

**PRELIMINARY
MINUTES**

BUILD KANSAS ADVISORY COMMITTEE

June 12, 2024
Room 548-S—Statehouse

Members Present

Senator Ty Masterson, Chairperson
Representative Troy Waymaster, Vice-chairperson
Senator J.R. Claeys
Senator Usha Reddi
Senator Tim Shallenburger
Representative Shannon Francis
Representative Kyle Hoffman
Representative Lindsay Vaughn

Members Absent

Representative Henry Helgerson

Staff Present

Dylan Dear, Kansas Legislative Research Department
Eric Adell, Kansas Legislative Research Department
Chris Waggoner, Office of Revisor of Statutes
Jill Wolters, Office of Revisor of Statutes
Susan McClacherty, Committee Assistant

Conferees

Matthew Volz, Executive Director, Kansas Infrastructure Hub

**Wednesday, June 12
Afternoon Session**

Call to Order

Chairperson Masterson called the meeting to order at 2:00 p.m.

Approval of April 29, 2024, Minutes

Senator Reddi moved, and Representative Waymaster seconded, approval of the minutes for the April 29, 2024, meeting. The motion carried.

Presentation on Applications to the Build Kansas Matching Grant Fund

Matthew Volz, Executive Director, Kansas Infrastructure Hub, presented an overview of the Build Kansas Fund program. He noted that once an applicant receives final advice from the Advisory Committee, and the federal award is approved, the grantee will enter into a agreement with the State Treasurer's Office. Notice of a federal award is a lengthy process. Payment from the Build Kansas Fund is issued on a reimbursement basis. A template agreement for the Build Kansas Fund was received from the State Treasurer's Office, and the first Build Kansas Fund agreement will soon be processed.

Mr. Volz responded to a question about administrative and overhead expenses for the Kansas Infrastructure Hub. Approximately \$3.0 million will be expended for contractual services in FY 2024, with a similar amount budgeted for contractual services for FY 2025.

The following eight applications were reviewed:

1. #2024-041-FHRC is from the Flint Hills Rural Electric Cooperative, Council Grove. The Cooperative is seeking \$1.2 million from the Build Kansas Fund, which has the potential to unlock \$3.7 million in federal funds from the Grid Resilience and Innovative Partnerships (GRIP) program. The Cooperative is contributing \$584,019 in local funding for the project. The project would modernize the electric grid in Chase and Marion counties by reducing physical failures of the system and creating more carrying capacity. ([Attachment 1](#))

Representative Hoffman moved, and Senator Reddi seconded, to approve the application and to recommend to the State Treasurer it be funded. The motion passed.

2. #2024-042-FHRC is from the Flint Hills Rural Electric Cooperative, Council Grove. The Cooperative is seeking \$2.3 million from the Build Kansas Fund, which has the potential to unlock \$6.8 million in federal funds from the GRIP program. The project would modernize the electric grid in Geary County by improving reliability of the system, creating more capacity, and purchasing a portable substation supporting package as a substation backup. ([Attachment 2](#))

Representative Hoffman moved, and Senator Reddi seconded, to approve the application and to recommend to the State Treasurer it be funded. The motion carried. Senator Shallenburger requested his no be recorded in the minutes.

3. #2024-044-SEKRPC is from the City of Independence. The City is seeking \$36,711 from the Build Kansas Fund, which has the potential to unlock \$330,396 in federal funds from the Federal Aviation Administration's (FAA) Airport Infrastructure Grant (AIG) program. The project would increase pavement life by rehabilitating asphalt and concrete portions of the runway and several taxiways at the Independence Municipal Airport. ([Attachment 3](#))

The Committee approved the application by consensus and recommends to the State Treasurer that it be funded.

4. #2024-045-SEKRPC is from Coffey County. The County is seeking \$44,445 from the Build Kansas Fund, which has the potential to unlock \$400,000 in federal funds from the FFA's AIG program. The project would extend the life of the pavement by rehabilitating asphalt and concrete portions of the runway and several taxiways at the Coffey County Airport. ([Attachment 4](#))

The Committee approved this application by consensus and recommends to the State Treasurer that it be funded.

5. #2024-046-NoEDD is from Jackson County. The County is seeking \$6.6 million from the Build Kansas Fund, which has the potential to unlock \$27.7 million in federal funds from the U.S. Department of Transportation's Rural Surface Transportation Grant (RURAL) program. The County is contributing \$346,710 in local funding for the project. The project is focused on improving the safety of nine segments of roadway in Jackson County and one intersection. ([Attachment 5](#))

The Committee approved this application by consensus and recommends to the State Treasurer that it be funded.

6. #2024-047-GP is from Dodge City. The City is seeking \$7.6 million from the Build Kansas Fund, which has the potential to unlock \$40.6 million in federal funds from the RURAL program. Dodge City and Ford County are contributing \$1.3 million each for the project. The project is called Removing Barriers to Elevate Rural America and includes a bridge expansion, intersection improvements, and some multi-use trails. ([Attachment 6](#))

The Committee approved this application by consensus and recommends to the State Treasurer that it be funded.

7. #2024-049-SEKRPC is from the City of Girard. The City is seeking \$91,626 from the Build Kansas Fund, which has the potential to unlock \$274,878 in federal funds from the U.S. Department of Interior's WaterSMART Planning and Project Design program. The project uses treated lagoon effluent to irrigate a municipal golf course and reduce water costs. Potentially, this project would allow the City to sell excess potable water to other agencies and cities in the area. ([Attachment 7](#))

The Committee approved this application by consensus and recommends to the State Treasurer that it be funded.

8. #2024-050-FHRC is from the City of Emporia. The City is seeking \$49,889 from the Build Kansas Fund, which has the potential to unlock \$449,000 in federal funds from the FAA's AIG program. Their project is to replace existing runway lighting and some circuit systems at the Emporia Municipal Airport. ([Attachment 8](#))

The Committee approved this application by consensus and recommends to the State Treasurer that it be funded.

The Committee inquired about the local match requirement for the Kansas Department of Transportation's existing Kansas Airport Improvement Program. Mr Volz acknowledged the questions and will follow-up with the Committee.

The Committee inquired about reviewing applications to the Build Kansas Fund prior to applying to federal program, and discussed procedural changes that may be needed.

Discussion on Local Match Funding From Applicants

Committee members noted that during the 2024 Legislative Session, an attempt was made to require a local match, which was ultimately vetoed. There was discussion about the use of American Rescue Program Act (ARPA) funding as part of the local match in addition to Build Kansas funding. There was a concern raised regarding the use of federal relief money as a match for federal grant.

Other concerns raised by Committee members were as follows:

- The unknown number of applications that will be approved by the federal government and whether or not the projects approved by the Advisory Committee will exceed the annual allocation of \$50.0 million from the Build Kansas Fund;
- Some applicants are unable to raise local match funding amounts for projects;
- Some applicants had money set aside for the local match and chose not to use it for the project because it is not a requirement;
- Not requiring local match may limit Kansas from maximizing the federal funds drawn down to support Kansas projects, which was not the intent of the Build Kansas Fund; and
- Some applicants are revenue-producing entities, such as electric cooperatives and city utilities, that should have existing infrastructure upgrade programs in place.

Several members agreed that applicants should provide some aspect of the local match rather than relying solely on the Build Kansas Fund. The Committee discussed creating a committee rule or policy expressing desire for local match without specifying a certain amount or percentage.

The Committee inquired about other options for local match besides dollars that might qualify for some of the communities, such as in-kind contribution.

Chairperson Masterson noted there was consensus among the Committee for guidelines addressing local-match criteria. This Advisory Committee relies on its relationship with the State Treasurer and the Legislature's broader authority to appropriate or rescind appropriations. The chairpersonship shifts to a Committee member from House of Representatives on July 1, 2024, which will be Representative Waymaster. Chairperson Masterson and Representative Waymaster will consider guidelines for a future meeting.

Mr. Volz informed the Committee that applications to federal grant programs are very competitive and are often not awarded. The Build Kansas Fund is not in immediate jeopardy of being depleted. He shared research on other states with Bipartisan Infrastructure Law matching grant programs and noted almost none have local match requirements. He recommended that a local match requirement be avoided until cash flow issues arise for the Build Kansas Fund. Of the over \$70.0 million approved from the Build Kansas Fund, only \$2.6 million has been committed to date due to lengthy process of federal consideration. ([Attachment 9](#))

Adjourn

Chairperson Masterson adjourned the meeting at 3:02 p.m.

Prepared by Susan McClacherty
Edited by Murl Riedel

Approved by the Committee on:

(Date)

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