

## MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Ty Masterson at 10:30 am on Tuesday, February 09, 2016, 548-S of the Capitol.

All members were present

Committee staff present:

Jill Wolters, Office of Revisor of Statutes  
Scott Abbott, Office of Revisor of Statutes  
David Wiese, Office of the Revisor of Statutes  
Shirley Morrow, Legislative Research Department  
Dezeree Hodish, Legislative Research Department  
Justin Carroll, Legislative Research Department  
Debbie Luper, Chief of Staff  
Dee Heideman, Committee Assistant

Conferees appearing before the Committee:

Bernadette Gray-Little, Chancellor, University of Kansas  
Jeff Gans, Special Counsel, University of Kansas  
Theresa Gordzica, Chief Financial Officer, University of Kansas

Others in attendance:

[See Attached List](#)

### **Bill introductions**

Senator Arpke introduced proposed legislation to make a technical change to the name of the Kansas State campus in Salina from Kansas State - Salina to Kansas State Polytechnic. Senator Fitzgerald seconded the motion and the motion carried on a voice vote.

### **Informational hearing:**

Bernadette Gray-Little, presented an overview of the Central District Development Project for the University of Kansas campus.

She stated that the project addresses the following immediate needs of the university:

- Marlott and Haworth Halls must be replaced, they are obsolete and beyond repair;
- A need for upperclassmen housing;
- The KU utility plant lacks system-wide redundancy and is unable to meet campus needs ([Attachment 1](#)).

She included a list of attendees and the dates of the meetings pertaining to the planning of the KU Central District Development Project ([Attachment 2](#)).

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Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

## CONTINUATION SHEET

MINUTES of the Committee on Ways and Means at 10:30 am on Tuesday, February 09, 2016 in Room 548-S of the Capitol.

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Jeff Gans, Special Counsel, University of Kansas, explained that the Central District Development Project resulted after a long and thoughtful process. He said the Project team was charged with three fundamental and important principals:

- To be within the law;
- Create a project attractive to the market;
- Insure that the needs of the university are met on the required schedule.

Theresa Gordzica, Chief Financial Officer, explained the financing and lease payment agreement for the Central District Project.

Senator Masterson related to the Staff from the University of Kansas the concerns of some of the committee members regarding the lack of information disseminated to the committee members relating to the Central District Development Project.

Shane Bangerter, Chair, Kansas Board of Regents, stated that the University of Kansas is Kansas, the Kansas Board of Regents is Kansas and he said they take the relationship with the university and the legislature very seriously, and it troubled him that both the Senate and House feels they are outsiders regarding this project.

Senator Tyson asked for written documents supporting the bonding, lease payments, interest rate, and other pertinent information concerning the Central District Development Project.

Senator O'Donnell expressed his concern with the use of an out-of-state finance authority and requested further details about the discussion and decisions related to this unusual financing arrangement. He asked Mr Gans for copies of all of the documents pertaining to the University of Kansas Central Development Project including interaction with the Kansas Development Finance Authority, KU Campus Development Corporation, Edgemoor Infrastructure and Real Estate LLC. He asked for copies of the documents related to the development, construction, operations, and maintenance of the Central District property.

### **Possible action on bills previously heard**

No action was taken on bills previously heard.

The next Ways and Means Committee meeting is scheduled for Thursday, February 11, 2016, at 10:30 a.m., in Room 548-S at the Capitol.

Chairperson Masterson adjourned the meeting at 11:59 a.m.