

MINUTES

JOINT COMMITTEE ON STATE BUILDING CONTRUCTION

July 9, 2015

Room 68-W—Statehouse, Conference Call

Members Present (via teleconference)

Representative Steve Brunk, Chairperson
Senator Kay Wolf, Vice-chairperson
Senator Marci Francisco
Senator Laura Kelly (in person)
Senator Forest Knox
Senator Larry Powell
Representative John Alcala
Representative Mark Hutton
Representative Adam Lusker

Member Absent

Representative J. Steve Alford

Staff Present

Shirley Morrow, Kansas Legislative Research Department
Dezeree Hodish, Kansas Legislative Research Department
Jill Wolters, Office of Revisor of Statutes
Daniel Yoza, Office of Revisor of Statutes
David Wiese, Office of Revisor of Statutes

The meeting was called to order at 9:32 a.m. by Chairperson Brunk, who welcomed Linda Thomas, State Lease and Property Manager, Office of Facilities and Procurement, Department of Administration (DofA). Ms. Thomas presented the sale of three properties: 552 State Avenue, Kansas City (office building), 1500 W. Seventh Street, Chanute (office building with small storage building, warehouse, and 11.9 acres of land), and 1020 S. Kansas Avenue, Topeka (office building). Ms. Thomas presented the committee with summaries of each sale. ([Attachment 1](#)).

Ms. Thomas provided the following answers to the members' questions regarding the Department of Commerce's sale of 552 State Avenue, Kansas City:

- A private owner purchased the building from the Department of Commerce;
- Proceeds from the sale must be used to support like or similar programs within the Department of Commerce;

- The sale was completed through an auction; and
- A bid of \$335,000 was accepted.

Representative Kelly made a motion to support the Department of Commerce's sale to a private entity, seconded by Representative Hutton. The motion carried, unanimously.

Ms. Thompson, assisted by Bobby Kosmala, Lease Administrator, DofA, provided the following answers to the members' questions regarding the Department for Children and Families' (DCF) sale of 1500 W. Seventh Street, Chanute:

- DofA plans to negotiate with the purchaser, Neosho Memorial Regional Medical Center, allowing the current occupants (Kansas Corporation Commission, Kansas Department of Health and Environment, Kansas Department for Aging and Disability Services, and Kansas Department for Wildlife, Parks & Tourism (KDWP&T), to remain in the building until new spaces can be located; and
- The DofA has not located a property for the current occupants, but has located one property, currently owned by a private entity, that may be suitable.

The DofA representatives stated more information would be needed to answer committee questions regarding DCF's specific reasons for selling the building and the re-location of current tenants.

Jill Wolters, First Assistant Revisor of Statutes, reminded Committee members, the sale of the building, at appraisal price, to the Neosho Memorial Regional Medical Center, was included in 2015 House Substitute for SB 112 as proviso language.

Senator Wolf made a motion to postpone recommendation of the sale at this time but the agency will move forward on the appraisal. The motion was seconded by Representative Lusker. The motion carried, unanimously.

Chairperson Brunk requested to add the sale of this building to the agenda of the next meeting and to invite all agencies currently occupying the building to attend the meeting.

Ms. Thompson provided the following answers to the members' questions regarding the DofA's sale of 1020 S. Kansas Avenue, Topeka, to KDWP&T:

- KDWP&T wanted to purchase the building several years ago, but lacked sufficient funds to do so.
- The DofA purchased the building with the understanding that the KDWP&T would purchase the building from the DofA in the future; and
- KDWP&T, as owners of the building, would not contribute to the Capitol Complex fund.

Ms. Thompson was unable to provide the Committee with documents regarding the original understanding between DofA and KDWP&T that the building would be sold to KDWP&T. The Committee also requested information regarding how the KDWP&T would finance the purchase of the building.

Committee members requested to postpone their recommendation of the sale until a future meeting, during which representatives from agencies affected by the sale could testify before the committee.

Chairperson Brunk requested to add the sale of this building to the agenda of the next meeting and to invite all agencies currently occupying the building to attend the meeting.

Representative Alcala left the conference call at 10:16 a.m.

Mr. Kosmala presented a ten-year lease for the Kansas Department of Credit Unions in Topeka, Kansas. He noted the lease includes new carpet, paint, and office renovations. ([Attachment 2](#)).

Senator Powell made a motion to recommend the lease, seconded by Senator Kelly. The motion carried, unanimously.

Chairperson Brunk reminded Committee members to direct questions to Shirley Morrow, Kansas Legislative Research Department, so responses could be provided to the Committee at future meetings.

The meeting adjourned at 10:21 a.m. Future meetings will be scheduled once the Legislative Coordinating Council approves the number of interim meeting days for the Committee.

Prepared by Gary Deeter
Edited by Shirley Morrow

Approved by the Committee on:

October 19, 2015
(Date)