8 **(3) Adopt-A-Highway Litter Program:** The Transportation Cabinet and the
9 Energy and Environment Cabinet may receive, accept, and solicit grants, contributions of
10 money, property, labor, or other things of value from any governmental agency,
11 individual, nonprofit organization, or private business to be used for the Adopt-a-
12 Highway Litter Program or other statewide litter programs. Any contribution of this
13 nature shall be deemed to be a contribution to a state agency for a public purpose and
14 shall be treated as Restricted Funds under KRS Chapter 45 and reported according to
15 KRS Chapter 48, and shall not be subject to restrictions set forth under KRS Chapter
16 11A.

17 **(4) Riverport Improvements:** Included in the above General Fund appropriation
18 is \$500,000 in each fiscal year to improve public riverports within Kentucky. The
19 Secretary of the Transportation Cabinet, in conjunction with the Kentucky Water
20 Transportation Advisory Board, shall determine how the funds are distributed.

21 **(5) Electric Vehicle Charging Program:** Included in the above appropriations
22 are \$17,364,000 in General Fund and \$69,456,000 in Federal Funds in fiscal year 2022-
23 2023 for the Electric Vehicle Charging Program in the Infrastructure Investment and Jobs
24 Act. Notwithstanding KRS 45.229, these funds shall not lapse and shall carry forward.
25 The Transportation Cabinet shall submit an Electric Vehicle Infrastructure Development
26 Plan to the Interim Joint Committee on Transportation on or before June 30, 2022.

27 **2. AVIATION**

1		2021-22	2022-23	2023-24
2	General Fund	-0-	11,400,000	757,000
3	Restricted Funds	77,400	22,690,000	19,130,400
4	Federal Funds	-0-	500,500	500,500
5	Road Fund	30,700	1,866,400	1,875,700
6	TOTAL	108,100	36,456,900	22,263,600

7 **(1) Operational Costs:** Notwithstanding KRS 183.525(5), the above Restricted
 8 Funds appropriation includes operational costs of the program in each fiscal year.

9 **(2) Debt Service - Existing Projects:** Included in the above Road Fund
 10 appropriation is \$836,100 in fiscal year 2022-2023 and \$835,300 in fiscal year 2023-2024
 11 for debt service on previously authorized bonds. Notwithstanding KRS 183.525,
 12 \$836,100 in fiscal year 2022-2023 and \$835,300 in fiscal year 2023-2024 is transferred to
 13 the Road Fund from the Kentucky Aviation Economic Development Fund to support debt
 14 service on those bonds.

15 **(3) Debt Service - New Projects:** Included in the above General Fund
 16 appropriation is \$757,000 in fiscal year 2023-2024 for new debt service to support new
 17 bonds as set forth in Part II, Capital Projects Budget, of this Act.

18 **(4) General Aviation Airports:** Included in the above General Fund
 19 appropriation is a one-time allocation of \$11,400,000 in fiscal year 2022-2023 to provide
 20 \$200,000 to each General Aviation airport.

21 **3. DEBT SERVICE**

22		2022-23	2023-24
23	Road Fund	134,952,100	136,855,100

24 **(1) Economic Development Road Lease-Rental Payments:** Included in the
 25 above Road Fund appropriation is \$134,705,100 in fiscal year 2022-2023 and
 26 \$136,605,100 in fiscal year 2023-2024 for Economic Development Road lease-rental
 27 payments relating to projects financed by Economic Development Road Revenue Bonds

1 previously authorized by the General Assembly and issued by the Kentucky Turnpike
2 Authority.

3 (2) **Debt Payment Acceleration Fund Account:** Notwithstanding KRS 175.505,
4 no portion of the revenues to the state Road Fund provided by the adjustments in KRS
5 138.220(2), excluding KRS 177.320 and 177.365, shall accrue to the Debt Payment
6 Acceleration Fund account during the 2022-2024 fiscal biennium.

7 **4. HIGHWAYS**

8	2021-22	2022-23	2023-24
9 General Fund	-0-	250,000,000	-0-
10 Restricted Funds	6,826,300	159,157,500	310,375,400
11 Federal Funds	176,904,800	1,391,741,900	1,245,769,800
12 Road Fund	11,583,700	996,115,300	974,783,400
13 TOTAL	195,314,800	2,797,014,700	2,530,928,600

14 (1) **Debt Service:** Included in the above Federal Funds appropriation is
15 \$77,900,400 in fiscal year 2022-2023 and \$70,356,800 in fiscal year 2023-2024 for debt
16 service on Grant Anticipation Revenue Vehicle (GARVEE) Bonds previously
17 appropriated by the General Assembly.

18 (2) **State Supported Construction Program:** Included in the above Road Fund
19 appropriation is \$477,924,700 in fiscal year 2022-2023 and \$475,689,500 in fiscal year
20 2023-2024 for the State Supported Construction Program.

21 (3) **Biennial Highway Construction Program:** Included in the Biennial
22 Highway Construction Program is \$336,324,700 in fiscal year 2022-2023 and
23 \$334,089,500 in fiscal year 2023-2024 from the Road Fund for state construction projects
24 and the state match for federal projects in the 2022-2024 Biennial Highway Construction
25 Program.

26 (4) **Highway Construction Contingency Account:** Included in the State
27 Supported Construction Program is \$16,600,000 in each fiscal year for the Highway

1 Construction Contingency Account. Notwithstanding KRS 45.247(2), (4), (6), (7), and
2 (8), the Secretary shall only expend Highway Construction Contingency moneys for
3 projects of an emergency nature, for projects that relieve a hazardous condition, or to
4 provide the state match for unanticipated Federal Funds made available as a result of
5 other states not utilizing their total federal obligations. Notwithstanding KRS 224.43-
6 505(2), included in the Highway Construction Contingency Account is \$4,000,000 in
7 each fiscal year to support the Kentucky Pride Fund created in KRS 224.43-505.
8 Notwithstanding KRS 45.247 and 177.320(4), included in the Highway Construction
9 Contingency Account is \$290,000 in each fiscal year for the Kentucky Transportation
10 Center. Also included in the Highway Construction Contingency Account for Railroads is
11 \$1,600,000 in each fiscal year for public safety and service improvements which shall not
12 be expended unless matched with non-state funds equaling at least 20 percent of the total
13 amount for any individual project. Additionally, in each fiscal year, up to \$350,000 of the
14 \$1,600,000 appropriation may be used to establish and administer the Kentucky Rail
15 Office in the Kentucky Transportation Cabinet.

16 **(5) 2020-2022 Biennial Highway Construction Plan:** Projects in the enacted
17 2020-2022 Biennial Highway Construction Plan are authorized to continue their current
18 authorization into the 2022-2024 fiscal biennium. If projects in previously enacted
19 highway construction plans conflict with the 2022-2024 Biennial Highway Construction
20 Plan, the projects in the 2022-2024 Biennial Highway Construction Plan shall control.
21 The Secretary shall make every effort to maintain highway program delivery by adhering
22 to the timeframes included in the 2022-2024 Biennial Highway Construction Plan for
23 those projects.

24 **(6) State Match Provisions:** The Transportation Cabinet is authorized to utilize
25 Road Fund or General Fund state construction moneys or Toll Credits to match federal
26 highway moneys.

27 **(7) Federal Aid Highway Funds:** If additional federal highway moneys are made

1 available to Kentucky by the United States Congress, the funds shall be used according to
2 the following priority: (a) Any demonstration-specific or project-specific moneys shall be
3 used on the project identified; and (b) All other funds shall be used to ensure that projects
4 in the fiscal biennium 2022-2024 Biennial Highway Construction Plan are funded. If
5 additional federal moneys remain after these priorities are met, the Transportation
6 Cabinet may select projects from the Highway Preconstruction Program.

7 **(8) Road Fund Cash Management:** The Secretary of the Transportation Cabinet
8 may continue the Cash Management Plan to address the policy of the General Assembly
9 to expeditiously initiate and complete projects in the fiscal biennium 2022-2024 Biennial
10 Highway Construction Plan. Notwithstanding KRS Chapter 45, specifically including
11 KRS 45.242 and 45.244, the Secretary may concurrently advance projects in the Biennial
12 Highway Construction Plan by employing management techniques that maximize the
13 Cabinet's ability to contract for and effectively administer the project work. Under the
14 approved Cash Management Plan, the Secretary shall continuously ensure that the
15 unspent project and Road Fund balances available to the Transportation Cabinet are
16 sufficient to meet expenditures consistent with appropriations provided. The
17 Transportation Cabinet shall provide quarterly reports to the Interim Joint Committee on
18 Appropriations and Revenue when the General Assembly is not in session and the
19 Standing Committees on Appropriations and Revenue when the General Assembly is in
20 session beginning July 1, 2022.

21 **(9) Carry Forward of Appropriation Balances:** Notwithstanding KRS 45.229,
22 unexpended Road Fund and General Fund appropriations in the Highways budget unit for
23 the Construction program, the Maintenance program, and the Research program in fiscal
24 year 2021-2022 and in fiscal year 2022-2023 shall not lapse but shall carry forward.
25 Unexpended Federal Funds and Restricted Funds appropriations in the Highways budget
26 unit for the Construction program, the Maintenance program, the Equipment Services
27 program, and the Research program in fiscal year 2021-2022 and in fiscal year 2022-

1 2023, up to the amount of ending cash balances and unissued Highway and GARVEE
2 Bond Funds, to include any interest income earned on those bond funds, and grant
3 balances shall not lapse but shall carry forward.

4 **(10) Federally Supported Construction Program:** Included in the above Federal
5 Funds appropriation is \$1,026,136,100 in fiscal year 2022-2023 and \$867,771,400 in
6 fiscal year 2023-2024 for federal construction projects.

7 **(11) Highways Maintenance:** Included in the above Highways Road Fund
8 appropriation is \$439,456,200 in fiscal year 2022-2023 and \$423,427,500 in fiscal year
9 2023-2024 for Highways Maintenance.

10 **(12) Delayed Projects Status Report:** The Secretary of the Transportation
11 Cabinet shall report by September 30 of each fiscal year to the Interim Joint Committee
12 on Transportation any project included in the enacted Biennial Highway Construction
13 Plan which has been delayed beyond the fiscal year for which the project was authorized.

14 The report shall include:

15 (a) The county name;

16 (b) The Transportation Cabinet project identification number;

17 (c) The route where the project is located;

18 (d) The length of the project;

19 (e) A description of the project and the scope of improvement;

20 (f) The type of local, state, or federal funds to be used on the project;

21 (g) The stage of development for the design, right-of-way, utility, and
22 construction phases;

23 (h) The fiscal year in which each phase of the project was scheduled to
24 commence;

25 (i) The estimated cost for each phase of the project;

26 (j) A detailed description of the circumstances leading to the delay; and

27 (k) The same information required in paragraphs (a) to (i) of this subsection for

1 the project or projects advanced with funds initially scheduled for the delayed project.

2 **(13) Maintenance Reentry Employment Program:** Included in the above Road
3 Fund appropriation is \$1,000,000 in each fiscal year to support contracting with a
4 501(c)(3) nonprofit organization that employs individuals on probation or parole
5 supervision to perform crew-based maintenance services. These individuals shall be
6 selected with input from the Department of Corrections and shall provide assistance with
7 litter abatement, graffiti removal, and vegetation control in highway districts three, five,
8 six, and seven.

9 **(14) Federal Highways Match:** Included in the above General Fund appropriation
10 is \$250,000,000 in fiscal year 2022-2023 to match Federal Funds from the Infrastructure
11 Investment and Jobs Act exclusively for the Brent Spence Bridge Project, the Mountain
12 Parkway Widening Project, or the I-69 Ohio River Crossing Project. Notwithstanding
13 KRS 45.229, the General Fund appropriation balance for Federal Highways Match for
14 fiscal years 2021-2022 and 2022-2023 shall not lapse and shall carry forward.

15 **(15) Grant Anticipation Revenue Vehicle (GARVEE) Bonds:** Included in the
16 above Restricted Funds appropriation is \$150,000,000 in fiscal year 2023-2024 for
17 GARVEE Bond Funds to be issued for the Brent Spence Bridge Project.

18 **(16) New Grant Anticipation Revenue Vehicle (GARVEE) Debt Service:**
19 Included in the above Federal Funds appropriation is \$2,106,300 in fiscal year 2023-2024
20 for GARVEE Bonds debt service payments relating to the Brent Spence Bridge Project.

21 **(17) River Crossing Study:** It is the intent of the General Assembly for the
22 Transportation Cabinet to conduct a feasibility study for alternative crossings at the Cave-
23 in-Rock ferry.

24 5. JUDGMENTS

25 **(1) Payment of Judgments:** Road Fund resources required to pay judgments
26 shall be transferred from the State Construction Account at the time when actual
27 payments must be disbursed from the State Treasury.

1 **6. PUBLIC TRANSPORTATION**

2		2021-22	2022-23	2023-24
3	General Fund	63,800	15,575,800	15,575,800
4	Restricted Funds	-0-	730,100	730,000
5	Federal Funds	53,200	82,622,700	80,586,000
6	TOTAL	117,000	98,928,600	96,891,800

7 **(1) Nonpublic School Transportation:** Included in the above General Fund
8 appropriation is \$5,000,000 in each fiscal year for nonpublic school transportation.

9 **7. REVENUE SHARING**

10		2021-22	2022-23	2023-24
11	Road Fund	214,500	372,763,000	364,783,000
12	TOTAL	214,500	372,763,000	364,783,000

13 **(1) County Road Aid Program:** Included in the above Road Fund appropriation
14 is \$140,877,100 in fiscal year 2022-2023 and \$137,848,400 in fiscal year 2023-2024 for
15 the County Road Aid Program in accordance with KRS 177.320, 179.410, 179.415, and
16 179.440.

17 **(2) Rural Secondary Program:** Included in the above Road Fund appropriation
18 is \$170,900,000 in fiscal year 2022-2023 and \$167,225,900 in fiscal year 2023-2024 for
19 the Rural Secondary Program in accordance with KRS 177.320, 177.330, 177.340,
20 177.350, and 177.360.

21 **(3) Municipal Road Aid Program:** Included in the above Road Fund
22 appropriation is \$59,276,100 in fiscal year 2022-2023 and \$58,001,800 in fiscal year
23 2023-2024 for the Municipal Road Aid Program in accordance with KRS 177.365,
24 177.366, and 177.369.

25 **(4) Energy Recovery Road Fund:** Included in the above Road Fund
26 appropriation is \$141,800 in fiscal year 2022-2023 and \$141,900 in fiscal year 2023-2024
27 for the Energy Recovery Road Fund in accordance with KRS 177.977, 177.9771,

1 177.978, 177.979, and 177.981.

2 **(5) Continuation of the Flex Funds and 80/20 Bridge Replacement Programs:**

3 The Transportation Cabinet shall continue the Flex Funds and the 80/20 Bridge
4 Replacement Programs within the Rural Secondary Program.

5 **(6) County Judge/Executive Expense Allowance:** Notwithstanding KRS
6 67.220, County Judge/Executives not serving in a consolidated local government that
7 served as a County Judge/Executive prior to November 2022 shall receive an annual
8 expense allowance of \$3,600. County Judge/Executives newly elected in November 2022
9 and those serving in counties with a consolidated local government shall not receive an
10 annual expense allowance.

11 **8. VEHICLE REGULATION**

	2021-22	2022-23	2023-24
13 Restricted Funds	94,400	17,265,100	17,392,200
14 Federal Funds	-0-	4,127,100	4,627,100
15 Road Fund	588,800	46,728,300	47,052,200
16 TOTAL	683,200	68,120,500	69,071,500

17 **(1) Debt Service:** Included in the above Road Fund appropriation is \$1,507,000
18 in each fiscal year for debt service on previously authorized bonds.

19 **(2) Motor Vehicle Commission Additional Personnel:** Included in the above
20 Restricted Funds appropriation is \$350,000 in each fiscal year to support four additional
21 positions for the Motor Vehicle Commission.

22 **TOTAL - TRANSPORTATION CABINET**

	2021-22	2022-23	2023-24
23 General Fund	63,800	294,839,800	16,832,800
24 Restricted Funds	7,029,500	202,586,100	350,380,300
25 Federal Funds	176,958,000	1,548,448,200	1,331,483,400
26 Road Fund	13,505,900	1,633,799,100	1,606,975,800

1 TOTAL 197,557,200 3,679,673,200 3,305,672,300

2 PART II

3 CAPITAL PROJECTS BUDGET

4 (1) Capital Construction Fund Appropriations and Reauthorizations:

5 Moneys in the Capital Construction Fund are appropriated for the following capital
6 projects subject to the conditions and procedures in this Act. Items listed without
7 appropriated amounts are previously authorized for which no additional amount is
8 required. These items are listed in order to continue their current authorization into the
9 2022-2024 fiscal biennium. Unless otherwise specified, reauthorized projects shall
10 conform to the original authorization enacted by the General Assembly.

11 (2) Expiration of Existing Line-Item Capital Construction Projects: All

12 appropriations to existing line-item capital construction projects expire on June 30, 2022,
13 unless reauthorized in this Act with the following exceptions: (a) A construction contract
14 for the project shall have been awarded by June 30, 2022; (b) Permanent financing or a
15 short-term line of credit sufficient to cover the total authorized project scope shall have
16 been obtained in the case of projects authorized for bonds, if the authorized project
17 completes an initial draw on the line of credit within the biennium immediately
18 subsequent to the original authorization; and (c) Grant or loan agreements, if applicable,
19 shall have been finalized and properly signed by all necessary parties. Notwithstanding
20 the criteria set forth in this subsection, the disposition of 2020-2022 fiscal biennium
21 nonstatutory appropriated maintenance pools funded from Capital Construction
22 Investment Income shall remain subject to the provisions of KRS 45.770(5)(c).

23 (3) Bond Proceeds Investment Income: Investment income earned from bond

24 proceeds beyond that which is required to satisfy Internal Revenue Service arbitrage
25 rebates and penalties and excess bond proceeds upon the completion of a bond-financed
26 capital project shall be used to pay debt service according to the Internal Revenue Service
27 Code and accompanying regulations.

1	Road Fund	-0-	9,500,000	-0-
2	007. Construct Breckinridge County Maintenance and Salt Storage Facility			
3	Road Fund	-0-	500,000	2,500,000
4	008. Construct Regional Salt Structures			
5	Road Fund	-0-	2,000,000	-0-
6	009. Construct Union County Maintenance and Salt Storage Facility			
7	Road Fund	-0-	500,000	2,500,000
8	010. Construct District 2 Office and Materials Lab			
9	Road Fund	-0-	2,000,000	-0-
10	011. Construct Morgan County Maintenance and Salt Storage Facility			
11	Road Fund	-0-	500,000	-0-
12	012. Construct Bath County Maintenance and Salt Storage Facility			
13	Road Fund	-0-	500,000	-0-
14	013. Construct Hart County Maintenance and Salt Storage Facility			
15	Road Fund	-0-	500,000	-0-
16	014. Construct Mercer County Maintenance and Salt Storage Facility			
17	Road Fund	-0-	500,000	-0-
18	015. Permanent Salt Conveyor System - Graves County			
19	Road Fund	-0-	350,000	-0-
20	016. Construct Boyle County Bridge Crew Facility			
21	Road Fund	-0-	200,000	1,300,000
22	2. AVIATION			
23	001. Aircraft Maintenance Pool - 2022-2024			
24	General Fund	-0-	800,000	100,000
25	Investment Income	-0-	-0-	700,000
26	TOTAL	-0-	800,000	800,000
27	002. Purchase New Jet Fuel Truck			

1	Restricted Funds	-0-	210,000	-0-
2	003. Barkley Regional Airport Improvement Projects Pool			
3	Bond Funds	-0-	-0-	5,300,000
4	004. Mt. Sterling/Montgomery County Airport Improvement Projects Pool			
5	Bond Funds	-0-	-0-	8,000,000
6	005. Bardstown/Nelson County Airport Improvement Projects Pool			
7	Bond Funds	-0-	-0-	7,700,000
8	3. HIGHWAYS			
9	001. Repair Loadometers and Rest Areas - 2022-2024			
10	Road Fund	-0-	3,000,000	3,000,000
11	002. Various Environmental Compliance - 2022-2024			
12	Road Fund	-0-	500,000	500,000
13	003. Road Maintenance Parks - 2022-2024			
14	Road Fund	-0-	1,250,000	1,250,000
15	004. Jefferson County - Lease			

PART III

FUNDS TRANSFER

18 The General Assembly finds that the financial condition of state government
 19 requires the following action.

20 Notwithstanding the statutes or requirements of the Restricted Funds enumerated
 21 below, there is transferred to the General Fund the following amounts in fiscal year 2022-
 22 2023 and fiscal year 2023-2024:

23		2022-23	2023-24
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A. TRANSPORTATION CABINET

25 **1. Aviation**

26	Agency Revenue Fund	421,100	453,000
27	(KRS 183.525(4) and (5))		

1 **2. Aviation**

2	Agency Revenue Fund	-0-	757,000
3	(KRS 183.525(4) and (5))		
4	TOTAL - FUNDS TRANSFER	421,100	1,210,000

5 **PART IV**6 **TRANSPORTATION CABINET BUDGET SUMMARY**7 **OPERATING BUDGET**

8		2021-22	2022-23	2023-24
9	General Fund	63,800	294,839,800	16,832,800
10	Restricted Funds	7,029,500	202,586,100	350,380,300
11	Federal Funds	176,958,000	1,548,448,200	1,331,483,400
12	Road Fund	13,505,900	1,633,799,100	1,606,975,800
13	SUBTOTAL	197,557,200	3,679,673,200	3,305,672,300

14 **CAPITAL PROJECTS BUDGET**

15		2021-22	2022-23	2023-24
16	General Fund	-0-	800,000	100,000
17	Restricted Funds	-0-	210,000	-0-
18	Road Fund	3,000,000	32,529,000	16,050,000
19	Bond Funds	-0-	-0-	21,000,000
20	Investment Income	-0-	-0-	700,000
21	SUBTOTAL	3,000,000	33,539,000	37,850,000

22 **TOTAL - TRANSPORTATION CABINET BUDGET**

23		2021-22	2022-23	2023-24
24	General Fund	63,800	295,639,800	16,932,800
25	Restricted Funds	7,029,500	202,796,100	350,380,300
26	Federal Funds	176,958,000	1,548,448,200	1,331,483,400
27	Road Fund	16,505,900	1,666,328,100	1,623,025,800

1	Bond Funds	-0-	-0-	21,000,000
2	Investment Income	-0-	-0-	700,000
3	TOTAL FUNDS	200,557,200	3,713,212,200	3,343,522,300

Airport Private Advocacy List

Safety required replacement of outdated Aviation Fuel Storage Tanks (BRAA Priority 1)

Due to the extensive age of the Airport Aviation Fuel Storage Systems and extensive work needed to place it in regulatory compliance, a full replacement is needed. The new system would be designed to meet all NFPA requirements, Air Transport Association (ATA) 103 recommended practices, OSHA, and all state/federal EPA requirements. The complete design, removal of old system and installation of new system will be \$1.2 million.

Runway Extension (BRAA Priority 2)

This \$21 million project will require \$2.1 million in local 10% matching funds. It should be noted that our FAA local match requirement has recently doubled from 5% to 10%.

Installation of sanitary sewer extension to replace aging sanitary sewer processing plant (BRAA Priority 3)

The sewer extension project was started before the Terminal Project but was impacted by engineering issues. The Terminal Project sewer line ends at a 40-year-old Sewer Processing Plant that at times is unable to process waste adequately. Within the last year or so, the airport has received some notices of violations from the state. The new extension will eliminate that processing plant and connect directly with the Joint Sewer Agency (JSA) sewer line where waste is able to be properly treated. JSA intends to participate in the upsizing of this line. Estimated cost of construction/and ROW acquisition cost for the airport is \$2.25 million.

Terminal Project Cost (BRAA Priority 4)

The total cost for only the terminal as it stands today is \$43,490,554. The breakdown of funds is:

- FAA: \$32,870,554 (commitment to date)
- State: \$5 million
- City of Paducah: \$2.9 million
- McCracken County: \$2.9 million

Included in the FAA number is \$842,105 from CARES Act Funding and \$1,159,146 from ARPA. Demolition of the old Terminal to make way for Air Cargo facility be an added expense of \$850,000. Asbestos remediation maybe necessary as part of the demolition. The additional projects listed in paragraph 5 on the one pager are some of the more pressing capital requirements the airport is being faced with. More explanation includes:

Replacement of a Crash Truck to accommodate larger aircraft (BRAA Priority 5)

The airport is in immediate need of a good used Index B, 1,500-gallon Crash Fire Truck (approximately \$600K) to accept larger aircraft like an Airbus 320 or a 737-700. We recently lost out on arriving military support aircraft, presidential visit from the recent tornadoes and college charters because of our low FAA Crash Fire Index. Currently, even with our two Crash Trucks, the airport does not meet Index B. Unfortunately, due to FAA requirements the airport cannot rely on mutual aid to satisfy the equipment or personnel to meet that index.

Updated General Aviation Terminal (BRAA Priority 6)

The General Aviation Terminal, which is owned by Barkley Regional Airport Authority, is outdated and in need of updating, remodeling and repairs. It was constructed over 40 years ago. This is the airport's other front door where our General Aviation customers enter to visit the region. This is where our privately-owned planes load and unload. Remodeling/repair cost is approximately \$1.5 million.