

**KENTUCKY PRIVATE ACTIVITY BOND ALLOCATION COMMITTEE**  
**MINUTES**  
**JANUARY 9, 2024**  
**8:30 AM**

The Kentucky Private Activity Bond Allocation Committee (the “Committee”) meeting was called to order on Tuesday, January 9, 2024, at 8:30 AM ET via ZOOM video teleconference by John Hicks, Secretary of the Governor’s Executive Cabinet and State Budget Director. Other members present were; Geri Grigsby, proxy for Holly Johnson, Secretary for the Finance and Administrative Cabinet (“FAC”); Joe McDaniel, State Controller; Carla Wright, proxy for John Hicks, State Budget Director (“OSBD”); and Katie Smith, proxy for Jeff Noel, Secretary for the Cabinet for Economic Development (“CED”).

The Office of Financial Management (“OFM”) Staff Members Present: Ryan Barrow, Executive Director of OFM and Secretary to the Committee; Steven Starkweather, Deputy Executive Director; Bethany Padgett; Billy Aldridge; Melissa Perry; Kaitlin Craigmyle; and Aubry McDonald.

Other Guests Present: Tom Midkiff and Susan Cottingham, Kentucky Housing Corporation (“KHC”); Mark Franklin, Dinsmore & Shohl; Bix Rathburn, Hilltop Securities; Steven Frankowski, Kirk Taylor and Mark Jensen, ReElement; Gillard Johnson, ELPO Law; Rusty Ashcraft, North Star Securities; Tom Sauve, American Resources; and Hamil Williams, public.

Secretary Hicks verified with staff a quorum was present, and the press had been notified of the meeting.

The first item on the agenda was the approval of the December 19, 2023 minutes. A motion to accept the minutes of the December 19, 2023 meeting was made by Ms. Grigsby and seconded by Ms. Wright. Motion **CARRIED**.

**2024 State Issuer Pool** – Ms. Perry presented the State Issuer Pool Analysis in Attachment B, page 21 of the PDF. She stated Kentucky statute reserves 60% of the available volume cap, \$339,461,550 for state issuers. Cooperation and coordination between the Kentucky Housing Corporation and the Kentucky Higher Education Student Loan Corporation lead to requests of \$169,730,775 for each agency. Staff recommends allocating the requested amounts to the State Issuers with the allocations expiring prior to the final KPABAC meeting of 2024 to permit reallocation for carryforward purposes. Utilizing the December expiration facilitates the efficient use of volume cap as carryforward. Staff recommends approval.

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Secretary Hicks called for a motion to approve the Private Activity Bond Cap Allocation as presented to the State Issuers. Ms. Wright made a motion to approve the allocation as presented and was seconded by Mr. McDaniel. Motion **CARRIED**.

**2024 Local Issuer Pool** – Ms. Perry directed the Committee to Attachment C, the Local Issuer Pool Analysis on page 30 of the PDF. She stated Kentucky Lithium LLC is seeking private activity cap to reinvest in site development and re-purpose existing infrastructure to expand on the ability to process lithium ores for the electrification industry. They will utilize a portion of the awarded volume cap necessary to finance the project. They have applied for \$150 Million which is 88.38% of the available volume cap. If the committee has any questions, she stated a representative from the company was in attendance. Based on KPABAC's objectives and scoring, staff recommends approving the Kentucky Lithium LLC application, contingent upon receipt of the Financial Commitment letter.

Secretary Hicks confirmed the issuance was through the Knott County Fiscal Court on a former coal mine site. He then let a representative from ReElement, Mark Jensen give a brief overview of the project.

Secretary Hicks called for a motion to approve the Private Activity Bond Cap Allocation as presented to the Local Issuers. Ms. Grigsby made a motion to approve the allocation as presented and was seconded by Ms. Wright. Motion **CARRIED**.

**Summary of 2024 Volume Cap** – Ms. Perry directed the Committee to the Volume Cap Summary under Attachment D, page 33 of the PDF. She noted that allocations from the Local Issuer Pool, State Issuer Pool, and Single Issuer Pool were documented. The potential carryforward, pending any issuances, is documented at the bottom of page 33. She stated she was happy to answer any questions the Committee may have about the informational item.

With no further business before the Committee, Secretary Hicks asked for a motion to adjourn. A motion to adjourn was made by Mr. McDaniel and seconded by Ms. Smith. Motion **CARRIED** and the meeting adjourned at 8:38 AM ET.

Respectfully submitted,

Signed by:  
  
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Secretary