

MINUTES

SPECIAL COMMITTEE ON WAYS AND MEANS - B

August 29, 1977Morning Session

The meeting was called to order by Chairman Fred Weaver at 9:00 a.m. In addition to the Chairman, the following members of the Committee were in attendance: Senator Paul Hess, Senator Arnold Berman, Senator Norman Gaar, Senator Frank Gaines, Representative Roy Garrett, Representative Richard Harper, Representative David Heinemann, Representative Loren Hohman, Representative John Ivy, and Representative Bill Bunten. Staff members present were: Marlin Rein, Robert Haley, Julie Mundy, Louis Chabira, Chris Badger, David Barclay, and Jim Wilson. Others who were in attendance are listed in Attachment No. 1 at the end of these minutes.

The Chairman announced that the first subject the Committee would consider would be Proposal No. 78 - Review of the Department of Transportation.

Proposal No. 78 - Review of the Department of Transportation

Chairman Weaver introduced Dr. O. D. Turner, Secretary of the Department of Transportation (DOT), for the purpose of presenting to the Committee a review of the agency's present functions as well as the status of its funding support. To assist the Committee in its review of agency operations, Dr. Turner submitted a report prepared by the Department outlining a number of the agency's programs and policies (see Attachment No. II.) His introductory remarks were directed to cost savings the agency expects to realize as a result of improved operational efficiency, which savings are estimated to total \$15,420,000 over the next eight years. In addition to the anticipated dollar savings, the Secretary mentioned several "intangible benefits" the Department may realize, such as better program evaluation. The Secretary spoke briefly about the major components of the Resource Management System and the approved schedule for implementing the system.

Chairman Weaver asked how the Department is responding, apart from requesting additional funds for new programs, to the changing transportation needs of the state. Dr. Turner expressed the view that funding was an inseparable part of the agency's response inasmuch as it provides the necessary flexibility to facilitate program adjustments.

Senator Berman asked Secretary Turner to explain a statement in the report which referred to a more efficient use of employees' time as one of the benefits to be derived from implementation of the Resources Management System and, more specifically, whether this increase in efficiency would result eventually in a reduction of personnel. Secretary Turner said that it would not. Senator Berman inquired further how this increased efficiency would be translated to tangible benefits inasmuch as the agency listed such benefits in that category in the report. Secretary Turner re-stated his proposition that the employees, by using their time more efficiently, could perform a greater volume of work without a reduction in quality but that no savings can be expected that would result in a reduced commitment of funds.

Asked by Senator Gaines if the Department has an adequate staff of engineers and whether a sufficient number are graduating to facilitate selection, Secretary Turner cited 5.6 percent as the current turnover rate in the Department, with irregular rates in certain positions. On another matter, Senator Gaines asked if the newly constituted Resources Management System is designed to alleviate or eliminate the problems created by federal regulations in the area of funding. Secretary Turner said that the agency maintains some degree of flexibility in shifting funds between projects despite the existence of federal regulations.

Representative Hohman suggested that fewer persons are currently employed because the 1977 Legislature reduced the number of authorized positions. In reference to the agency's recommendation to phase out its contingency fund, Representative Hohman questioned the justification for such action and asked what would be substituted as emergency funds. Secretary Turner said the funds in question were actually excesses in cash balances and it was not desirable to maintain these.

Representative Garrett asked what positions are not being filled at the present time. Secretary Turner mentioned that the agency was not adequately staffed with planners and engineers. In addition, he indicated that the agency is unable to compete with the salaries offered by employers in the private sector for graduates from technical schools, such as Kansas Technical Institute.

Secretary Turner introduced Larry Moreland of the DOT staff to review the management training program which included a list of participants in the various seminars conducted by the agency for this purpose. Mr. Moreland devoted some time to discussion of personnel staffing patterns and workload data and remarked that a high percent of those applying for positions are offered employment with the agency. Mention was again made of the disparity in salary levels between the state and private industry.

In reference to subcommittee work during the last session, Senator Berman said he recalled that the agency gave assurance to subcommittee members that new positions would be filled if the Legislature authorized them, yet he noted a current decline in the number of positions filled. Mr. Moreland said the agency was making every effort it could to fill available positions and was, in his opinion, making significant progress.

Senator Gaines requested an explanation concerning the cost per mile of road maintenance and, specifically, why that cost in Kansas is greater than the national average. Secretary Turner replied that an examination of the history of a given project would reveal that the overall average cost is in fact lower than the national average. In addition, he cited other factors which should be included in comparisons of this kind. As an example, he mentioned snow removal -- a service which some states provide, including Kansas, while others do not. In the course of discussion on this matter, the Secretary also made reference to the letting of contracts by the Kansas Department of Transportation for the purpose of mowing hay along the state's roads and highways. He added, however, that the Department does not realize a profit from such transactions.

Representative Heinemann inquired whether a shrinkage factor had been employed in the agency's budget calculations for the current fiscal year. Mr. Moreland said he was uncertain whether it had since each section of the Department has responsibility for performing that function for its own operation. Representative Heinemann asked for an estimate of the increase in salaries needed to reduce the problem of excessive turnover. Mr. Moreland's estimate was 8 or 9 percent, but he indicated that the problem was also one of the Department's functions as viewed by the Division of Personnel (i.e., it is thought of more as a "policing" agency than a "service" one.) In response to another question from Representative Heinemann as to whether a change in the statutes was necessary to alleviate the problem, Mr. Moreland indicated that the Division of Personnel had a greater degree of flexibility within present law than what it was exercising in practice. Representative Heinemann requested the Department to compile a report on the problems it has encountered with the Division of Personnel and at a later date report its findings to the Committee.

Section four of the agency's report to the Committee, concerning adjustments in funding for capital outlay items, was reviewed briefly by J. O. Adams, Director of the Division of Transportation Operations of the Kansas Department of Transportation staff. R. R. Biege, also from the Department, mentioned the agency's continued need for a digitizer that was not included in the current budget.

To review section five of the report on the impact of establishing an expenditure limitation on construction, Secretary Turner introduced John McNeal, Division of Planning and Development of the Department. Mr. McNeal indicated that, at the rate expenditures are currently being made on construction projects, it would be necessary for the agency to exceed its prescribed limitation by January or February of next year or perhaps as early as December of this year. The added expenses are expected to total approximately \$3 to \$4 million. He made reference to legislation passed by the U.S. Congress recently making additional moneys available to the state for highway construction and suggested that the Department may be able to take advantage of these funds as an additional source of revenue; however, these funds are not expected before the end of FY 1978.

Jim Bush, in charge of Project Control for the Department, reviewed section six which compared planning cost estimates with actual project costs (at the time a project was let) on several construction projects. Senator Berman expressed interest in knowing how actual contract costs compared with the amount of funds authorized for this purpose. Mr. Bush replied that actual costs were within 10 percent of authorized expenditures. According to his calculations, Senator Berman estimated that \$23 million in authorized funds had not been spent and wanted to know what would happen to those funds. Mr. Bush said part of it would be used for funding other projects and the remainder would be kept in the General Highway Fund until needed. Senator Berman also asked if the budget would reflect this initial savings and all future expenditures from the \$23 million balance. Mr. McNeal said it would.

Mr. Adams was called on again to review section seven of the report which compares construction costs in Kansas with those in other states. Chairman Weaver noted what he perceived to be a difference in the methods by which materials are measured by the various states examined. The agency informed Chairman Weaver that it purchased concrete not by the cubic yard, as generally believed, but by the square yard which is nine inches thick. Mr. Adams added that there were numerous other factors involved which make valid cost comparisons difficult. He mentioned, for example, that Kansas uses three inch thick concrete on its roads while Oklahoma uses only one and one-half inches -- a disparity in road construction procedures which accounts in part for the lower construction costs in Oklahoma. Chairman Weaver said he was interested in understanding how the agency determined that three inch roads were more desirable than one and one-half inch roads because this was not clear from examining the agency's report.

During discussion on section eight, which compared highway maintenance costs in Kansas with those in other states, Chairman Weaver again asked about the operational differences in maintaining roads which would account for any disparities in maintenance costs. He added that he was not necessarily recommending that the agency reduce expenditures but only to explain what factors influenced these costs so as to give substance to the cost comparisons. Agency representatives promised to review portions of the report to provide the Committee with this information.

Mr. McNeal began the agency review of Part Two of the report on long-range planning. His initial remarks were directed to the capabilities of the agency to make long-range plans and included a discussion of the adequacy of personnel resources and available revenues. In addition, he mentioned the problem of determining environmental impact over an extended period of time as well as changes in the public view about the amount of road construction needed. In response to a question from Senator Hess, Mr. McNeal said a long-range plan should not include specifics for most programs for more than six years because programmed funding will expire at approximately that point. On the other hand, he believed that planning for the "3-R" program should not exceed two years. Senator Hess asked what the usual time span was between the decision to begin a project and its actual completion date. Mr. McNeal indicated five to six years for most projects, but occasionally it will be extended to nine or ten years. In response to another question by Senator Hess, Mr. McNeal said that a new issue of revenue bonds could not be supported by current revenues.

Turning to another matter, Senator Hess requested an explanation of the federal "3-R" program. Mr. McNeal made references in his explanation to a 90/10 matching requirement in one "3-R" program in which the federal government provides the larger share. He also mentioned that the definition of "construction" had undergone some modifications which altered the requirements that the state must meet to maintain its eligibility to receive federal funds. Those changes, however, are not expected to cause significant problems for the Department.

Senator Hess, in reviewing the statistical data in the report, asked if roads in the northeast portion of the state were in fact in the poorest condition, as indicated by the lower sufficiency rating given them. Mr. McNeal began his reply with an explanation of the average sufficiency rating which, he said, included such factors as curves, hills and valleys; passing opportunities; structured adequacy; "rideability"; surface quality; and shoulder width. Altogether, he said there were 150 such factors that are used in calculating average sufficiency rating, with those being reduced to eight major categories. The lower sufficiency rating given to roads in the northeast can be attributed to a higher number of curves and heavier traffic count than roads in other parts of the state.

In referring to the Department's role in encouraging energy conservation, Senator Hess asked if any economic incentives had been devised to promote the use of car pools. Mr. McNeal stated that a federally-funded program to accomplish that purpose had been recently declared a failure by the Department; however, he believed that time may demonstrate that it was more successful in the fulfillment of its objectives than one initial evaluation of the study has indicated. Representative Heinemann said he felt there may be some natural conflict in such an effort inasmuch as the Department is responsible for building roads with the expectation that energy will be expended in using them.

Senator Gaines inquired about completion of the interstate system. Mr. McNeal identified specific roads that were not yet completed and was uncertain of their current stage of development. Senator Gaines expressed concern about the necessity for issuing new bonds and the possible sources of revenue to support a new issue. Mr. McNeal said he had some reservations whether more full-faith bonds can legally be issued at this time. Secretary Turner added that the issue should be made soon if it is to be made at all in order to keep inflationary costs down. Senator Gaines asked whether costs could be reduced if the state purchased its own overlaying machines. Secretary Turner said that purchase of these machines would not eliminate private contracts, but some cost savings might be realized.

The Committee recessed at 12:00 p.m.

Afternoon Session

The Committee reconvened at 1:30 p.m. and continued with the review of Part Two of the Department's reports which included discussion on primary and secondary roads, "prioritization," and the separation of authority over road construction between the state and local units of government.

Senator Berman asked how many navigable waterways there are in Kansas and what role the Kansas Department of Transportation was playing in developing them. Mr. McNeal said the Missouri River is the primary navigable waterway in Kansas and made reference to a study by the Department which included the use of waterways but only insofar as they relate to the increased need for railroad and truck transportation as a continuation of the supply lines begun by waterways. Senator Berman asked the same question about airports, to which Secretary Turner replied that the Department had been participating in the planning of airports but, at least at the present time, had not been involved in the actual construction of airport facilities.

Senator Gaar asked what funds are currently available for building airports and if the gasoline tax is one. Secretary Turner said he was not well apprised of the funds that are available for the purpose nor what the role of his Department would be if they were. Senator Gaar suggested that use of the gasoline tax as a source of revenue might favor the construction of smaller airports and inquired further whether a request to use the gasoline tax for this purpose would be included in the agency budget for the forthcoming fiscal year. Secretary Turner did not indicate whether it would or would not.

Senator Gaar asked for an explanation of the state rail plan. Secretary Turner said it was a federally-funded study that is being conducted by the U.S. Department of Transportation, and all states have been asked to participate. In the course of discussing the possibility of abandoning some rail systems in the state, Secretary Turner stated that the Department had identified several rail systems which could be abandoned or consolidated with others in addition to making some assessment of the predicted impacts of such a development on other modes of transportation. He said \$2 million of federal funds over a four-year period is available to implement this plan. It is possible to subsidize directly the operation of troubled rail systems, he remarked, but the department has been reluctant to do that because it would only delay resolution of the problem. Since the project was federally-funded, Senator Gaar asked if the agency planned to request state funds as a substitute when the limit had been reached on the expenditure of federal funds in order to complete the study. Secretary Turner indicated such a request would be made.

On another matter, Senator Gaar asked whether Highway 69 would be completed in the near future. Secretary Turner replied that, at least for the present, it would not extend far enough south to reach the state line. In response to a similar question from Senator Gaar about the status of Highway 169, the Secretary said it is being treated essentially the same as Highway 69. Senator Gaar inquired further why the agency chose to work on both roads simultaneously without extending either one to the state line and also whether it is possible to change plans in order to complete one of these highways. Mr. McNeal said it was possible to modify current plans to accomplish this but that it would upset established funding arrangements, especially as they relate to federal funds. Secretary Turner said there was nothing in the five-year plan to complete these roads nor could he accurately predict a completion date. Senator Berman asked if it was reasonable to conclude that neither of these highways would be completed earlier than 1986. Secretary Turner agreed they probably would not be finished by that date.

Senator Gaar inquired if the additional federal funds expected to be made available could be applied to completion of at least one of the roads. Mr. McNeal said it could if Congress appropriated the funds and the state was able to take advantage of them. Senator Gaar expressed concern about the adequacy of the roads in the southeast part of the state to facilitate the transportation of coal from Oklahoma to Kansas City. Mr. McNeal responded by saying that if increased traffic created maintenance problems on those roads, funds committed to other projects would have to be transferred to cover the additional expenditures, which costs would be paid at the expense of those other projects.

Senator Gaar made reference to legislation introduced, but not passed, during the 1977 Legislative Session which was commonly referred to as the "attorney patronage bill." It was designed to afford the state a greater degree of control over those who deal with "right-of-ways." The question Senator Gaar had was whether the Legislature could expect to see this or similar legislation during the next legislative session. Secretary Turner advised the Committee that his Department was still interested in seeing that legislation passed, although he felt it should be limited so as to apply only to Wyandotte and Johnson counties. In response to another question by Senator Gaar, the Secretary said the problem his Department had been experiencing was with appraisers and not attorneys. In any event, he said there were problems with the language of the bill and it needed to be further reviewed before being submitted to the Legislature again for consideration.

Chairman Weaver directed the Committee to pass over Proposal No. 79, the review of the Forestry, Fish and Game Commission Policies for Farming Contracts, and begin with Proposal No. 80 on alternatives to the purchase of the KBI building.

Status of District Court Personnel Study

Before beginning the staff report on Proposal No. 80, staff gave a brief report to the Committee on the status of the consultant study on a uniform study for classification and pay for non-judicial personnel of the district courts. Senator Gaines asked if Sedgwick County had been cooperative in providing information for the study. Staff indicated that it had been cooperative.

Proposal No. 80 - KBI Building

Staff proceeded to review the memorandum on the KBI building. The following alternatives were discussed:

1. Continue rental of present space;
2. Move the KBI to other state-owned property; or
3. Construct a new building for the KBI and the Highway Patrol.

Potential land sites were also presented. (The staff memorandum is attached.)

Senator Hess asked Chairman Weaver what the cost per square foot is to construct a building similar to the one KBI currently occupies. Chairman Weaver said that the cost was approximately \$18 per square foot.

Senator Hess calculated that, at \$20 per square foot times the 40,000 square feet required to house the KBI and the Highway Patrol together, divided by the current rental costs of \$150,000 per year for KBI and the Highway Patrol, it would take six to seven years to pay for a new building.

Staff indicated that it would depend on the type of building constructed, whether traditional construction or a steel building was used. Senator Berman indicated that a steel building should be adequate since the KBI had wanted to buy the steel building it was presently occupying.

Colonel Allen C. Rush, the Superintendent of the Kansas Highway Patrol, was introduced and was invited by Chairman Weaver to share his thoughts on the possibility of housing the KBI and Highway Patrol together. Colonel Rush said he would favor being housed with the KBI in a new building and would be willing to answer questions from the Committee.

Senator Gaines asked whether Forbes Field is too far from the interstate to be a good site for a building. Colonel Rush said that he saw no significant problems with that site and that being located on the interstate highway was really a matter of convenience and not of necessity.

Senator Gaines asked if there were advantages in sharing communications equipment with the KBI. Colonel Rush replied that geographical separation causes no real problems because there is currently a remote terminal hook-up with KBI between the two communication systems. Colonel Rush went on to suggest the option of including the State Fire Marshal, Alcohol Beverage Control, and the enforcement section of Kansas Forestry, Fish and Game Commission should the Legislature decide to build a law enforcement building or complex.

Representative Hohman asked if Colonel Rush saw any particular advantage in any of the building sites discussed. He replied that the site on 220 Gage, where Highway Patrol Division 1 is located, would be a prime building site. Staff commented that the 220 Gage site was large enough to build a building, but not the type of complex which would adequately house all of the agencies that might constitute a law enforcement complex.

Representative Hohman asked how many acres are included in the 220 Gage site and whether the 220 Gage site plus a site at 110 Gage would be adequate space for all law enforcement agencies currently located in Topeka. Staff indicated uncertainty of the number of acres at the 220 Gage site but replied that the two Gage sites in combination should provide adequate building space. Representative Hohman suggested that staff investigate the possibility of building on some of the land surrounding the Youth Center at Topeka.

Staff presented a memo concerning the building and financing of the State Defense Building. Total funds of \$2,114,000 were appropriated for construction, of which 21 percent were federal funds. It was noted that the final construction cost is estimated at \$1,345,238 in State General Funds and \$351,516 in federal funds.

Senator Hess asked why approximately \$80,000 of the federal funds appropriated will not be used. Staff explained that federal funding was on a 21 percent match basis and therefore could not be used to replace State-General Funds.

Senator Gaar asked if the change in the cooling system had been made. Staff said that it had. Senator Gaar also commented that the August 10 punchlist indicated numerous changes yet to be made even though the building had gone through final inspection.

Senator Berman requested that someone from the Adjutant General's Office appear at the next Committee meeting.

Proposal No. 75 - Sunset Laws and Zero-based Budgeting

The Committee then took up discussion of Proposal No. 75 on sunset laws and zero-based budgeting. Staff provided a memorandum regarding background information related to sunset laws. The staff report covered related findings of an interim study by the 1976 Special Committee on Ways and Means and discussed information from other states. (The Kansas Legislative Research Department memorandum is attached.)

Following the presentation, Chairman Weaver opened the floor for questions, noting that strict sunset laws have a large time and dollar cost.

Senator Berman referred to the recent audit report on the Athletic Commission and said that the Commission should have been terminated last legislative session. He went on to say that no one was suggesting a strict sunset law, but that the Legislature has a duty to provide oversight of the executive branch of Kansas government and that the Committee needs to develop tools that will provide such oversight.

Senator Gaines asked what prevented the Legislative Division of Post Audit from making sunset recommendations after program audits are completed.

Senator Berman recommended that the Legislature provide such authority to the Division of Post Audit. He then talked about zero-based budgeting, saying he was tired of people saying that they currently used such practices and that zero-based budgeting needs to become a mandatory tool.

Senator Hess agreed, saying that the Legislature needs to work more on oversight of agencies.

Senator Berman said that the current Committee review of state construction procedures is really nothing less than a sunset review of the State Architect's Office. Representative Hohman indicated that reorganization is often as productive as the abolition of agencies. Senator Berman said that abolition would often require reorganization, as in having one agency in charge of all the various regulatory boards.

Chairman Weaver stated that having agencies appear before the Committee was a valuable process and that review of agencies would be helpful for that reason alone. Senator Gaar indicated that the program audits currently being performed by Post Audit are only one step away from having the Legislative Post Audit Committee make sunset recommendations.

Representative Heinemann said that the key to the problem is somehow tying the review process to the Legislative Post Audit Committee and that one problem with the Committee in the past has been the rapid turnover of members. He said that the Committee was set up in the beginning with all of the leadership on it, with the leadership already having too many Committee responsibilities. Chairman Weaver acknowledged that there was a need to change some procedures in order to solve the turnover problem.

Representative Hohman expressed the belief that the Legislative Division of Post Audit would need to hire some efficiency experts to make appropriate recommendations when problems were uncovered through the program audits.

Chairman Weaver adjourned the meeting.

August 30, 1977

Morning Session

Chairman Weaver reconvened the Committee at 9:00 a.m. The Chairman requested that Dr. James McCain, Secretary of the Department of Human Resources, review the use of CETA funding for vocational education and the recent confusion over an effort to increase the percentage of the training costs that CETA funds pay.

Dr. McCain noted that because the CETA funds provide only 10 percent of the cost of a student's vocational training, an effort was made to increase the federal funding to 100 percent and thus reduce State General Fund expenditures by \$600,000. The state pays 90 percent of the cost of vocational training, excluding capital improvements and federal and state aid. The student or CETA pays the remaining 10 percent. Dr. McCain stated that he first became aware of the effort to adjust the percentage payment during the first week of the 1977 Legislative Session. The Department of Human Resources staff then checked with its counterparts in Iowa and Nebraska. Both states reported that CETA funds were used for 100 percent of the cost of vocational training for CETA students. Dr. McCain noted that he requested that Mr. Dale Dennis, Assistant Commissioner, Division of Financial Services of the State Department of Education, check with his counterparts in other states to confirm this. Dr. McCain reported that he understood that Mr. Dennis had also been told by Nebraska and Iowa that they received 100 percent funding from CETA.

On January 20, 1977, Dr. McCain indicated that he talked to the Federal Regional CETA office about the desire of Kansas to adjust the CETA contribution rate. The federal official indicated that he would check on what other states were receiving and would review the question of maintenance of effort. The Senate Ways and Means Committee introduced 1977 S.B. 318 on February 16, 1977. This bill provided that the state would not provide the 90 percent funding for students who were in the CETA program. Dr. McCain reported that on March 23, 1977, the director of the CETA office in Kansas City informed the Department of Human Resources that if the intent of the bill was to shift the expenditures from the state to CETA, then the bill could be interpreted as a violation of maintenance of effort. Dr. McCain also reported that on April 19, 1977, he was notified by the Federal Regional CETA office that Nebraska and Iowa do not receive total payment through the CETA program.

Dr. McCain indicated that he discussed the apparent problem with Mr. James Bibb, Director of the Budget Division, and several other members of the executive branch one week prior to the adjournment of the Legislature. Dr. McCain reported that they unanimously agreed that it was too late in the Session to restore the \$600,000 State General Fund appropriations for vocational education.

On June 3, 1977, Dr. McCain reported that the state received notification that 1977 S.B. 318 violated the maintenance of effort provision. The State Attorney General's Opinion that 1977 S.B. 318 was void allowed the state to continue to pay the 90 percent of the adjusted operating cost of vocational education for CETA students. Dr. McCain also noted that the Department of Human Resources is still attempting to find a way to adjust the CETA funding.

Senator Paul Hess expressed concern that the Legislature was not informed of the problem even if it was only an anticipated problem. He noted that the Legislature attempted to avoid partial funding of programs and to do this the Legislature needs to know all the facts.

Representative Ivy questioned how Iowa and Nebraska could have both reported how they receive 100 percent CETA funding. Dr. McCain stated that CETA provided approximately 21 percent in Iowa but 15 percent in Nebraska. Dr. McCain contended that neither state has a law that requires the student to pay only 10 percent of the cost of vocational education. Marlin Rein, Chief Legislative Fiscal Analyst, noted that, if federal and state aid were not excluded, the student would pay not more than 7 percent of the operating cost.

Representative Heinemann asked why the Jobs for Progress program was being discontinued. Dr. McCain stated that in the past Job Service and CETA were duplicating some programs. The Department of Human Resources has developed the policy that, where possible, Job Service programs will be used; however, there should be no service, such as day care, that will be discontinued. The eastern half of the state was consolidated in FY 1976 and the remainder of the state will be consolidated in FY 1977.

Representative Garrett asked if Dr. McCain had been able to control the administration of CETA for the entire state. Dr. McCain explained that each area with a population over 100,000 was a prime sponsor and received funds directly from the federal government. The Department of Human Resources administers only the CETA funds for the "Balance-of-State." All CETA programs that involve more than one CETA prime sponsor are coordinated by the State Manpower Services Council.

The Chairman recognized Tim Kohl, Employment Division Director for the City of Wichita. It was noted that his office services as the CETA prime sponsor in Wichita. Mr. Kohl stated that the problem with questioned CETA funding had not had a major impact in Wichita. Mr. Kohl stressed the need for cities to be prime CETA sponsors. He explained that Wichita used community-based organizations for outreach, individual assessments, and job training. He noted that the state would not use community-based organizations but would use state programs. Mr. Kohl contended that the use of community-based organization does not duplicate programs but rather provides for completion.

Representative Garrett asked if Mr. Kohl was employed by the City of Wichita. Mr. Kohl indicated that he was employed by the City Manager.

Senator Hess contended that the division of administration between the state and various prime sponsors appeared to cause confusion and could cause inefficiency. Dr. Ramirez, of the Department of Human Resources, indicated that some prime sponsors such as Topeka attempted to use state agencies.

The Chairman recognized Richard Ladd from the Wichita area vocational training school. Mr. Ladd contended that the attempted shift in funding from the state to CETA was not a violation of the maintenance of effort provision but was a correction of a prior error.

Representative Hohman asked if CETA students received preferential treatment in being admitted to a class. Mr. Ladd said that they do; however, the AVTS is adjusting its policy.

Staff asked how many people were on a waiting list for the AVTS. Mr. Ladd said 220 were on the formal list and another 500 had made inquiries.

Senator Hess asked Mr. Ladd to comment on the \$2 million appropriation for capital improvements. Mr. Ladd said that it was a first effort to solve a long-term problem; however, equipment is very expensive.

The Chairman recognized Mr. Roy Berry from Kaw Area Vocational Technical School in Topeka. Mr. Berry noted that it does not give preference to CETA students. The AVTS contends that if it must meet the employment standards, then it must control placement testing.

Representative Ivy and Representative Hohman asked for an explanation of funding for capital improvements. Mr. Berry explained that their funding comes from six school districts. Mr. Berry also noted that the distribution formula for the \$2 million state aid for capital improvements penalized schools that had made an effort on their own.

Representative Ivy asked if they had a waiting list. Mr. Berry said they had a formal list of 200 to 300 persons; however, another 500 have inquired.

The Chairman next recognized Mr. Harry Falgren of the Kansas City Area Vocational Technical School and asked how a CETA contract was included in the budget. Mr. Falgren indicated that it was in addition to the approved budget. Mr. Falgren discussed the methods used by the Kansas City prime sponsor for awarding a CETA contract. He gave particular attention to the lack of evaluation of what a bid was to do and a lack of follow-up on results of the training.

The Chairman recognized Mr. Larry Keirns from the Goodland AVTS. Mr. Keirns noted a need to coordinate the CETA program with other programs because a few students are getting funds from more than one program. Mr. Keirns stated that they had only approximately 20 people on a waiting list and had very good success with job placements.

Staff presented a staff report on vocational education. (See Attachment.)

Afternoon Session

The Committee reconvened at 1:30 p.m. David Barclay, Administrative Assistant to Senator Gaar, made a detailed staff report entitled "Construction Projects Illustrating Possible Architectural and/or Construction Deficiencies." The report included a case study of 14 selected state buildings. In addition Mr. Barclay also presented a report entitled "Study of the Time Taken by the Division of Architectural Services to Process Plans, Specifications, and Drawings of Construction Projects."

The Committee discussed various roofing problems mentioned in Mr. Barclay's report. Senator Hess asked why the state changed from four-ply roofs and who approved the standard for the two-ply roof. Mr. Barclay said that two-ply roofs had been endorsed by the roofing industry, and it was sold as being equal to or having greater strength than four-ply roofs. He said that the two-ply roofs had not been tested over an extended period of time. He said that the state architect and private architects accepted the roofing industry's endorsement because on the surface the roof appeared to be stronger. Senator Hess asked why the state did not just test a few of the roofs on selected buildings instead of installing two-ply roofs on all of the buildings in question. He asked why no one suspected that a two-ply roof would not be as strong. Mr. Barclay said that two-ply roofs were less costly and involved less work and that the manufacturers all said they were of the same quality. He said that the leaks did not begin to appear for two to three years after the roofs were installed.

Senator Gaines asked Mr. Barclay if in his investigation he was led to believe that a manufacturer assured that the product would meet the requirements, and if so was it an oral assurance or was it in the form of an expressed warranty. Mr. Barclay said he had not seen any such assurances in writing from the manufacturers and that several manufacturers were involved in installing the two-ply roofs.

Senator Gaar commented that Mr. Barclay had evidence of successful legal action in the private sector against an architect, contractor and the manufacturer in such a case where a two-ply roof was installed at American Yearbook and American Yearbook settled out of court with the various parties for a total of \$120,000. Representative Hohman asked what the time span for the installation of the roofs was and if any attempts had been made by the state after the problems were discovered to change the specifications. Mr. Barclay said that time span for the roofs was from 1966 through 1972. He said that the normal life span for a roof was 15 to 40 years. He said the roofs detailed in his report began showing severe problems within five years of installation. He said in some cases roofs began leaking in two to three years after installation but that the state had not made any attempt to change the specifications before 1972.

Chairman Weaver asked about Mr. Barclay's statement in his report that said that two-ply roofing was "equal to or better than four-ply roofing." He wanted to know where that statement came from. Mr. Barclay said he had obtained the statement by talking to several institutions and to various architects.

Senator Hess said there seemed to be a pattern in relation to liquidated damages as shown on page 3 of Mr. Barclay's report. He asked if the \$100 penalty had been enforced. Mr. Barclay said it had not in most cases. Senator Berman recalled that Mr. Krueger told the Committee that the only case in which the state had levied liquidated damages because of time delay was the Kansas University Law building.

Senator Gaar asked about the time of completion on the State Defense Building. He said the final inspection was scheduled to be finished in the contract period. He said that the inspection was finished but that a huge punchlist of items would take six months to complete were attached as part of the final inspection. He requested that the staff check into it to see if it were a normal practice.

Representative Hohman asked several questions about the KNI roof problem. He asked specifically if the Sunflower Roof had been replaced. Mr. Barclay responded that about 40 percent of the roof had been replaced, but the remaining 60 percent still leaked badly. He said that as of the previous week, the last change order to replace the roof had not been approved by the Division of Architectural Services. He said that the Division of Architectural Services had received the request in early May. Senator Berman asked Mr. Barclay if it were true that as of August 27th, processing plans and specifications for the roofing improvements at Sunflower was not completed. He asked if Mr. Barclay knew if they had even been started. Mr. Barclay said he did not. Mr. Krueger said that when funds are available his office gets construction clearance requests. He said that he does not see most of those and that he did not know of this request until this week when KNI called him. He said that at that time he had put it as a top priority and that the plans for the roofing changes would be ready by the first of September. Senator Berman asked Mr. Krueger how long it generally took to make such plans. Mr. Krueger said that it took three to four days.

Senator Gaines asked if ordinary wear and tear was contributory toward the cause of the roof problem. Mr. Barclay said that in most cases it was not. He said that roof bonds prohibit the university or the institutions, as the case may be, from doing routine maintenance on roofs. Senator Gaines asked if the state had roof bonds and if so, who paid for roof repairs then. Mr. Barclay said that the state had roof bonds, but that the present problem with that procedure was that roof bonds insured for only \$10 per every 100 square foot of roof. He said that the roof bonds only covered roofs from leaking. He said once a leak occurred the insulation generally continued to leak and that roof repairs consists of patching over the leaks and did not deal with the problem of insulation. Senator Gaines asked Mr. Barclay if the \$10 per 100 hundred square foot would replace a roof. Mr. Barclay said it would not. He said that the cost to replace the roof per square foot was approximately \$250 and to repair a roof was approximately \$125 to \$150 per square foot.

Senator Berman asked Mr. Barclay if he had determined, with the exception of the handball court in Emporia, if the state had tried to recover damages. Mr. Barclay said on the 14 that were included in his report no efforts to recover damages was made. Senator Berman asked what the total cost on all projects Mr. Barclay had investigated would be to make the necessary repairs. Mr. Barclay said that he did not know because in some cases he could not even estimate the total expense of the repairs yet. He said that repairs would probably total between \$1,250,000 and \$1,500,000. Representative Hohman asked if allowing the problems to continue would eventually increase the costs to repair the problems. Mr. Barclay said that was true and he cited as an example Sunflower at KNI, where \$15,000 of damages were done to the interior of the building from roof leakage.

In concluding his report, Mr. Barclay made several observations about the Division of Architectural Services in relation to the 14 problem buildings. First, he said there was a definite failure on the part of the Division of Architectural Services to view their role as an adversary one to the associate architect, contractors, and engineers involved in the projects. He said that the Division of Architectural Services very rarely gives the parties involved a concrete deadline. He said that when they do, the Division tells them that if the work is not done on time or done correctly, that they will hire outside contractors and deduct the cost from their fees, but that very rarely occurs. He cited the Physical Education Building at Emporia as an example of the problem.

Mr. Barclay also said that delays were another major problem. He said that there were two types of delays that he found. First, there was a delay between the time an institution or inspector realized there was a problem and the time in which a letter was sent from the Architectural Services to the contractor. He said he had reviewed most of the letters but that he had no way of knowing if phone calls were made. The second type of delay occurred once the Division of Architectural Services informed the contractor that there was a problem. There was considerable delay in solving such problems.

The third major problem area according to Mr. Barclay, was pinning down who was responsible for problems that occurred after buildings were inspected. He said that the institutions viewed it as the responsibility of the Division of Architectural Services and he said that within the Division of Architectural Services, there was confusion as to whose responsibility it really was. Mr. Krueger said he viewed it as the Division's responsibility. However, the chief of construction said that it was the institution's responsibility. He cited this as causing great confusion in the process. He said that once an institution notified the Division of Architectural Services, the Division then contacted the contractor, but he said that the Division of Architectural Services' role has been a passive one in that they did not follow up on problems after their initial contact with the contractor. Mr. Barclay qualified his remarks by saying that he only looked at buildings where problems had occurred and not where problems were solved.

Senator Hess asked Mr. Krueger about the air conditioning units that were to be replaced at KNI. He asked Mr. Krueger why the air conditioning unit was not installed immediately. Mr. Krueger said that the air conditioning was originally installed to meet specifications. He said that the unit started to malfunction approximately one month after the manufacturer's warranty was up. He said the manufacturer replaced a part but that there were still problems with that particular model of equipment. He said the manufacturer had cooperated beyond the warranty provision but that the particular model seemed to have non-correctable faults. Senator Hess asked if that meant the state had to pay for faulty models. He asked if Mr. Krueger had recommended the state sue the manufacturer. Mr. Krueger said he had not made such a recommendation.

Chairman Weaver asked if the air conditioning unit had been installed yet. Mr. Krueger said that it had not because there was a 90-day delivery time on that particular unit. Chairman Weaver asked if the delays were in the State Architects Office. Mr. Krueger said yes, that his office did not start until the funds were available. Chairman Weaver expressed disappointment because the Legislature acted quickly on the request in the form of an emergency supplemental and yet the air conditioning still is not installed. He told Mr. Krueger that he expected an explanation of the situation. Senator Berman said that it was an emergency supplemental request and as such the Legislature was given firm assurance that the air conditioning unit would be available and installed for warm weather. He said that the agency had also been assured and he wanted to know who gave that assurance. Mr. Krueger said that he was not involved in the appropriation request process so he could not answer the question.

Senator Berman asked how construction clearance requests were handled. Mr. Krueger said that construction clearance requests were handled on a first come, first serve basis unless the request was red-flagged. He said that in the past his agency had just begun work when the request came up. He said that within the last year his office had established a procedure that gave the user agency an estimate of completion time. Senator Berman asked if that was done on the faulty roofing at KNI. Mr. Krueger said that it was. He said that there was a formalized system to expeditiously move the paper through his office. Senator Berman said that the Ways and Means Committee report did not indicate so. He said that it seemed to him that it was a "squeaky-wheel" approach. Mr. Krueger said that was not true in all cases. He said he has many projects, varying in degrees of complexity. He said that dozens come in regularly, and he said that his office would not start unless funds are available. Mr. Krueger said that once funds become available, the speed of getting construction requests in motion depends on the backlog his office has and the complexity of the plans for the project.

Senator Berman requested that Mr. Krueger give the Committee an estimate of the completion time, when that estimate was returned to user agencies and when the state architects office actually delivered specifications for those construction requests that were handled over the past year under this notification system. He then asked several questions about the ordering of the priorities in the system. Mr. Krueger explained that the construction request priorities were done on weight of urgency. Senator Berman asked Mr. Krueger how long it would have taken to repair the KNI roof if he had not intervened and talked to KNI. Mr. Krueger said that it probably would have taken five to six weeks. Mr. Krueger also said that he would like to see a prioritization of construction requests from user agencies.

Senator Berman asked how many construction clearance requests Mr. Krueger's office had handled each week. Mr. Krueger explained the requests came in bunches at the end of the fiscal year and the beginning of the fiscal year. He said that at the time the KNI request came in, he had approximately 50 construction requests. Senator Berman asked if the state architect wanted to determine priorities. Mr. Krueger said that those should really be determined by the user agency.

Senator Gaar pointed out that Mr. Krueger should have noticed that the air conditioning system was a priority since it was contained in an emergency supplemental. He asked Mr. Krueger if his office kept track of appropriation bills. Mr. Krueger said that he had a man who does track appropriation bills. Senator Gaar asked if the State Architect's Office had a system for prioritization of construction clearance requests. Mr. Krueger said that they did. Senator Gaar asked if that system had broken down. Mr. Krueger said that he did not know whether it had or not. Senator Gaar said that he was talking about possible malfeasance and incompetency in the State Architect's Office and wanted to know how to change it. He asked Mr. Krueger if he had an administrative system to prevent this type of thing from happening again. Mr. Krueger said that he felt that his office did have a system and if there was a breakdown that he would take full responsibility. He said that he would look into the situation. Senator Gaar commented that the bill had passed February 4, KNI had put in the request March 2, and the State Architect's Office had not even acted until April 18 to respond to KNI's request. Mr. Krueger said that in his opinion that constituted a breakdown. He said that he was presently looking at the situation and was taking appropriate disciplinary action against the employees involved. He said that one individual had come under such action and that it was being appealed.

Senator Gaar said that the state obviously has a serious system problem and although he was glad Mr. Krueger was taking personnel action, he was concerned that Mr. Krueger was not acting to change the system itself. Senator Gaar pointed out problems with the State Defense Building. He wanted to know who determined when the final inspection was to take place and what criteria were used. Mr. Krueger said his chief of inspection determined that date. Senator Gaar asked when the State Defense Building contract was due. Mr. Krueger said that he thought it was around the 5th of July. Senator Gaar asked Mr. Krueger if he thought the final inspection was the date of completion of construction the state used to assess liquidated damages. Mr. Krueger said that the State Defense building was ready to be occupied since no major changes were needed, but that many small things needed to be done. He said that he told the chief of construction approximately four to five weeks before July 5 that the move had to be made on July 5 and he assured Mr. Krueger that the building would be completed by that time. Senator Gaar asked if the building was legally complete on July 7 and Mr. Krueger said that he did not think so. Senator Gaar read excerpts from the staff report on construction of the State Defense Building relating to roof problems. He said that after all the punchlists of items to be corrected, on August 17 the inspectors went back and indicated that there were still things not completed. He wanted to know who passed the building. Mr. Krueger said that the chief of construction, the inspector, and the mechanical engineer all signed off on the building and that he agreed with Senator Gaar that the building was not complete. Senator Gaar said that indicated there was something wrong in the State Architect's system. Mr. Krueger said that was true.

Senator Berman asked Mr. Krueger why there were no late penalty clauses enforced on the State Defense Building. Since the building was supposed to be completed on May 20 and then was moved back to June 15th, he said that in his mind it was still overdue. Mr. Krueger said he thought the date was July 5th and that an extension had been granted because of delays beyond the contractor's control. He said one example of that was carpeting. Senator Berman asked if the Committee could get assurance from Mr. Krueger that he would trigger late penalty clauses when necessary. Mr. Krueger said he would assure that. He said that he had a standing order in his office for the past two years to get projects done inside the completion time specified.

Senator Berman said that at the Wichita meeting he had asked Mr. Krueger what type of protection his office had of assuring that inspectors and contractors were not working in collusion with one another and that Mr. Krueger had assured him that this type of problem did not exist at the present time. Mr. Krueger said that was true. Senator Berman then informed the Committee that he had received information which he considered to be reliable that the on-site building inspector employed by the state at Pittsburg is married to a woman who is a member of the family of the general contractor. He said that the inspector had also been in business with that contractor in the past and that his wife may continue have a business arrangement with her family. Mr. Krueger said that Pittsburg wanted that inspector and specifically requested him. He noted that he wanted to assign another one. Senator Berman said that irrespective of the caliber of the person he did not think that this type of procedure should be allowed. Mr. Krueger agreed and said that the situation warranted investigation and action.

Chairman Weaver asked Mr. Krueger about the follow-up procedure in building construction. He asked if Mr. Krueger had difficulty with the Department of Administration attorney. Mr. Krueger said some of the cases were very old and that he had some problems. He said he did not know how to improve the process at this point but that he would like to sit down with the Department of Administration attorney and the Attorney General's Office to work out a better system to insure referrals are not delayed. He noted that in one case the files were lost and said that was inexcusable. Chairman Weaver said that the Committee has strong feelings that they want to establish a statutory process. Mr. Krueger said that he was willing to meet with General Weltmer to come up with some suggestions. Chairman Weaver said that at the next meeting, the Committee would start pulling together some of the suggestions and would welcome any comments from Mr. Krueger or General Weltmer.

Senator Hess asked Mr. Krueger whose responsibility it was to bring to attention a problem after a building was completed. Mr. Krueger said that it was obviously the user agency's responsibility to initiate such action once the problem is discovered. Senator Hess asked Mr. Krueger if a building was signed over and then deficiencies were found and the agency informed the state architecture's office what involvement would the State Architect's Office have in correcting the situation. Mr. Krueger said that in general, such information is directed to the construction section in his office and they verify the defect. Senator Hess noted that seemed to be a key problem since once a building was completed and problems occurred they were not resolved immediately. He asked Mr. Krueger if it was a system or a personnel problem. Mr. Krueger responded that it was both. Senator Hess asked Mr. Krueger who made the final payment for the building. Mr. Krueger explained that the user agency had the final sign off on payments for buildings. Senator Hess asked if that affected the State Architect's Office incentive to solve the problem since the building had been signed off on and no dollars were left. Mr. Krueger said that that should not affect his agency, that regardless of the dollars available his agency should help the user agency to resolve the problem. He said however, that if the building had been signed off on that his office did not have as much leverage with the contractors. He noted that many times a great deal depended on the contractor's attitude. He said that in some cases where they had other problems with the building, the contractors made repairs even after the building had been paid off.

Senator Hess said that Mr. Barclay's statement of the failure of the State Architect to play an adversary role when the problems occurs was a disturbing one. He asked Mr. Krueger if this was caused by staff members viewing themselves as a friend of the architect rather than an adversary. Mr. Krueger said that he felt that his office should act as an adversary but that apparently some of his staff did not agree. He said that he personally did not have any trouble challenging an architect.

Representative Hohman asked Mr. Krueger what changes he was planning on making in the present system to assure the situation with the KNI did not occur again. Mr. Krueger said he had taken the responsibility by directing his staff to assure institutional building and grounds people were properly maintaining buildings. He said that two years ago he recommended that roof inspections be made at least twice a year. Representative Hohman said that was fine but he wanted to know why it took five years to correct the problem with 100 percent leakage. Mr. Krueger said that the roofing contractor had been out twice during the first year. He said that the leaking occurred over a five year period and that the roof was not leaking 100 percent from the beginning. He also commented that roofing bonds were worth very little. Representative Hohman asked Mr. Krueger if he was taking any steps where serious defects exist in a state building to assure that it did not take five years to correct it. Mr. Krueger said that his action was limited because he could not repair a building unless funds were available to do so. He said he tries to go back on the bond to the fullest extent possible and that he is presently looking into taking legal action.

Senator Gaar said that the problem seems to occur in the construction process in the administration of the job. He asked Mr. Krueger if the inspection process should be let as part of the associate architect contract. Mr. Krueger said that in the new process the associate architect is involved in construction administration and that he usually makes periodic site inspections. He noted this was still a very weak program. Senator Gaar asked if this new process made the associate architect responsible to the state. Mr. Krueger said he thought it did.

Senator Gaines asked if the user agency had veto power over change orders. Mr. Krueger said at present they did not. He noted that a lot of change orders originate from the user agencies. Senator Gaines said that the Committee had complaints from user agencies about change orders. He cited Kansas University as an example, where poor lighting existed and was not corrected. He asked Mr. Krueger if, as the statute now stands, the State Architect could overrule the user agency. Mr. Krueger said that that was true. Mr. Krueger said that if \$2 million were appropriated for a project and the low bid were for \$1.7 million, it would be a probability with many of the larger agencies, that they would have numerous change orders to absorb the remaining \$300,000. He said the problem he had was determining whether the change order was a necessity or an embellishment. He said that he did not want the responsibility to say no to a change order and he would rather have an impartial committee to review change orders to determine if they were actually necessary.

Senator Berman asked if there were instances where certification of completion was signed before the satisfactory completion of punchlists. Mr. Krueger said that had occurred, and that agencies had actually moved into buildings before the punchlists were resolved. Senator Berman asked if that made the state responsible for the defects. Mr. Krueger said with most cases the agencies were just moving into part of the building. Senator Berman asked if the penalty clause should have been triggered on the State Defense Building and if so when. Mr. Krueger said that it should have probably been the date the building was actually occupied. Senator Berman asked if that gave the contractors ground to contend that the building was done if the agency had moved in. Mr. Krueger said that that was true. Senator Berman asked if the State Architect should tell the user agency not to move in until the building was complete. Mr. Krueger said that his office needed to look at this area for deficiencies.

Chairman Weaver introduced Mr. John Hanelson, who is affiliated with the Association of Contractors. He made a brief presentation. He said that his organization represented 2,200 Kansas contracting firms. He said that his association would like to help find the solution to the problems in state building construction and work closely with the Committee. Chairman Weaver thanked Mr. Hanelson and announced to the Committee that Mr. Nicolay had indicated that his association would like to present an executive committee report at the next Committee meeting. Chairman Weaver then introduced Mr. Charles Carey representing the Mechanical Contractors Association. Mr. Carey gave a detailed presentation against the concept of the single bid contract. He also suggested several ways for improving the present system.

Mr. Carey told the Committee that in his opinion, the single contract approach would be extremely expensive and would not prevent many of the problems the Committee was concerned about. He urged the Committee to make a test on several of the new jobs that were coming up. He asked the Committee to request dual bids, one for single contracts and one for separate contracts, to see how much each system would cost. He felt that the separate bid system would be less expensive. Senator Gaar said that he thought a system of letting dual bids would not be a fair test of the situation. He said that he thought that the bids could be stacked so that the separate bids came out less expensive than the single bid process.

Senator Gaar also said that he had asked several of his friends who were in the field of architecture and construction which would be less costly for Kansas, a single contract or a separate bid contract. He said that 90 percent of the mechanical and electrical engineers said that a single contract bid would be much more efficient. Mr. Carey said that he did not feel a single contract bid was competitive. He noted that he would not bid under a single contract system. Senator Gaar asked if the single contract bid were such a poor system, why several states were adopting such a plan. Mr. Carey said that such a system makes the architect feel more comfortable, that it allows them to sweep problems under the rug.

Senator Gaines commented that Mr. Carey's remarks about lawsuits not being easier to file had nothing to do with the Committee's examination of using a single contract bid. He said that the purpose of such a system was to get the project going and to do the project well. Mr. Carey said that he did not think that system was any better than the present system. Senator Gaines noted that when delays occurred, the mechanical engineer blames the contractor and the electrical engineer blames the mechanical engineer or the general contractor, etc. He said that his point was that a single contract would make the general contractor responsible to get the job done, and that it would be an effective way of enforcing a penalty clause. He noted that even if the costs were not less, it might be a better system.

Chairman Weaver then introduced Mr. R. R. "Dick" Radcliffe. Mr. Radcliffe made a presentation on the problem he has experienced with bids for carpet contracts. Senator Gaines said that the Committee did not intend to be discourteous the last time Mr. Radcliffe appeared and that they were very interested in his presentation. Senator Gaar assured Mr. Radcliffe that the Committee was interested in his presentation and that he supported S.B. 185 which would take care of the problem Mr. Radcliffe was addressing. He said that staff would provide Mr. Radcliffe a copy of the bill.

Chairman Weaver announced that the next Committee meeting was scheduled for September 26 and 27. He adjourned the meeting at 5:45 p.m.

Prepared by Julie Mundy, Robert Haley, Chris Badger
and Louis Chabira

Approved by Committee on:

Fred R. Weaver

(Date)

ATTACHMENT I
OTHERS IN ATTENDANCE

<u>Name</u>	<u>Representing</u>
Dr. O.D. Turner	Secretary, Department of Transportation
John McNeal	Department of Transportation
J.O. Adams	Department of Transportation
Bill Ogan	Department of Transportation
R.R. Biege	Department of Transportation
Larry Moreland	Department of Transportation
Glen Koontz	Department of Transportation
Dr. James McCain	Department of Human Resources
Tim Kohl	Employment Division, City of Wichita
Dr. Ramirez	Department of Human Resources
Mr. Richard Ladd	Wichita Area Vocational Training School
Mr. Roy Berry	Kaw Area Vocational Technical School
Mr. Harry Falgren	Kansas City Area Vocational Technical School
Mr. Larry Keirns	Goodland Vocational Technical School
Lou Krueger	State Architect
John Hanelson	Association of General Contractors
Charles Carey	Mechanical Contractors Association
R.R. (Dick) Radcliff	Fashion Consultants

Report to the Special Committee
on Ways and Means-B on Proposal No. 78-
Review of the Department of Transportation

Section I

This section discusses the several general subjects which were set out in Mr. Haley's letter of August 12, 1977. Subjects are listed in the order of the proposed agenda.

1. A report on the Resources Management System.
2. A report on the Department of Transportation's management training program.
3. A report on personnel staffing patterns including vacancies, reasons for the vacancies, and the resulting impact on the agency.
4. A report on the impact of the agency of adjustments in funding for capital outlay items made by the 1977 Legislature.
5. A report on the impact of establishing an expenditure limitation on construction from the State Highway Fund.
6. Comparison of the various planning cost estimates on construction projects and the actual project cost at the time the project is let.
7. Comparison of construction costs in Kansas with comparable construction in other states.
8. Comparison of highway maintenance costs in Kansas with comparable maintenance costs in other states.
9. A status report on the Kansas Department of Transportation long range planning efforts (to be discussed with item 1 in Section II).

Section II

This section discusses the subjects which were included in the House Ways and Means Department of Transportation subcommittee program recommendations.

1. Development of a 15-20 year program plan based on the 1975 clarification of the Freeway Act.
2. Implementation of the following recommendations from the September 1976 Program Audit Report entitled The Planning and Construction of the State Freeway System, conducted by the Legislative Division of Post Audit.
 - (A) Project Prioritization
 - (B) Road Type Determination
 - (C) Project Management

- (D) Project Costs
 - (E) Utilization of Construction Section Field Personnel
 - (F) Contractual Services
 - (G) Maintenance
3. Reorganization Recommendations
- (A) Consolidation of Personnel, Management Analysis and Internal Audit functions.
 - (B) Consolidation of Legal, Public Information and Right of Way departments.
4. Development of a more uniform and proportionate distribution of resources and work among the respective DOT districts.

SECTION I

1. A REPORT ON THE RESOURCES MANAGEMENT SYSTEM

COST SUMMARY

The cost of developing and operating the projected Resource Management System has been calculated for an eight (8) year period for the purposes of cost amortization. The projected costs are as follows:

1. Operating costs over and above the costs of operating existing computerized information systems, (8 years @ \$120,000)	\$ 960,000
2. Development Costs	<u>1,790,000</u>
Total Costs for Development and eight (8) years of Operation	\$2,750,000

BENEFIT STATEMENT

A major tangible benefit associated with RMS is the increased utilization of KDOT resources. This will be accomplished through better planning and more control available to managers throughout the Department. For example, RMS will have a positive effect on the utilization of labor, equipment and materials in the following instances:

- + The work being performed will be more directed toward overall objectives because of improved management communication and integration.
- + Employee time spent on activities will be more cohesive and consistently progressive due to the increased coordination and stability of the plan for the work to be accomplished.
- + Materials and equipment required for the accomplishment of the work program will be more readily identified and consequently more promptly and efficiently provided to meet the need.

If the efficiency of the KDOT operation is improved by a mere 1%, a savings equivalent to nearly \$600,000 per year would be realized. (This figure is based on 1977 budget for production and maintenance resources.)

A second tangible benefit will result from reducing the contingency fund balances through increased insights into cash flow projections. Although the State accumulates interest on this balance, the difference between this interest and the inflation of construction costs is about 4%. We estimate that funds held for contingencies would be reduced by approximately sixteen million by instituting the RMS. A benefit of \$600,000 per year would result from this efficiency.

Another tangible benefit will result from the decrease in cost of processing data when both manual and electronic processing are considered as a whole. Based on accepted national statistics¹, organizations typically spend between eight and nine times the cost of electronic data processing on collecting data and manually processing it.

This primarily occurs through the proliferation of systems based on the concept of one data item out requires one data item in. The capability of RMS to capture data once and utilize it in many ways will significantly reduce the overall processing costs of the Department.

Transportation departments of some other states² have identified at least a two to one payback on the additional costs of the Program/Project Management Subsystem in this area alone. (Additional costs are considered to be those associated with development and extra computer equipment.) A similar situation exists in KDOT with respect to the difference in the processing environment before and after implementing RMS. For example, fragmented reporting and local record keeping, which are part of the present maintenance management and inventory systems, will be streamlined by RMS in the same manner as they will be in the project management subsystem. This means that the Department has the opportunity to save two dollars for every additional one dollar expended to RMS. These savings will help to offset the effect that inflation will have on our future capabilities. With the "acceptable inflation rate" at 6%, KDOT is faced with periodically seeking new revenues or with reducing the level of service it can provide the motoring public. Implementation of this system with its projected impact on efficiency, is one of the ways KDOT is working to resolve this dilemma.

SUMMARY OF TANGIBLE BENEFITS

Benefits: Resource Utilization (8 years x \$600,000 annual benefit)	\$ 4,800,000
Reduced Fund Balance (8 years x 4% of \$16,000,000)	5,120,000
Processing of Data (2 x the total cost of development and 8 years of operation)	<u>5,500,000</u>
Total - 8 year benefits	\$15,420,000
Benefit/Cost Ratio is	$\frac{\text{Total Benefits}}{\text{Total Costs}} = \frac{15,420,000}{2,750,000} = 5.6$

¹ 1975 Statistical Abstract of United States, Pp. 30, 90-103

² Alabama, Louisiana, Utah

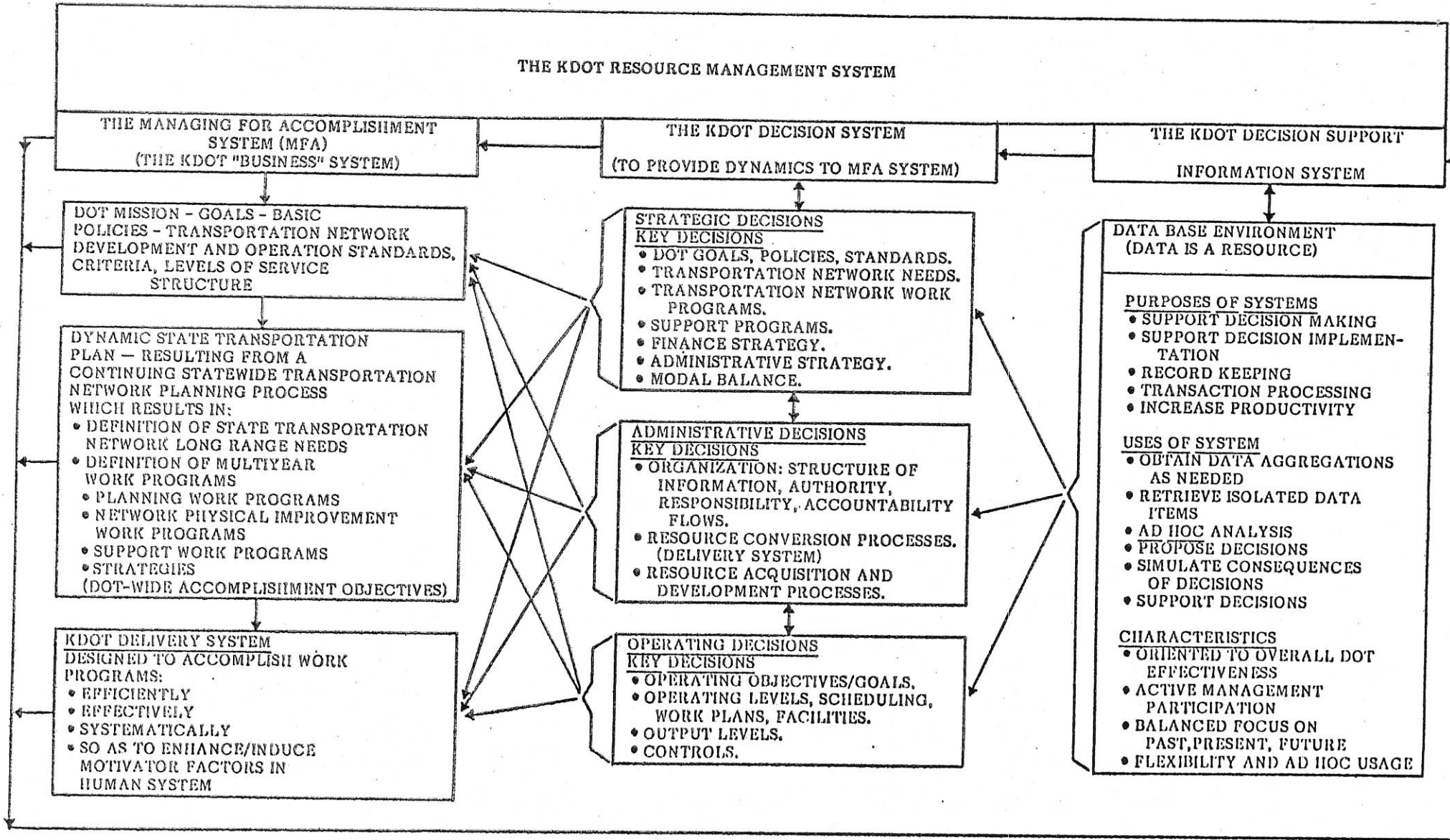
INTANGIBLE BENEFITS

This is a significant cost/benefit ratio. As noted, it is based solely on tangible benefits which can be directly related to dollars. The Resource Management System will also provide a number of intangible benefits which may ultimately be of greater value to Kansas citizens than the tangible benefits outlined above. The following are a partial list of these benefits:

- + By adopting a systematic, integrated management program, the KDOT will be in a position to aggressively pursue its goal of providing Kansas with the optimum in transportation facilities. This is made possible by the emphasis that is placed on all levels of planning. Contrast that with the tendency of some governmental agencies who develop programs and take actions primarily as reactions to each of the crises which occur and one can envision very significant benefits in the effectiveness with which tax dollars are spent.
- + The Resource Management System will provide KDOT's personnel with a sense of direction and purpose not now possible. This will have a very positive impact on employee morale and motivation. While the increase in real productivity will be difficult to measure, we anticipate that it will be significant.
- + It will enable the Governor and the Legislature to more objectively evaluate the allocation of funds to the various transportation programs by closely associating the resources allocated to the level of service provided by these programs. Better decisions from a state point of view can be made regarding the desirability reducing or expanding the level of service offered by each program.
- + It will assist the KDOT in effectively conveying to the Kansas taxpayers the relationship between costs and service levels. This will help engender public support of a proper balance between service levels and funding capabilities.
- + It will provide a formal vehicle for continual objective evaluation of the effectiveness of KDOT policies and procedures. In short, it provides an improved means of maintaining accountability both within the KDOT and of the KDOT.

FIGURE 1

BASIC AND MAJOR ELEMENTS OF THE KDOT RESOURCE MANAGEMENT SYSTEM



IMPLEMENTATION SCHEDULE
RESOURCE MANAGEMENT SYSTEM

IMPLEMENTATION UNITS	FY 1978					FY 1979					FY 1980					FY 1981						
	J	S	N	J	M	M	J	S	N	J	M	M	J	S	N	J	M	M	J	S	N	J
Project Management/Fund Control																						
Design																						
Construction																						
Right of Way Tract Management																						
Design																						
Construction																						
Maintenance Management																						
Design																						
Construction																						
Cost Center Management																						
Design																						
Construction																						
Transportation Facilities																						
Design																						
Construction																						
Non-construction Project Management																						
Design																						
Construction																						
Inventory Control																						
Design																						
Construction																						
Personnel																						
Design																						
Construction																						
Contractor/Consultant																						
Design																						
Construction																						

Figures in gothic = Consultant Costs
Figures in italics = Computer Costs

OBJECTIVES OF THE SEMINAR

Background

The subject matter of this seminar is patterned largely on that of the national management seminars which have been sponsored by AASHTO-HUFFSAM since 1956. The national seminars were undertaken at that time because AASHTO officials felt rather strongly that there was a real need for emphasizing management and administration in state highway departments. There was recognition that state highway departments, and now DOT's, were engineering-oriented agencies (and rightly so) but that they were also large business operations--and efficiency/effectiveness depended at least as much upon managerial quality as upon engineering quality.

There was also recognition that a vast majority of those called upon to manage the various functions and operations in these large and complex organizations were trained in engineering and, by and large, had little formal training in the fast-developing management services. The conclusion was that what was needed was to provide training in management for these people to augment their knowledge in engineering, i.e., what was needed was a large number of managers/engineers. It was not a question of one science being more important than the other. Rather, there was perceived the necessity for application of both sciences--and the needed result was manager/engineers.

The Kansas DOT (formerly the State Highway Commission) has been a strong supporter of the national program since its inception and has been represented in most of the seminars since 1956. The major problem is that the national seminars can handle only two or three persons from each of the states each year, a total of 65-75. But in all the state transportation organizations and the Federal Highway Administration--there are upwards of 15,000 engineer/managers who can benefit from such seminars. There is a constant attrition of graduates and there is no way the national program can keep up with the need.

At the outset of the national transportation management program there was recognition that such an activity could not, in and of itself, be considered the total "answer" to the need for management development. Consequently, one of the objectives of that program was to stimulate interest in individual state organizations to conduct such seminars/conferences/courses. This was successful to a degree. A considerable number of states have, in fact, organized and conducted such activities--some sporadically, and some consistently over the years.

OBJECTIVES OF THE SEMINAR

Background

The subject matter of this seminar is patterned largely on that of the national management seminars which have been sponsored by AASHTO-HUFFSAM since 1956. The national seminars were undertaken at that time because AASHTO officials felt rather strongly that there was a real need for emphasizing management and administration in state highway departments. There was recognition that state highway departments, and now DOT's, were engineering-oriented agencies (and rightly so) but that they were also large business operations--and efficiency/effectiveness depended at least as much upon managerial quality as upon engineering quality.

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The Kansas DOT

While the Kansas DOT (formerly the State Highway Commission) has been a strong supporter of management training over the years, this series of management seminars is the most ambitious undertaking to date. It is anticipated that some 200 engineer/managers in the Department will attend one or the other of the eight transportation management seminars scheduled in the program. This is believed to be in keeping with:

1. The transition of what was formerly a single-mode organization into a multi-mode DOT.
2. The impelling need in state government organizations of all kinds (and in all states) to do everything possible to improve productivity, i.e., to assure the maximum output of transportation products and services by the DOT at a minimum input of resources (labor, materials, equipment, facilities, moneys) to accomplish that output--with adequate regard for quality and time.
3. The need for any large and complex organization (private or public) to organize and operate in such a manner that there is a systematic, organized, coordinated team approach to performance of the basic management functions of planning, organizing, directing, and controlling--toward accomplishment of well-defined objectives.

Productivity

Productivity is a term which has been little use in the public sector until very recently. The private sector of the U.S. economy has always been aware of it, and has sought high productivity. Many economists argue strongly that the major cause and key of the continuously increasing level of material benefits enjoyed by the people of this nation has been the increasing productivity--which has (for some 100 years) been at an average annual rate of 3-5%. This has come about, to a considerable degree, as the result of advances in technology, coupled with advances in management, technical, and social knowledge and applications.

But, since the late '30's and early '40's the size of government (the public sector) has grown at a much faster rate than has the private sector. The data in Table I show that employment in government at the Federal, state, and local levels (combined) more than doubled during the 25-year period 1950-1973. At the state and local levels it almost tripled.

TABLE I
 Government Employment--State, Federal, Local Levels
 1950-1973
 (1,000's)

Level of Government	1950	1973	% Increase
Federal ¹	2,117	2,786	32
State	1,057	3,013	185
Local	<u>3,228</u>	<u>8,339</u>	<u>158</u>
	<u>6,402</u>	<u>14,138</u>	<u>121</u>

1- Civilian Only

Source: Information Please Almanac, 1975.

During this period the rate of employment in government was twice the rate in the private sector. The same trend is projected for at least another decade. In 1950, only 1 in 10 persons in the labor force worked for government; in 1973, 1 in 6 worked for government. To put it another way, in 1950 6.4 million persons, or 6 percent, of the total population worked for government; in 1973, 14.1 million, or 10 percent, of the total population worked for government.

The data in Table I show that the greatest increase in government employment during the period 1950-1973 was at the state level--an increase of 185 percent! Local government employment increased by 158 percent.

The Kansas DOT is operating (October, 1976) with a total of 3,470 employees. This is the lowest number since 1962-63. Yet, during that 14 years the workload requirements have increased rather dramatically in several areas--particularly in planning, design, right-of-way, and in maintenance. There has been a steadily increasing demand for a higher level of traffic services by citizens, and the annual number of vehicle miles driven has continued to increase with resulting wear, tear, deterioration on the system. This is a good record--but it is incumbent upon us as professional managers to do everything we can to increase productivity.

The basic reason for any management training has to be directed, in the final analysis, to increased productivity. This is not saying "work harder", it is essentially a matter of "working smarter." It means being aware of, and applying effectively, all the management knowledge and techniques' applicable to the DOT's responsibilities and operations. The course will treat several major subject areas, all related to the DOT's operations. These are:

1. The Kansas DOT Management Environment and its Constituencies.
2. The Manager's Duties and Responsibilities.
3. The Managing For Accomplishment Concept.
4. The Human Factor in Management, and Motivation Theory.
5. The DOT's Resources Management System.
6. Setting and Accomplishing Meaningful Objectives.
7. Roles of Top Management, Middle Management, Operating Level Management in the Kansas DOT.
8. Communications.
9. Decision-Making.
10. Manpower Management.
11. Putting It All Together--The Systems Concept.

The course is designed to be a hardworking, highly participative one. Students should be prepared to devote all their time to the course for one full week, including evening reading and committee assignments.

MANAGEMENT TRAINING

After some five (5) to seven (7) months of working at the process of developing a management training course, a series of six (6) one-week sessions were scheduled to run the summer months of 1977.

Faculty members of the School of Business and Economics, Kansas University, carried the burden of training leadership. The faculty group spent considerable time with the KDOT becoming familiar with KDOT operations and terminology.

The course was designed to be a hard-working one and highly participatory in nature. Each participant was to divorce him/herself from regular work responsibilities during the week-long session and concentrate fully in all course activities. The course was designed to help in "putting it altogether" in a highly complex and important state agency.

This "putting it together" involved applying effectively all the management knowledge and techniques applicable to the KDOT's responsibilities and operations. (See Course Overview)

The following policies applied to each of the sessions:

1. An orientation session was held each Sunday afternoon to begin the course.
2. A kick-off dinner was held with each Sunday orientation to explain various managing problems that illustrated the need for the sessions.
3. Sessions started at 8 am each day and generally ran past 5 pm.
4. The latest teaching techniques were employed by the faculty.
5. Rating sheets covering the teaching faculty and the course content were completed on each session.
6. Continuing education credits were earned by each participant who successfully completed the course.
7. An awards banquet and closing ceremony was held on each closing Friday session.
 - A. All sessions were conducted in Topeka, at the Conference Room in the First District Headquarters building on the following dates:

June 12-17
June 26-July 1
July 10-15
July 24-29
August 7-12
August 21-26

The manpower compliment in attendance at the Management Training sessions breaks down as follows:

Total Participants - 175

KDOT Personnel - 167

Federal Highway Personnel - 6

Consultants - 2

KDOT Field Personnel - 80

KDOT Headquarters Personnel - 87

KDOT Personnel Breakdown by Classification

Civil Engineers	122
Administrative Off.	4
Accountants	4
Data Analysts	4
Personnel Officers	3
Attorneys	3
Management Analysts	3
Engineering Technicians	3
Geologists	3
Right of Way Agents	2
Safety	2
Chemists	1
Public Relations	1
Auditor	1
Contract Compliance	1
Landscape Architect	1
Other	5
Division Directors	6

The overall ratings given to the training sessions break down as follows:

Outstanding	33	(20%)
Very Good	97	(59%)
Good	27	(16%)
Fair	7	(4%)
Poor	2	(1%)

Training Costs \$31,420 ÷ 175 participants = \$179.54 per participant

The ratings reflect that our personnel in attendance at the sessions go back to their individual jobs with a feeling that something good has happened to them. Translating those feelings into identifiable benefits to the KDOT and the State of Kansas is not that easy of a task. However, it is felt that the management training has provided at least the following benefits:

1. Improved communications vertically and horizontally throughout the KDOT.
2. Improved understanding of KDOT program objectives and goals.
3. Improved understanding of the roles of the various levels of management.
4. Improved management practices in the daily business of managing the KDOT.
5. Improved understanding of the budgetary process and zero-based budgeting.
6. Improved understanding of the new Resource Management System.
7. Ideas for additional training sessions.

KDOT MANAGING
FOR ACCOMPLISHMENT SEMINAR
OVERVIEW

Sunday		Monday	Tuesday	Wednesday	Thursday	Friday
	8:00	KDOT's Environment	Managerial Leadership	Managerial Communication	Labor Relations	MFA
		Break	Break	Break	Break	Break
	11:45	KDOT Managerial Job	Application of Leadership "Dept. Manager"	Communication "Dept. Manager"	Labor Relations	MFA
	11:45 1:15	Lunch	Lunch	Lunch	Lunch	Lunch
	1:15	Behavioral science model "In the middle"	Management Information system (MIS)	MIS	Performance appraisal systems	MFA
		Break	Break	Break	Break	Break
4:00 p.m. Orientation	4:45	Behavioral science model	MIS	MIS	Basics of MFA	Putting it all together
		Dinner	Dinner	Dinner	Dinner	
5:00 - 7:00 PM Dinner						6:00 PM Reception Dinner Graduation

ALPHABETICAL LISTING OF PARTICIPANTS

Adams, J. O.	Carpenter, Charles E.	Ellis, Wayne
Alexander, R. L.	Carroll, Ralph	Emerson, L. E.
Anschutz, Glenn	Caulwell, Steve	Emig, Larry W.
Appino, Bob	Chan, Van	Evans, Jerry
Arnold, Harold E.	Clark, G. N.	Everett, Phillip
Arvin, Ray	Comstock, David	Farley, G. N.
Askin, Lydia	Corrigan, Thomas	Farrell, James L.
Banzet, L. Paul	Cowdin, Larry	Findley, Jerry
Barker, Keyton	Craig, Verne	Foth, Kenneth
Baty, Montie	Crockett, E. D.	Fowler, L. W.
Biege, R. R. Jr.	Crow, Robert	Fry, M. S.
Bird, Roland	Crumpton, Carl	Fry, Rolland E.
Blair, Cleve	Culwell, Wade	Fuller, Fred
Bowman, K. L.	Cupps, E. J.	Fulton, Ernest
Bowyer, W. H.	Davis, Norman	Gamble, Dennis
Boxberger, Raymond	Dayhoff, Dale D	Gardner, Art
Bradley, James	Dean, Donald	Garner, Rod
Brees, Leslie	Dernovish, Frank	Gary, Rex E.
Brewer, James	Dobbs, Lloyd	Gianakon, Paul
Brown, Darl H.	Dockery, George	Gilbert, Harland
Brown, James	Dooley, Michael	Gilman, Phil
Brown, Jim	Drickey, Donald	Grant, R. L.
Brubaker, Jack	Dugan, Dale	Griffith, John M.
Brumley, Jerry	Dunham, Delmer F.	Grunder, Allen
Buck, Harry F.	Eddington, Richard	Gudenkauf, Ken
Burgat, V. A.	Elliot, John	Hafenstine, Connie
Bush, Jim	Ellis, M. J.	Hamilton, L. D.

Hays, Joseph	McCollom, Wayne	Scherbow, Charles
Heckathorn, Clifford	McConnell, Gene	Schultz, Sherman
Hemphill, John M.	McNeal, John	Seibel, M. G.
Henning, Richard	Meredith, Clifford L.	Seitz, R. Jordon
Hicks, Arland	Meyer, John	Shirk, Roger
Hughes, Susan	Moret, A. D.	Shuberg, Ron
Hurst, Ken	Morgenson, Carroll	Sick, Warren
Jarboe, Don	Moritz, Jerry	Sigsbee, George
Johnson, Dale	Morlan, Larry D.	Simons, Donald
Johnson, Nancy	Munson, Bill	Skinner, Al
Jones, R. R.	Neaderhiser, Ben	Slease, Bob
Jordan, William	Nunemaker, Herb	Snowden, Ronald
Keever, R. G.	Ogan, Bill	Spurrier, Leo
Kiefer, L. J.	Olson, Everett	Srna Richard
Kimbell, Dee E.	Olson, Raymond E.	Stallard, A. H.
Kinnett, Warren	Olson, Virgil	Stallard, Phillip
Koontz, Glenn	Perez, Zach	Strahan, John
Kotz, Mike	Pitt, Leroy	Strohm, Wayne
Krahn, Joe	Plumb, Gary	Tappan, Arlen
Kratochvil, Milo	Predmore, W. D.	Terry, Fred
Lackey, Mike	Preston, George	Testa, Dean
Landman, Dean	Price, Cliff	Thomas, F. L.
Lay, Bill	Priem, Gerald	Tice, Leland
Legge, W. A.	Reid, Joe	Tyler, Leonard Bill
Lewis, E. R.	Rembolt, Dennis	Vinckier, Charles H.
Luallin, Wayne	Rhoten, O. E.	Wallace, Harvey
Maddock, Ca L.	Roberts, Dean	Watts, Bill
Magge, Raymond	Roberts, M. Ted	Whitaker, Rex
Martin, Walker	Sandusky, John	White, Earl

White, W. A.

Wilcox, Ray

Wilkerson, E. E.

Winter, William

Wright, W. H.

Wojakowski, J. B.

AGREEMENT

This Agreement made and entered into this 7th day of June, 1977, by and between the Secretary of the Kansas Department of Transportation, party of the first part, hereinafter referred to as the Secretary, and the University of Kansas, Division of Continuing Education, Lawrence, Kansas, party of the second part, hereinafter referred to as the Division.

WITNESSETH:

THAT WHEREAS, the Kansas Department of Transportation has submitted to the Federal Highway Administration a request for use of Federal-Aid Highway Funds for Education and Training under the provisions of Volume 3, Chapter 1, Section 2 of the Federal-Aid Highway Program Manual.

WHEREAS, the proposed training program provides for certain work and services to be performed and materials furnished by the Division as hereinafter set forth in this contract;

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, the parties agree as follows:

I. Title of Program

"Kansas Department of Transportation Managing for Accomplishment Seminar."

II. Program Description

The University of Kansas Program will consist of six (6) presentations of the same program during six (6) separate weeks. University of Kansas School of Business Faculty will provide instruction for all six (6) segments.

III. Program Director & Staff

1. Director, Dr. Frank Pinet

2. Staff:

Larry Gordon

Dave Shulenburger

Gordon Fitch

Chuck Krider

Chris Berger

Anthony Redwood

IV. Format

Monday - Friday

8:30 a.m. - 10:00 a.m.

10:30 a.m. - 12:00 noon

1:30 p.m. - 3:00 p.m.

3:30 p.m. - 5:00 p.m.

V. Suggested Enrollment

It is suggested that each section be limited to twenty-five (25) participants and shall not exceed thirty (30).

VI. Location & Equipment

Seminars will be held in a facility provided by the Department of Transportation. Any necessary supporting equipment (i.e. projectors, screens, blackboards) will be the responsibility of the Department of Transportation as will be any materials other than the text mentioned in Item VII.

VII. Services Provided

The Division will provide instruction and one (1) text for each participant. The text will be:

Management Breakthrough
J. M. Juran

Prior to the first Seminar the Division will submit to the Secretary of Transportation a detailed agenda showing times, subject matter, name of speakers, hand out material to be used and reading assignments to be made.

VIII. Dates

The dates for the Seminars shall be as follows:

1. June 12 - June 17
2. June 26 - July 1
3. July 10 - July 15
4. July 24 - July 29
5. August 7 - August 12
6. August 21 - August 26

By mutual agreement the Secretary and the Division may adjust the schedule as necessary.

IX. Recognition

Two continuing education units of credit will be awarded each participant and records maintained by the University of Kansas School of Business.

X. Cost

The total cost of preparation, travel, presentation of the six (6) program units, and the student texts will be a lump sum of \$31,420.00, as supported by detailed cost statement in Attachment 1.

XI. Payment

At the completion of each of the first five (5) Seminar Sessions the Division will present the Secretary with an appropriate billing in the amount of \$5,236.00. At the completion of the sixth Session a billing in the amount of \$5,240.00 will be made.

XII. Compliance with Laws

The Division agrees to comply with all Federal, State and local laws, ordinances, and regulations applicable to the prosecution of the work covered by this Agreement, including Title 49, Code of Federal Regulations, Part 21, Department of Transportation, incorporated herein by reference as Attachment 2.

XIII. Inspection of Work

The Secretary and the Federal Highway Administration shall be accorded proper facilities for review and inspection of the work hereunder and shall at all reasonable times have access to the premises,

to all books, records, correspondence, instructions, receipts, vouchers, memoranda of every description pertaining to the work hereunder.

XIV. Retention of Records

The Division and any approved subcontractor shall be required to maintain accounting records and other evidence pertaining to the costs incurred and to make the records available at its office at all reasonable times during the contract period and for three (3) years from the date of final payment under this contract. Such accounting records and other evidence pertaining to the costs incurred will be made available for inspection by the Secretary, the Federal Highway Administration, or any authorized representative of the Federal Government and copies thereof shall be furnished if requested.

XV. Immunity Clause

As required by K.S.A. 46-901 (c), notice is hereby given to all parties to this contract and to others who may be interested therein that, as provided in K.S.A. 46-901 (a), the State of Kansas, its boards, commissions, departments, agencies, bureaus and institutions, and all committees, assemblies and groups authorized by constitution or statute to act on behalf of or for the State of Kansas, are immune from liability and suit on an implied contract, or for negligence or any other tort. No provision of this contract shall constitute a waiver of such immunity.

XVI. Independent Contractor

Nothing in this Agreement shall be considered to create the relationship of employer and employee between the parties hereto. The Division shall be deemed at all times to be an independent contractor.

It is further agreed that this Agreement and all contracts entered into under the provisions of this Agreement shall be binding upon the parties hereto and their successors and assignees.

XVII. Certification of Contractor

The Division warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the consultant, to solicit or secure this contract and that it has not paid or agreed to pay any company or person other than a bona fide employee working solely for the consultant, any fee, commission, percentage, brokerage fee, gifts, or any other consideration contingent upon or resulting from the award or making of this contract as so certified in Attachment 3 which is by reference incorporated into this Agreement. For breach of violation of this warranty, the Secretary shall have the right to annul this contract without liability or, in his discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

XVIII. The Division agrees to abide by the U. S. Department of Transportation, Federal Highway Administration, FHPM 6-1-2-2, FHPM 1-7-2,

and FPR Rev. July 1, 1975, hereby made a part of this Agreement by reference.

XIX. General Provisions

- A. Sub-Contracts: The Division is authorized by the Secretary, pursuant with the rules and regulations promulgated by the University of Kansas, Department of Administration of the State of Kansas and FHWA to enter into sub-contracts for payment of partial service under this contract. Copies of all sub-contracts are to be submitted to the Secretary for approval prior to execution.
- B. Equipment: All equipment purchased under this contract shall be titled in and remain the property of the Secretary.
- C. Revision of Contract: This contract may be revised by mutual written consent of both parties and FHWA.

XX. Contractual Provisions Attachment

The provisions found in Contractual Provisions Attachment (form DA-146a), which is attached hereto and executed by the parties to this Agreement, are hereby incorporated in this contract and made a part hereof. Attachment 4.

IN WITNESS WHEREOF, the parties hereto affixed their signatures
on the day and year first above written.

University of Kansas

Kansas Department of Transportation

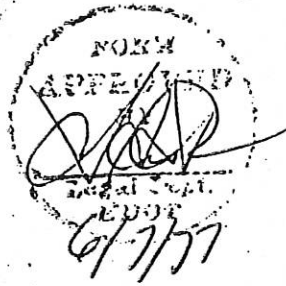
By *R. G. Wells*

By *O. D. Turner*

Ronald G. Wells
Director of Management Programs
Division of Continuing Education

O. D. Turner
Secretary of Transportation

ATTEST: *Barbara J. McCartney*



AGREEMENT
Between
The Secretary of Transportation
and
The Department of Continuing Education, the University of Kansas
for the
Managing for Accomplishment Seminar

ITEMIZED COSTS

<u>Quantity</u>	<u>Unit</u>	<u>Item & Price in Words</u>	<u>Unit Price</u>	<u>Total Amount</u>
160	Each	Textbook, Management Breakthrough, J.M. Juran @ Fifteen & 00/100 Dollars	\$ 15.00	\$ 2,400.00
X	Lump sum	Estimated Shipping Costs @ One hundred ten & 00/100 Dollars	110.00	110.00
20	Days	Secretarial & Clerical Support @ Thirty-seven & 50/100 Dollars	37.50	750.00
60	Hours	Staff time for conduct of course for record keeping, billing, accounting, administrative, in Department of Continuing Education @ Ten & 00/100 Dollars	10.00	600.00
60	Hours	Staff time for conduct of course for preparations and administrative in School of Business @ Fifty & 00/100 Dollars	50.00	3,000.00
120	Days	Honoraria to Outside Faculty @ One hundred eighty-seven & 50/100 Dollars	187.50	22,500.00
9288	Miles	Travel Lawrence to Topeka 144 trips @ 64.5 miles per trip @ Zero & 155/1000 Dollars	0.155	1,440.00
X	Lump sum	Office Supplies @ One hundred & 00/100 Dollars	100.00	100.00

<u>Quantity</u>	<u>Unit</u>	<u>Item & Price in Words</u>	<u>Unit Price</u>	<u>Total Amount</u>
X	Lump sum	Communications @ Two hundred & 00/100 Dollars	\$200.00	\$ 200.00
160	Each	Department of Continuing Education Certification of course completed @ Two & 00/100 Dollars	2.00	320.00
				<hr/>
			Total	<u>\$31,420.00</u>

KANSAS DEPARTMENT OF TRANSPORTATION

Special Attachment

To Contracts or Agreements Entered Into
By the Secretary of the Kansas Department of Transportation

NOTE: Whenever this Special Attachment conflicts with provisions of the Document to which it is attached, this Special Attachment shall govern.

TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

NOTIFICATION

The Secretary of the Kansas Department of Transportation, in accordance with the provisions of Title VI and Title VII of the Civil Rights Act of 1964 (78 Stat. 252) and the Regulations of the U.S. Department of Transportation (49 C.F.R., Part 21), issued pursuant to such Act, hereby notifies all contracting parties that it will affirmatively insure that this contract will be implemented without discrimination on the grounds of race, religion, sex, age, color, or national origin, as more specifically set out in the following seven 'nondiscrimination Clauses'.

CLARIFICATION

Where the term 'consultant' appears in the following seven 'nondiscrimination Clauses', the term 'consultant' is understood to include all parties to contracts or agreements, with the Secretary of the Kansas Department of Transportation.

NONDISCRIMINATION CLAUSES

During the performance of this contract, the consultant, for itself, its assignees and successors in interest (hereinafter referred to as the consultant'), agrees as follows:

- (1) Compliance with Regulations: The consultant will comply with the Regulations of the U.S. Department of Transportation relative to nondiscrimination in federally-assisted programs of the U.S. Department of Transportation (Title 49, Code of Federal Regulations, Part 21, hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
- (2) Nondiscrimination: The consultant, with regard to the work performed by it after award and prior to the completion of the contract work, will not discriminate on the grounds of race, religion, sex, age, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The consultant will not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- (3) Solicitations for Subcontractors, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the consultant for work to be performed under a subcontract, including procurements of materials or equipment, each potential subcontractor or supplier shall be notified by the consultant of the consultant's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, religion, sex, age, color or national origin.
- (4) Information and Reports: The consultant will provide all information and reports required by the Regulations, or orders and instructions issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Secretary of the Kansas Department of Transportation to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a consultant is in the exclusive possession of another who fails or refuses to furnish this information, the consultant shall so certify to the Secretary of the Kansas Department of Transportation and shall set forth what efforts it has made to obtain the information.
- (5) Employment: The consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin.
- (6) Sanctions for Noncompliance: In the event of the consultant's non-compliance with the nondiscrimination provisions of this

contract, the Secretary of the Kansas Department of Transportation shall impose such contract sanctions as he may determine to be appropriate, including, but not limited to,

- a. withholding of payments to the consultant under the contract until the contractor complies, and/or
 - b. cancellation, termination or suspension of the contract, in whole or in part
- (7) Incorporation of Provisions: The consultant will include the provisions of paragraph (1) through (7) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, order, or instructions issued pursuant thereto. The consultant will take such action with respect to any subcontract or procurement as the Secretary of the Kansas Department of Transportation may direct as means of enforcing such provisions including sanctions for noncompliance: Provided, however, that, in the event a consultant becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the consultant may request the State to enter into such litigation to protect the interests of the State.

CERTIFICATION OF CONTRACTS

Federal-Aid Project _____
State: KANSAS

I hereby certify that I am the Director of MGT. PROGRAMS and duly authorized representative of the firm of the University of Kansas, whose address is Lawrence, KS., and that neither I nor the above firm I here represent has:

(a) employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above contractor) to solicit or secure this contract.

(b) agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out the contract, or

(c) paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above contractor) any fee, contribution, donation, or consideration of any kind for, in connection with, procuring or carrying out the contract:

except as here expressly state (if any):

I acknowledge that this certificate is to be furnished to the Kansas Department of Transportation and the Federal Highway Administration, U. S. Department of Transportation, in connection with this contract involving participation of Federal-aid highway funds, and is subject to applicable State and Federal laws both criminal and civil.

5 June 77
(Date)

R. M. Wells
(Signature)

CERTIFICATION OF KANSAS DEPARTMENT OF TRANSPORTATION

I hereby certify that I am the Secretary of the Kansas Department of Transportation, and that the above contractor or his representative has not been required, directly or indirectly as an express or implied condition in connection with obtaining or carrying out this contract to:


(a) employ or retain, or agree to employ or retain, any firm or person, or

(b) pay, or agree to pay, to any firm, person, or organization, any fee, contribution, donation, or consideration of any kind:

except as here expressly state (if any):

I acknowledge that this certificate is to be furnished the Federal Highway Administration, U. S. Department of Transportation, in connection with this contract involving participation of Federal-aid highway funds and is subject to applicable State and Federal laws, both criminal and civil.

June 7, 1977
(Date)


(Signature) Secretary of Transportation

CONTRACTUAL PROVISIONS ATTACHMENT

Instructions: This form contains mandatory contract provisions and must be attached to or incorporated in all copies of any contractual agreement. If it is attached to the vendor/contractor's standard contract form, then that form must be altered to contain the following provision:

"The provisions found in Contractual Provisions Attachment (form DA-146a), which is attached hereto and executed by the parties to this agreement, are hereby incorporated in this contract and made a part hereof."

1. It is expressly agreed that the terms of each and every provision in this attachment shall prevail and control over the terms of any other provision in any other document relating to and a part of any contract in which this attachment is incorporated.

2. AGREEMENT WITH KANSAS LAW

All contractual agreements shall be subject to the laws of the State of Kansas.

3. LIABILITY IMMUNITY

The contractor and others interested in this agreement are hereby notified and understand that any agency of the State of Kansas is immune from liability and suit on any implied contract, or for negligence, or any other tort pursuant to K.S.A. 46-901, and the parties agree that no provision herein, expressed or implied, special or otherwise, directly or indirectly shall be deemed to constitute a waiver of this immunity, notwithstanding any such provision to the contrary.

4. TERMINATION DUE TO LACK OF FUNDING APPROPRIATION

If funds are not appropriated to continue the function performed in this agreement and for the payment of the charges hereunder, State may terminate this agreement at the end of its current fiscal year. State agrees to give written notice of termination to contractor at least 30 days prior to the end of its current fiscal year, and contractor will then have the right to take possession of the equipment at the end of such fiscal year. State will pay to contractor all regular contractual payments incurred through the end of such fiscal year, plus charges incident to the return of the equipment. Upon termination of the agreement by State, title to the equipment will revert to contractor at the end of State's current fiscal year. The termination of the contract for this reason will not cause any penalty to be charged to the agency and/or the lessee.

5. INSURANCE RESPONSIBILITY AND LIABILITY

The contractor's interest in all property herein described, if any, or any personal liability to him/her arising from this agreement, to whatever extent, shall be considered to be covered by applicable insurance by the contractor to the extent required. Notwithstanding any language to the contrary, no interpretation shall be allowed to find the State of Kansas or any of its agencies responsible for loss or damage to persons or property nor to hold contractors harmless from any such occurrences.

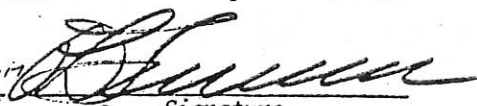
6. ANTI-DISCRIMINATION CLAUSE

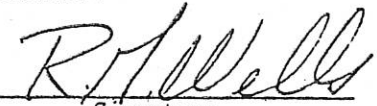
The contractor hereby agrees and covenants as a condition of the contract that he/she will comply, if required by said law, with the provisions of K.S.A. 44-1030, et seq., and that his/her failure to do so may be deemed by the Director of Purchases to be a breach of the contract and may subject the contract to be terminated in whole or in part by the Director of Purchases.

7. The vendor/contractor represents and agrees that its representative executing this contract and attachment thereto is fully authorized to agree to all provisions herein.

Agency Head/Authorized Representative:

Vendor/Contractor:

6/14/77 
Date Signature
Secretary
Title

6/5/77 
Date Signature
Director, Mkt. Progs.
Title

3. A REPORT ON PERSONNEL STAFFING PATTERNS INCLUDING VACANCIES, REASONS FOR THE VACANCIES, AND THE RESULTING IMPACT ON THE AGENCY.

The personnel staffing patterns of the KDOT are program oriented. This aspect of personnel staffing can best be illustrated in the following two ways:

1. Excerpts from the January 13, 1977 "KDOT Report to the House and Senate Committees on Transportation", illustrating KDOT personnel patterns; and,
2. Excerpts from the FY 1979 KDOT requested budget illustrating program-personnel correlation.

INTRODUCTION

OVERVIEW ON STAFFING (Legislative Report Excerpt)

SAMPLE STAFFING BUDGET

AUGUST 1, 1977 HEADCOUNT

VACANCY ANALYSIS

VACANCY CHART - AUGUST 22, 1977

CURRENT ENGINEERING STRENGTH REPORT

TOTAL VACANCY CHART - AUGUST 1, 1970 - Present

EQUIPMENT OPERATOR, ENGINEERING TECHNICIAN, CIVIL ENGINEER
VACANCIES - AUGUST 1970 - Present

I. PLANNING

The creation of the Kansas DOT in August, 1975, increased the scope of state transportation planning. This agency became responsible for planning to encompass all modes of transportation. These modes are:

- Highways
- Railroads
- Aviation
- Waterways
- Utilityways
- Mass transit (a function)

At the present time highways are by far the major mode of transportation. However, the situation outlined in Part One points to the fact that civil aviation, railroads, and waterways modes may well emerge as increasingly important modes in the future.

PROGRAM STRUCTURE (Figure 15)

The Kansas DOT is firmly committed to a program management system in which DOT-wide transportation system accomplishment objectives are related to specific programs.....each program designed to accomplish identified goals and objectives.

+ Figure 15 shows the KDOT program structure.

- Each program has its own funding limitations, regulations.
- While there is some flexibility to shift resources among programs it is limited.....particularly among federal-aid programs.

II. BELT TIGHTENING

At the time that symptoms of serious transportation problems began to emerge...in the late 1960's and early 1970's...Kansas' state transportation agency began a "belt tightening" process designed to make available resources stretch as far as possible to meet needs.

MANPOWER

All state DOT's are labor intensive organizations, i.e., a high percentage of total expenditures are manpower. Thus, it is logical for any increases in productivity to start with manpower adjustments.

Personnel Reductions (Figure 21)

On January 1, 1977, the KDOT employed 3506 persons in total. The agency's records show that this is the least number employed since fiscal years 1962 and 1963. The workload in this agency has increased rather significantly in many areas during the past 15 years...in actual project workload, work necessary to comply with an increasing number of federal and state laws related to environmental impact studies, noise standards, multiple public hearings, E.E. O. compliance, planning studies, cost estimates, and so on.

+ Figure 21 shows the total number of employees in KDOT as of September 1 each year since 1967 and as of January 1, 1977.

- 3506 employed January 1, 1977, is the least total in the data shown.
- An overall reduction of 407 employees since September 1, 1972...a 11% reduction.

Personnel Employed in Construction (Figure 22)

- + Figure 22 shows the reductions in construction field personnel since 1970.
 - A 25 percent reduction from 1970 to the low point in 1976.
 - Slight increase in 1976 to meet expanded workload.

Personnel Reduction in Maintenance (Figure 23)

- + Figure 23 shows the number of employees in the Maintenance Department...1970 to present.
 - A reduction of 72 persons to January 1, 1977, from the 1975 high of 1931...a reduction of almost 4 percent despite the fact the actual physical workload has continuously increased.

Personnel Reductions in Administration (Figure 24)

- + Figure 24 shows the number of employees in Administration from 1970 to present:
 - A reduction of 52 persons since the high of 340 in 1973... a 15.3 percent reduction.

Personnel Reduction in Planning and Research (Figure 25)

- + Figure 25 shows the number of employees in Planning and Research from 1970 to present:
 - A reduction of 10 persons from the high of 114 in 1972... an 8.7 percent reduction.
 - Planning workload has increased with changed approach to high-

way planning and responsibility for rail planning, aviation planning, and planning for other modes, and increased number of federal regulations.

Reduction in Field Construction Offices (Figure 26)

+ Figure 26 shows the reduction in the number of field construction offices since 1965:

- 20 field offices closed; a reduction of 34 percent.
- Reduces number of resident engineers and technicians.

Reorganization of Maintenance (Figure 27)

Since 1967 the Maintenance Division has been in the process of reorganizing to the requirements of an advanced concept of maintaining in a systematic manner (the Maintenance Management System). This has resulted in the closing of approximately 400 maintenance "satellite" units in such a manner that all operations are directed from a county headquarters.

+ Figure 27 shows the estimated economic value of each satellite unit in 1976 dollars:

- It is estimated that the closing of some 400 satellite stations has resulted in a savings of approximately \$2 million per year which has been directed to reduction of the backlog of maintenance work.
- Implementation of the maintenance management system has resulted in reduction of the proportion of labor costs from

approximately 55% in 1967 to 43% in 1977. The nationwide average is approximately 55% in 1977.

Increase in Maintenance Expenditures Below National Average (Figure 28-29)

- + Figure 28 shows the national average increase in maintenance expenditures for all state transportation agencies from 1960 to 1976 and the increase in Kansas' expenditures.
 - Kansas' expenditures have, and are projected, to increase at a slower rate than the national average.
- + Figure 29 shows the Kansas DOT annual maintenance budget expressed in constant (1967) dollars:
 - The annual increase of \$120,000 in constant dollars has been accomplished despite a steady increase in actual physical workload.
 - The key factor in these significant reductions in maintenance has been development and implementation of a Maintenance Management System which emphasizes preventive maintenance.
- + Figure 30 is a model of the Maintenance Management System in DOT:
 - Emphasizes measured workload, long-range
 - Planning and program development.

KANSAS DOT PROGRAM STRUCTURE

Maintenance Programs

Routine Maintenance Program
 Contract Maintenance Program

Highway Programs

Interstate System Program
 State Freeway System Program
 Priority Primary System Program
 Rural Primary System Program
 Rural Secondary System Program (State System)
 Rural Secondary System Program (County System)
 Urban Extension Program
 Federal-aid Urban System Program
 Three-R Program (State System)
 Three-R Program (Freeway System)
 State Park Roads

Highway Safety Programs

Bridge Replacement Program (State System)
 Bridge Replacement Program (County System)
 Safer Off-System Roads Program
 Rail-Highway Crossings Program (Federal-aid System)
 Rail-Highway Crossings Program (off Federal-aid System)
 High Hazard Locations Program
 Safer Roads Demonstration Program
 Elimination of Roadside Obstacles Program
 Pavement Marking Demonstration Program
 Railway Crossing Protection Program (KSA 66-231a)
 State Funded Safety Program (Maintenance)

Planning Programs

Highway Planning and Research Program
 Metropolitan Planning Program
 Economic Growth Center Research Program
 Urban Mass Transit Technical Studies
 Federal Railroad Administration Program (State Rail Plan)
 Federal Railroad (Sec. 5) Program
 Federal Aviation Administration Program
 Waterway Planning and Development Program
 Capital Assistance to non-Metropolitan Areas Program
 Capital and Operations Assistance-UMTA
 Capital Assistance to Private non-Profit UMTA (Sec.16(b)2)
 Rural Public Transportation Demonstration Program

Highway Beautification Programs

Control of Junkyards Program
 Control of Outdoor Advertising Program
 Highway Beautification Program

KANSAS DEPARTMENT OF TRANSPORTATION
ACTUAL NUMBER OF EMPLOYEES
SEPT. 1 EACH YEAR
JAN. 1, 1977

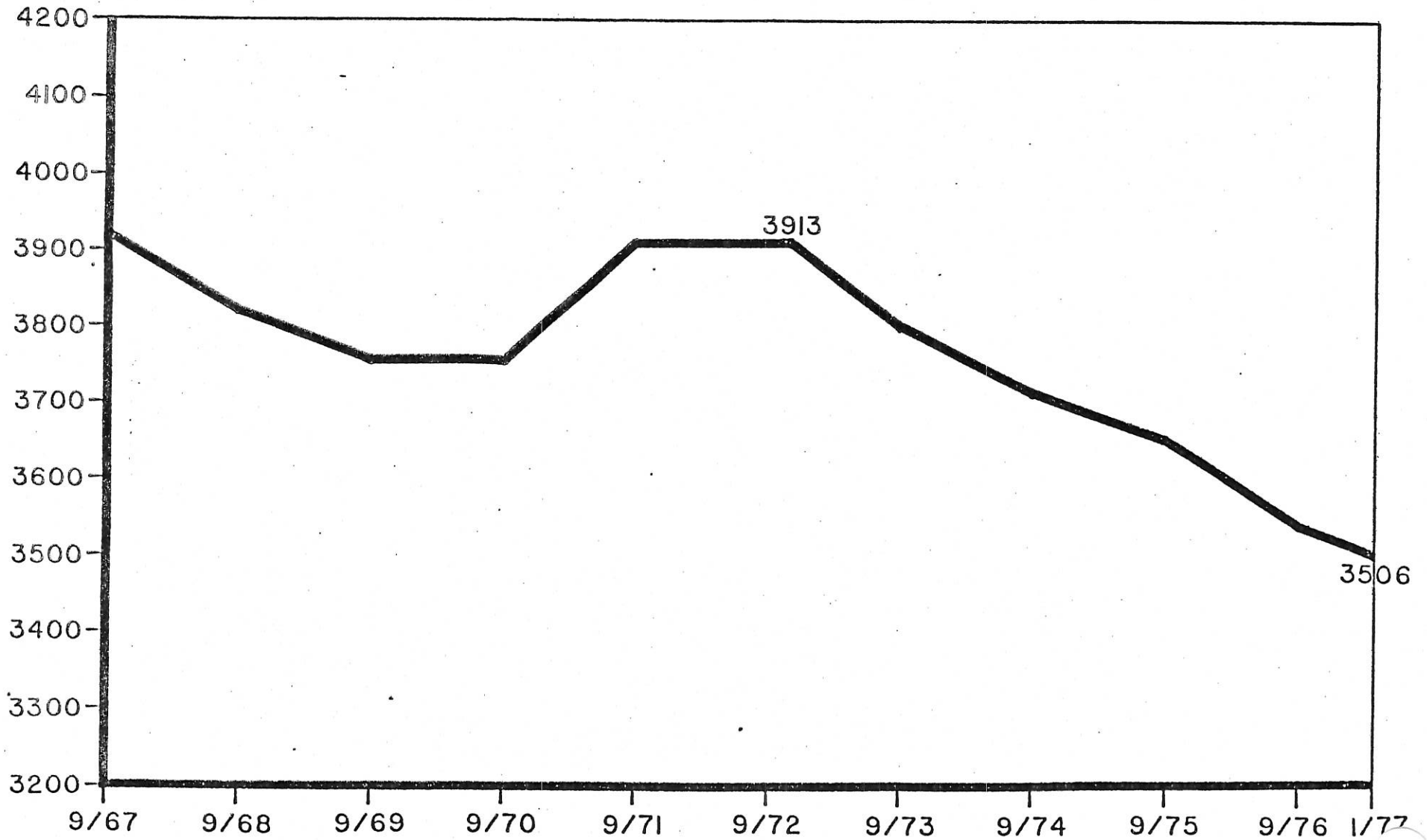
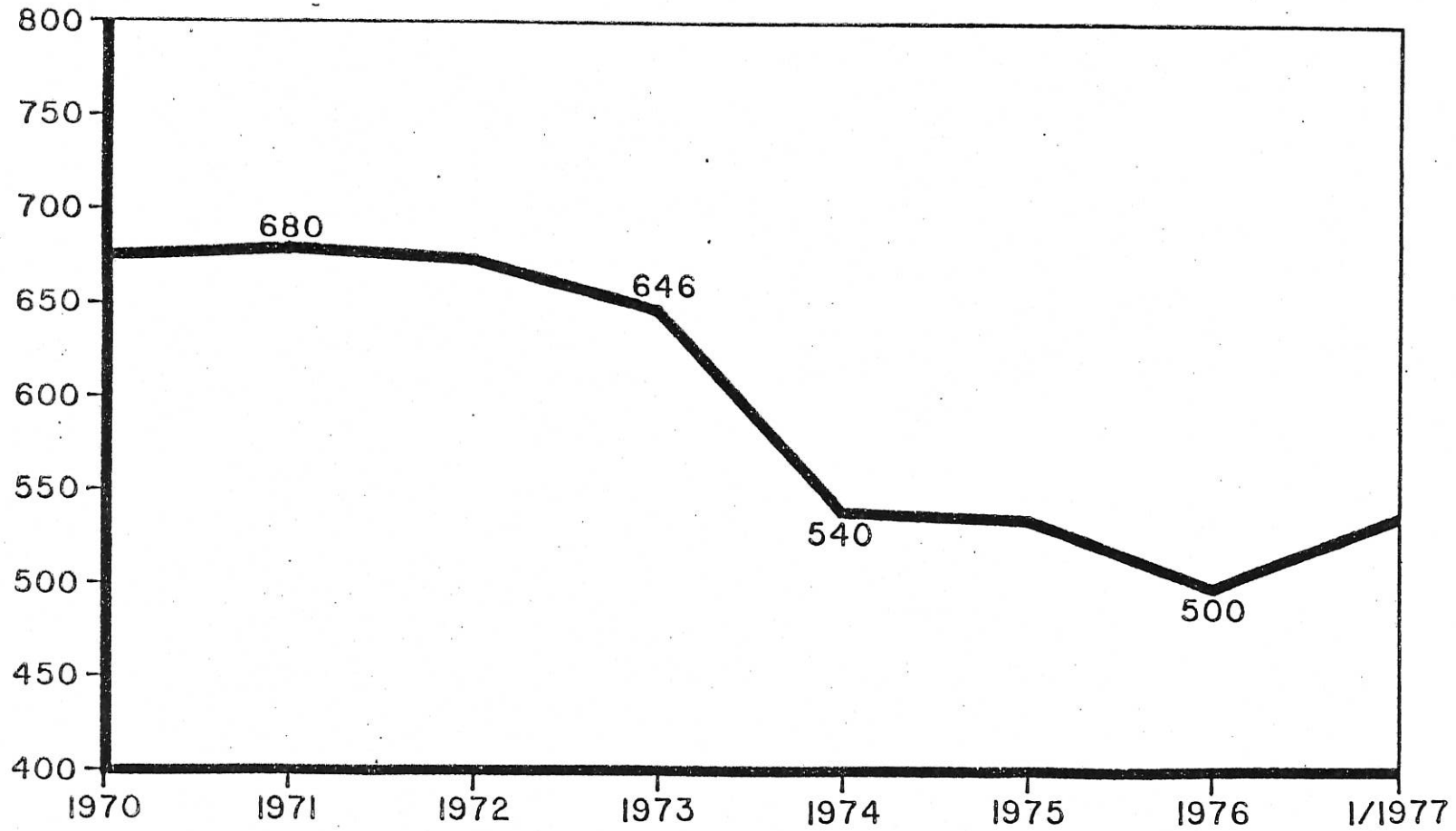


Figure 21

KANSAS DEPARTMENT OF TRANSPORTATION
NUMBER OF CONSTRUCTION INSPECTORS EMPLOYED
1970 - PRESENT



KANSAS DEPARTMENT OF TRANSPORTATION
ACTUAL NUMBER OF EMPLOYEES
SEPT. 1 EACH YEAR
JAN. 1, 1977

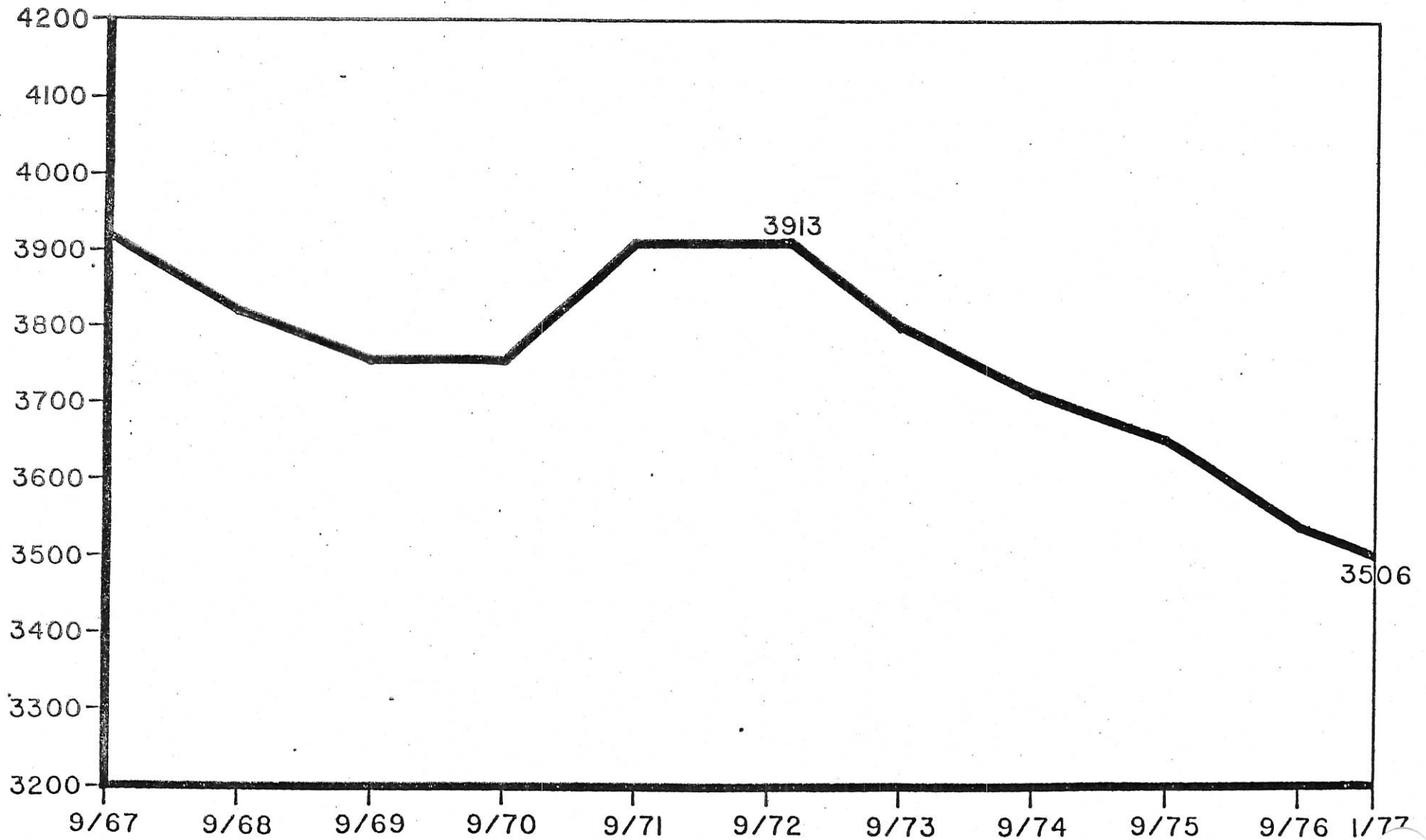
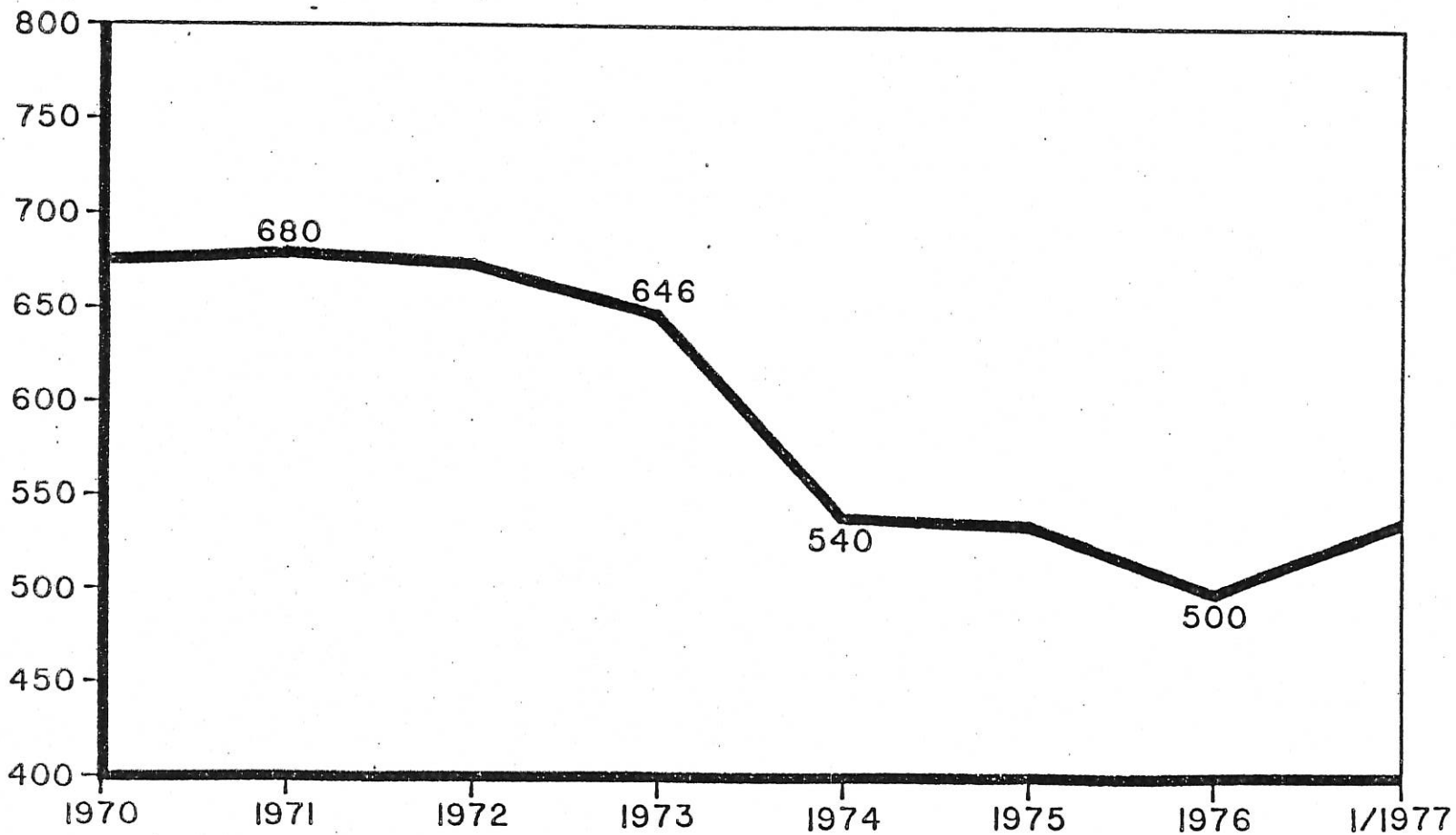


Figure 21

KANSAS DEPARTMENT OF TRANSPORTATION
NUMBER OF CONSTRUCTION INSPECTORS EMPLOYED
1970 - PRESENT



KANSAS DEPARTMENT OF TRANSPORTATION
NUMBER OF EMPLOYEES -- PLANNING
1970 - PRESENT

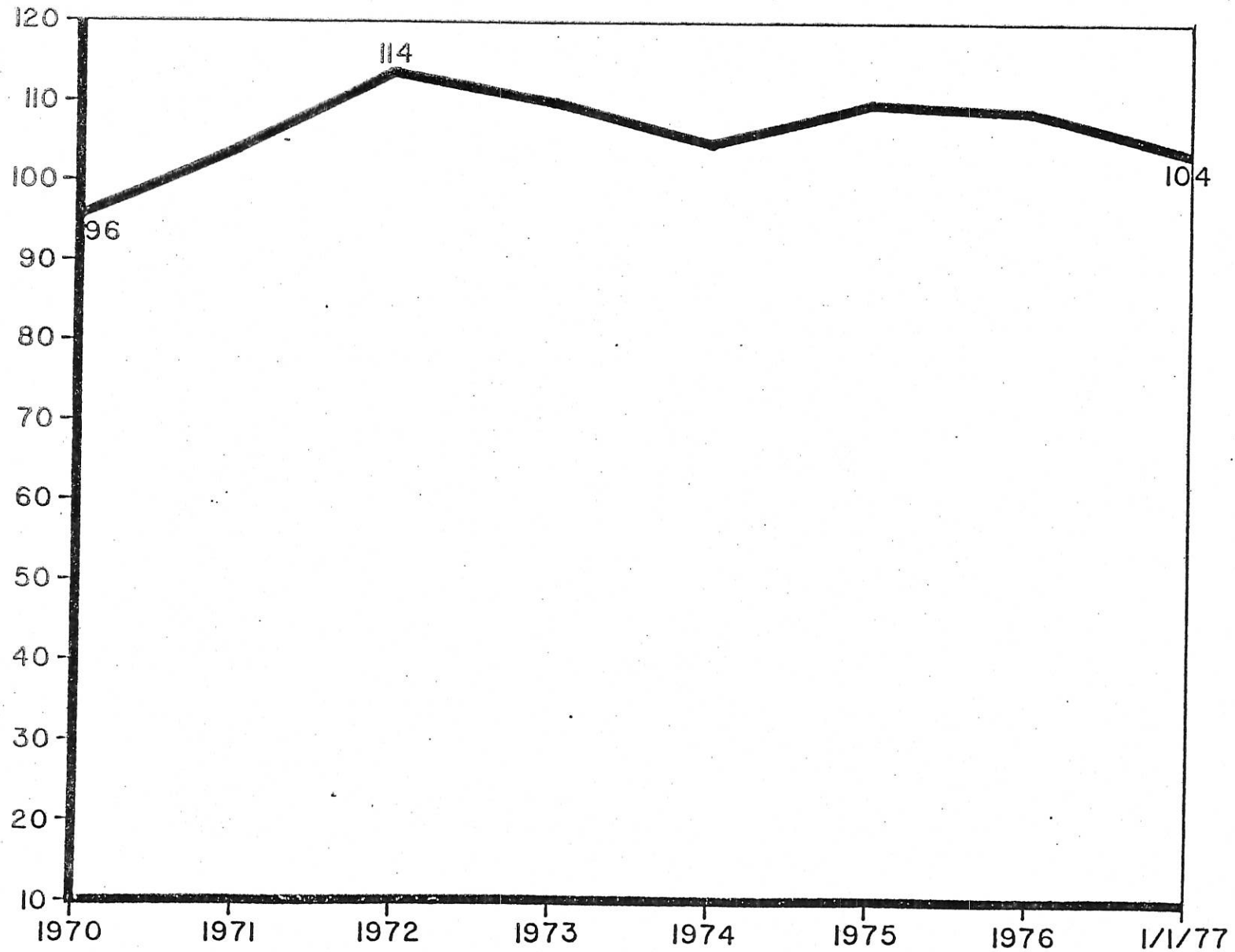


Figure 25

KANSAS DEPARTMENT OF TRANSPORTATION
NUMBER OF CONSTRUCTION FIELD OFFICES
1965 - PRESENT

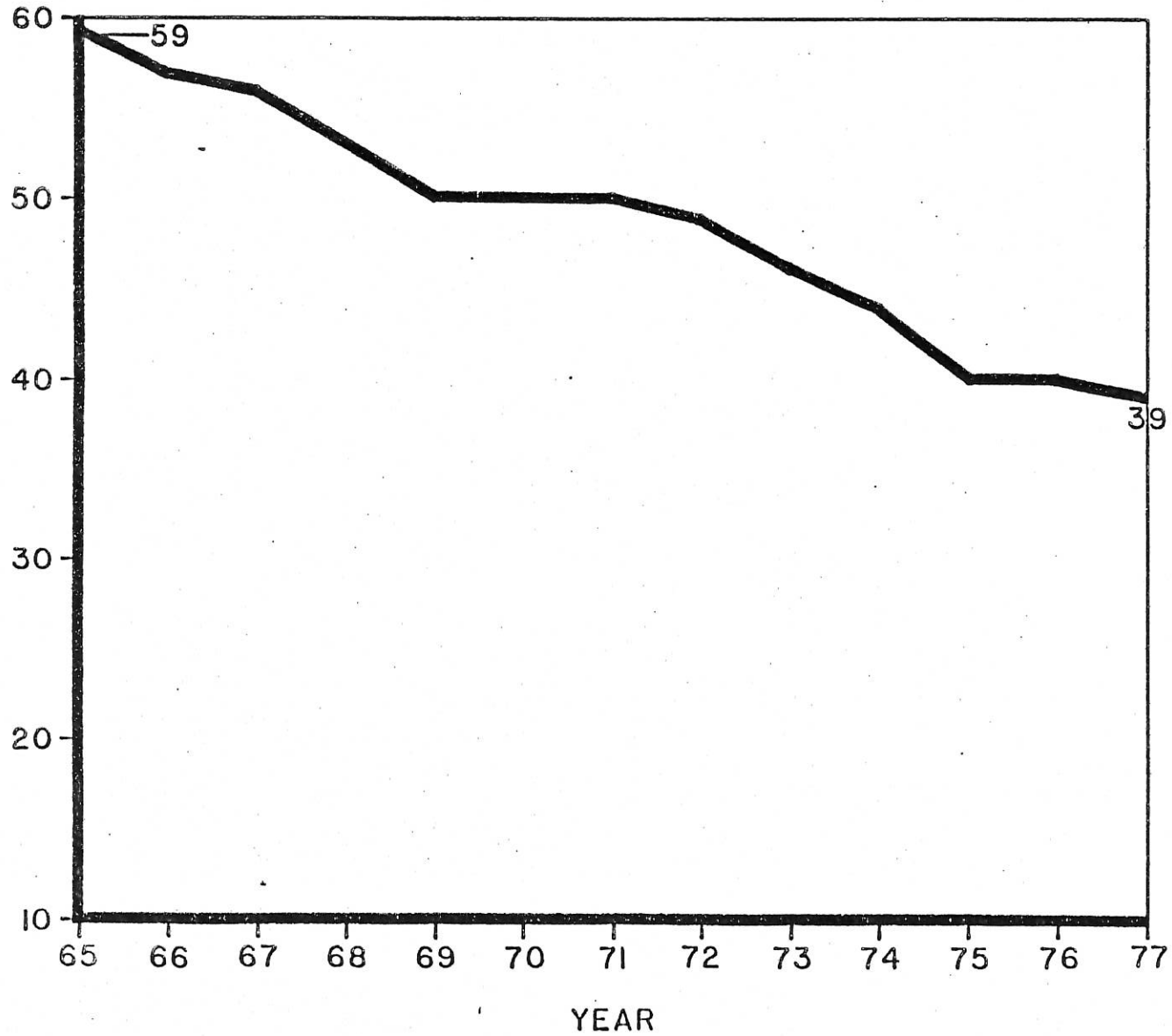


Figure 26

KANSAS DEPARTMENT OF TRANSPORTATION
NUMBER OF EMPLOYEES -- PLANNING
1970 - PRESENT

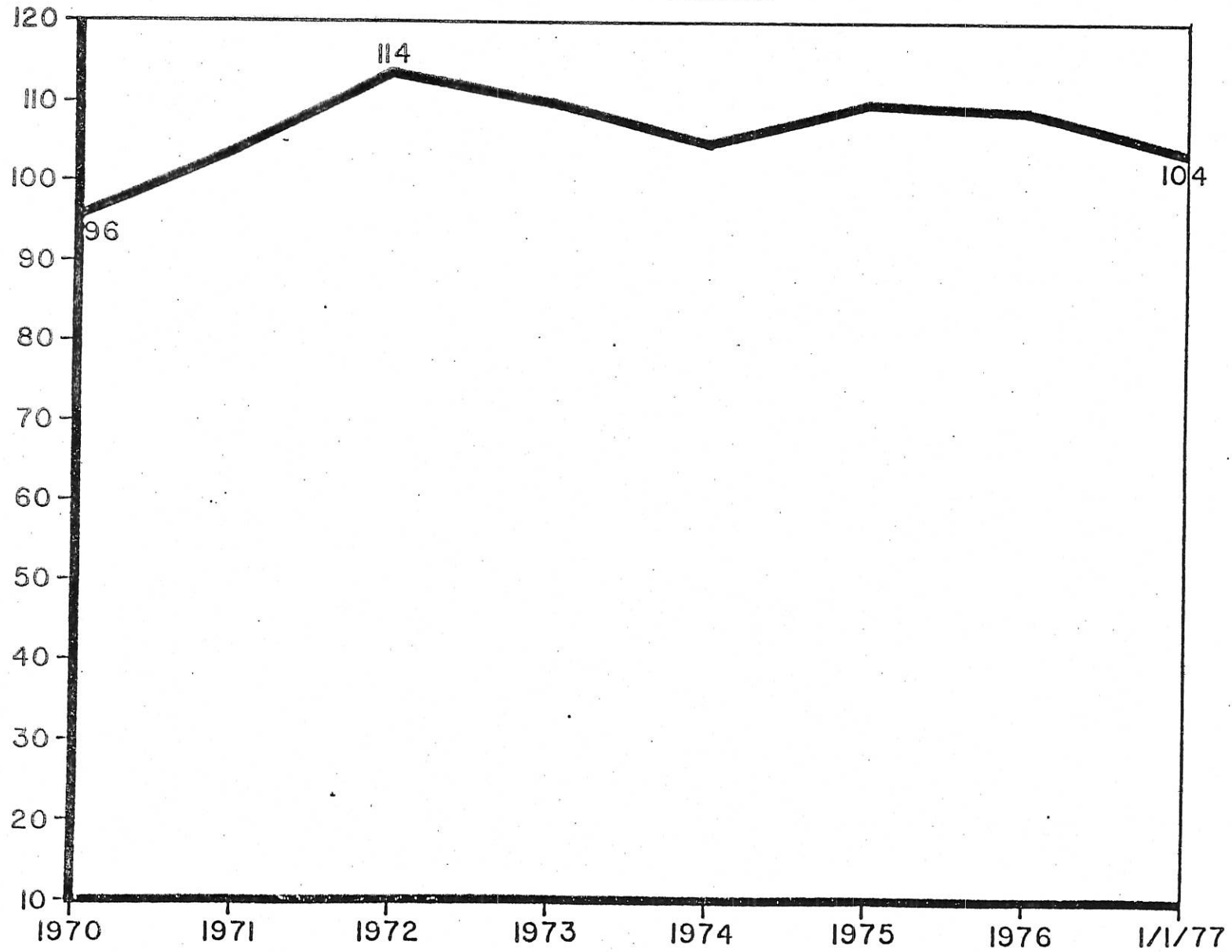


Figure 25

KANSAS DEPARTMENT OF TRANSPORTATION
NUMBER OF CONSTRUCTION FIELD OFFICES
1965 - PRESENT

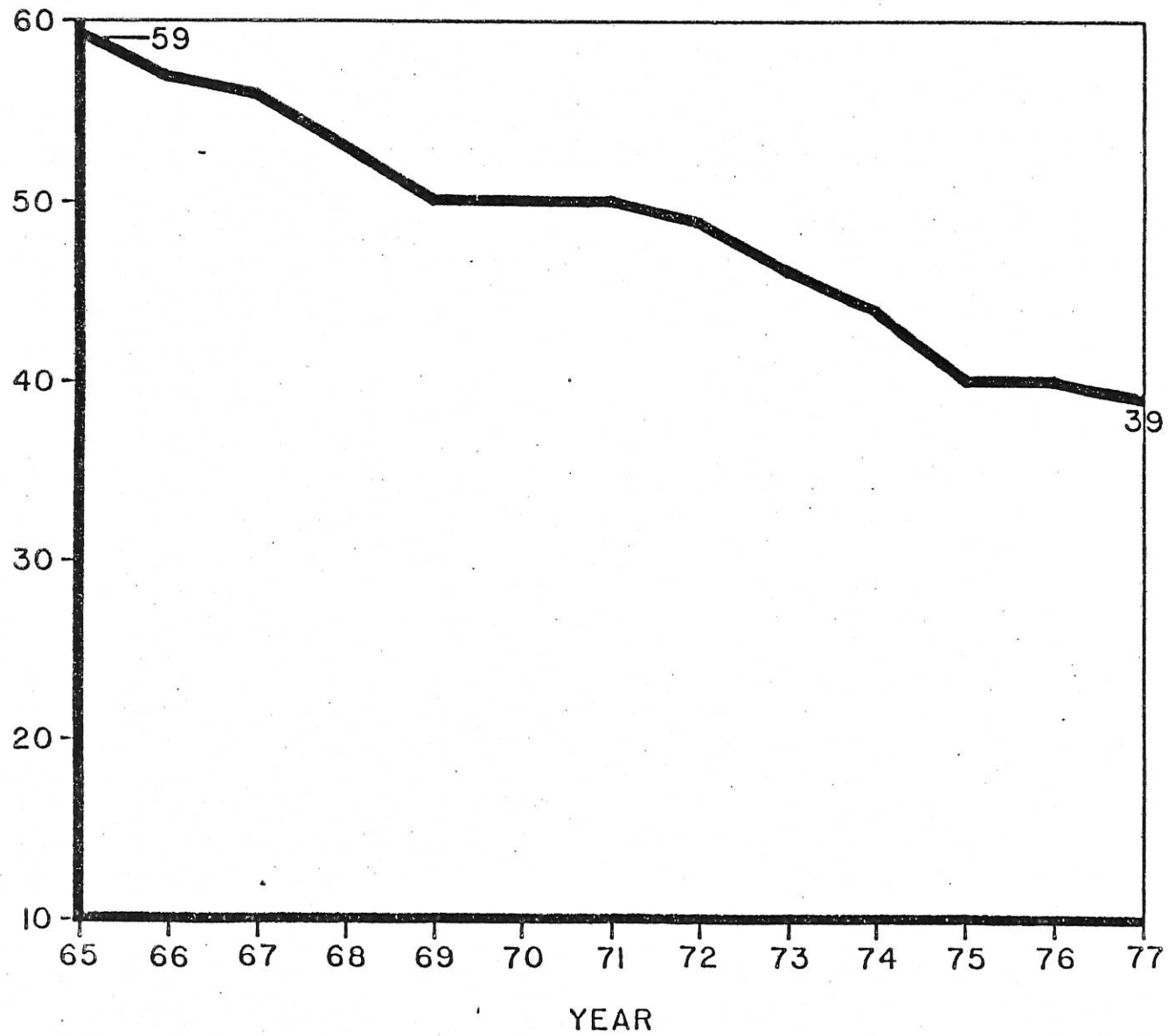


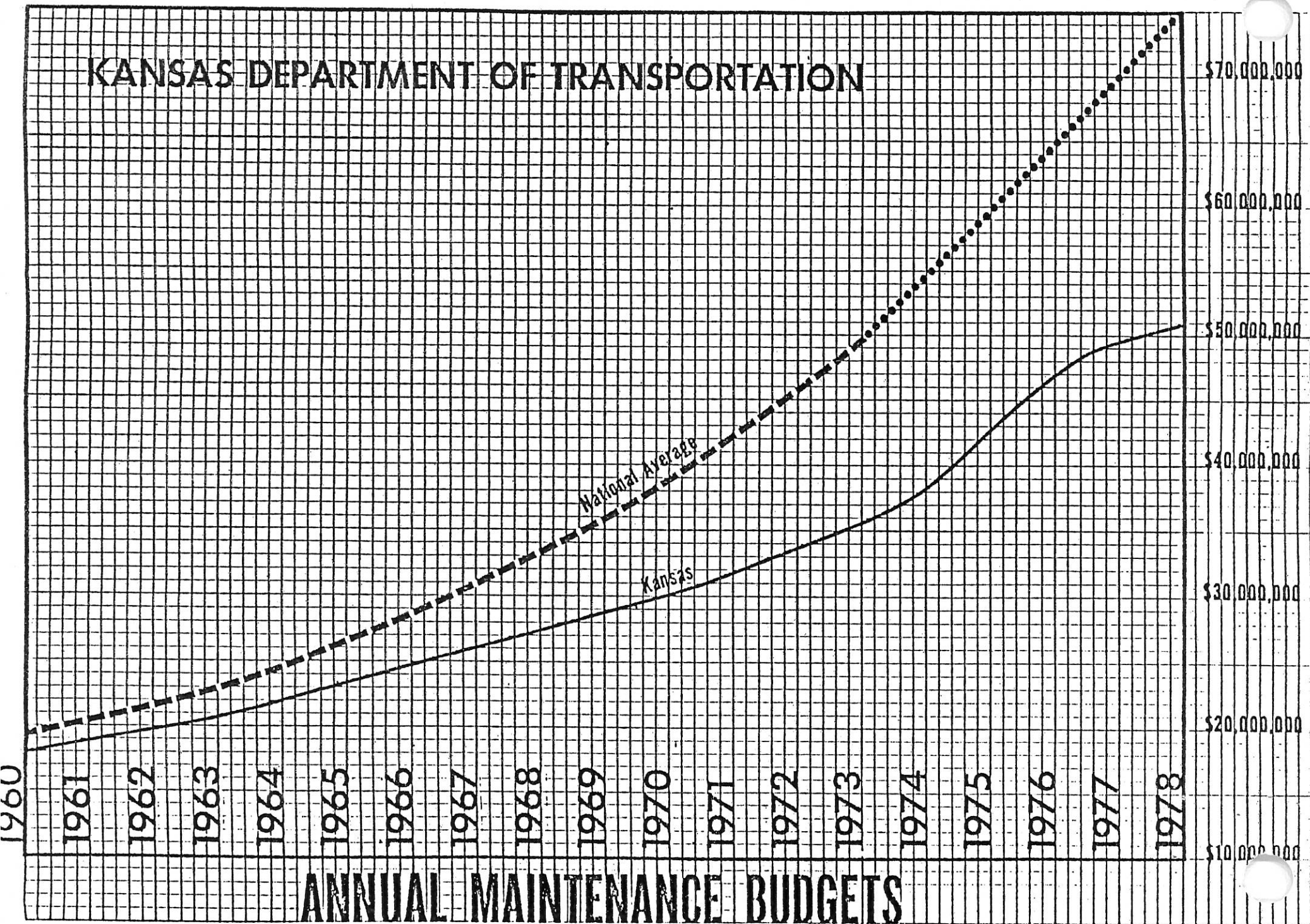
Figure 26

The Kansas Department of Transportation

ECONOMIC VALUE--SATELLITES

1. THE MAJOR ELEMENTS OF COSTS ASSOCIATED WITH SATELLITE UNITS ARE:
- + Additional truck mileage caused by commuting.
 - + Non-productive labor hours caused by commuting.
 - + Additional equipment (front end loader, etc.).
 - + Additional building maintenance, utilities, etc.
2. COMMUTING--REQUIRED (ON THE AVERAGE) AT LEAST 75% OF THE WORKING DAYS PER YEAR.
- 52 weeks per year.
 - 5 days per week
 - 20 miles.
 - 2 trips per day.
 - .165¢ per truck mile.
- \$1287.00 p/yr.
3. NON-PRODUCTIVE HOURS BY COMMUTING
- 75 %.
 - 52 weeks.
 - 5 days per/week.
 - 1 hour per day.
 - 2 operators.
 - Av. labor cost per hour
- 1556.10 p/yr.
4. FRONT END LOADER
- Annual Depr. 1000.00
5. BUILDING MAINT./UTILITIES
- 1000.00
\$4843.10

KANSAS DEPARTMENT OF TRANSPORTATION



ANNUAL MAINTENANCE BUDGETS

Figure 28

KANSAS DEPARTMENT OF TRANSPORTATION

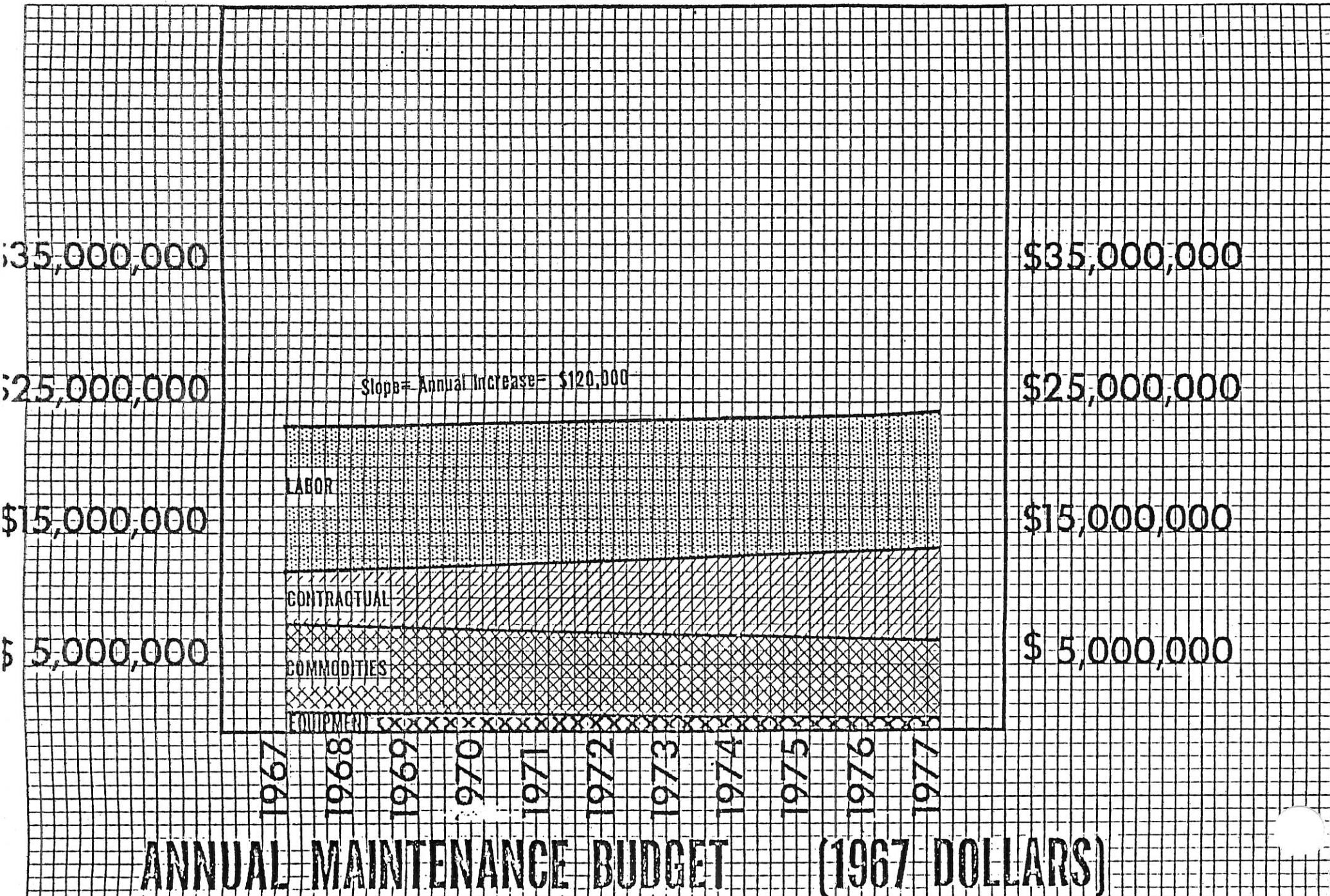


Figure 30

KANSAS DEPARTMENT OF TRANSPORTATION MAINTENANCE PROGRAM MANAGEMENT SYSTEM

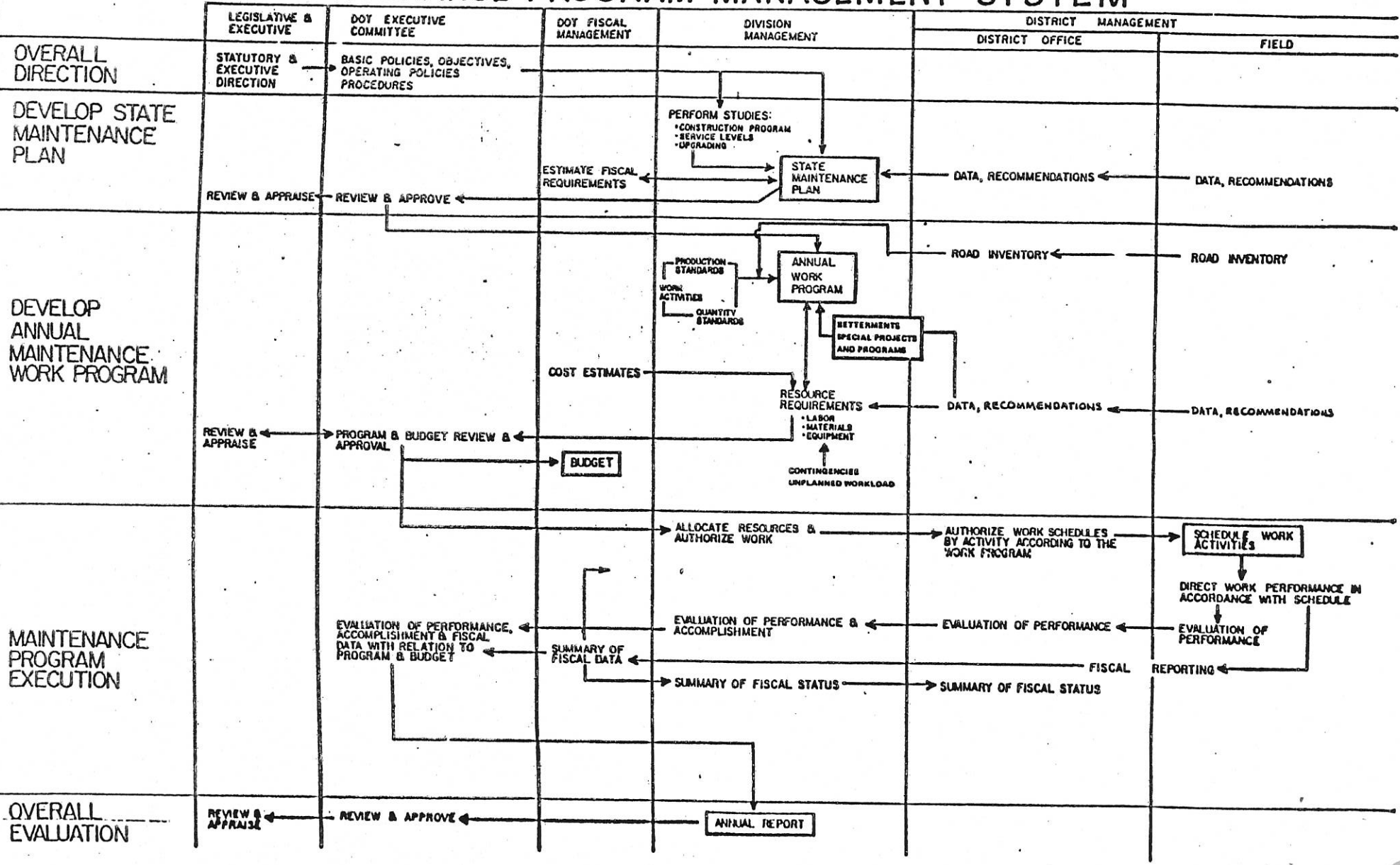


Figure 30

Department/District Design100 - SALARIES AND WAGES

The Design Department prepares its budget under Activity Nos. 08 and 70. We have reviewed our activity and find that its basic mission has not changed. The Department has, as its basic function, the production of complete and high quality plans for the construction of the authorized projects found on the annual program of the Kansas Department of Transportation. The Department is also expected to provide many service functions for others which have historically required a considerable number of manhours. We find no reduction in the annual program nor can we anticipate a reduction in the services provided.

We have, in fact, noted an increase in the efforts required to program projects with the Federal Highway Administration, have experienced an increased effort to obtain consulting contracts, have found that more time is being spent reviewing hydraulic problems, preparing 404 permits and clearances, and justifying design approaches.

Justification of budget requests for personnel are based upon the published Program. The Design Department is responsible for the plans necessary to construct the projects in the Program with production of those plans being performed by staff and through the use of consultant contracts.

BUDGET
 EAR 1979
 F EXPENDITURE ESTIMATES

348

Activity No. 70 Activity Name Capital Improvements (Design)

The following data is from the official Department of Transportation highway program for 1978 through 1982.

Fiscal Year	Interstate (1,000)	Freeway (\$1,000)	Non-Freeway 3R (\$1,000)	FAP (\$1,000)	State FAS and other (\$1,000)	Total (\$1,000)
1978	\$ 59,253	\$ 41,186	\$ 9,665	\$ 33,483	\$ 2,865	\$ 146,452
1979	50,825	89,680	14,950	40,280	2,095	197,830
1980	52,344	37,415	12,000	45,035	3,040	149,834
1981	60,720	26,405	12,000	42,460	2,740	144,325
1982	58,091	4,255	12,000	29,720	3,145	107,211
Total	\$281,233	\$198,941	\$ 60,615	\$190,978	\$ 13,885	\$ 745,652

Average per year = \$149,130,400

The above figures represent the dollar amount of projects currently programmed for construction in each category. Additionally the following programs are anticipated:

Railroads (\$1,000)	High Hazard and Road Obstacles (\$1,000)	Interstate Resurfacing (\$1,000)
On System 2,170		
Off System 1,300		
KCC 300		
<u>\$3,700</u> per year	<u>\$ 2,250</u> per year	<u>\$ 2,925</u> per year

Department/District Design

cont'd.

Historically and over considerable periods of time, plan load expressed in dollars divides into the following broad categories:

Bridges = 20%
Grading = 35%
Surfacing = 45%

Recognizing the greater emphasis on resurfacing and replacement structures, the cited percentages are modified for this budget to:

Bridges = 25%
Grading = 30%
Surfacing = 45%

The money required to staff the Department for the anticipated projected program needs is based upon the following premises:

1. The Department will provide for all service functions and a one-half portion of plan preparation.
2. The use of consultants is anticipated for approximately one-half of the plan production required.
3. Staff will be based upon in-house plan production for all Surfacing Projects, Park Road Projects, Bridge Maintenance Projects, and for Railroad and High Hazard Projects.

Activity No. 70 Activity Name Capital Improvements (Design)

Bridge Section

From previous surveys, Bridge Section time breaks into the following broad items:

Production of plans	-	60%
Earned Leave	-	8%
Service to other Depts.	-	20%
Research	-	5%
Housekeeping & Misc.	-	7%

The program for plans in the Section then computes:

Fifty percent of Program for Bridges	=	\$16,600,720
Plus Maintenance Program of		1,500,000
	=	\$18,100,720.

Using 2,000 roster hours per year, per designer, and a value of \$185.00 of project ~~re~~ construction cost per one manhour of design, the number of bridge designers required is:

$$\frac{\$18,100,720}{(\$185 \times 2,000)} = 48.92 \text{ designers}$$

An additional number of manhours is required for all other functions except earned leave. Using a ratio, the number required would be:

$$48.92 \times \frac{32^*}{60} \text{ or } 26.09 \text{ designers}$$

Total required by Section for	design	=	48.92
	service	=	26.09
	squad leaders	=	6
			<u>81.01 positions</u>
*Service to other Departments	20%		
Research	5%		
Housekeeping & Misc.	7%		
	<u>32%</u>		

Department/District	Design
cont'd.	
<u>Road and Consultant Services Sections</u>	
Historically, it has been found that 500 manhours per mile of two-lane design and 2000 manhours per mile of four-lane design is required for plan production. The average cost per mile of two lane roadway is \$300,000 and four-lane roadway is \$1,000,000.	
Program for roads is \$43,252,520.	
Recognizing the trend towards more two-lane construction or reconstruction, for this budget, we are assuming that only Interstate projects are to be four-lane and all other work will be two-lane. This, we believe, is conservative. Using this premise, road construction in program dollars divides as follows:	
2-lane	= 62% = \$26,816,562
4-lane	= 38% = \$16,435,958
This converted into miles is:	
2-lane	= 89.4 miles
4-lane	= 16.4 miles
Using 2,000 manhours of design per year per designer, the personnel required to design this program is then computed as:	
16.4	$\times \frac{2000}{2000} = 16.4$
89.4	$\times \frac{500}{2000} = 22.4$
<hr/>	
Total 38.8 x 50% = 19.4	

BUDGET
EAR 19 79
F EXPENDITURE ESTIMATES

350

Activity No. 70 Activity Name Capital Improvements (Design)

Support personnel to administer contracts and provide service to other departments and housekeeping must increase if over half of this design is to be performed by consultants.

The staff estimated for this function is 15 people.

Support personnel such as plan file clerks number 3.

Surfacing Design

Current data indicates that surfacing plans can be provided at the rate of 27.5 manhours per mile of surfacing. The average cost of surfacing is computed to be \$130,000 per mile.

The Surfacing program is \$74,901,240. This program at \$130,000 per mile produces approximately 576.2 miles of resurfacing plans. At 27.5 manhours per mile and 2000 roster hours per year per designer, 7.9 people are required. This assumes that all surfacing plans are to be produced by State forces.

Location function

Last year, the location function was transferred to this Department. We have continued to reduce the staffing of this function to this year's request of four positions.

Department/District Design

(Location function cont'd)

Total personnel required by these sections:

Road Design	=	19.4
Surfacing	=	7.9
Services	=	15.0
Squad Leaders	=	8
Location function	=	4
Support function	=	<u>3</u>
TOTAL		57.3

Program covered by this staff:

Bridges	=	\$16,600,720
Roads	=	\$21,626,260
Surfacing	=	<u>\$74,901,240</u>
Total		\$113,128,220

The average projected program, excluding "railroad crossings" projects and "high hazard and road obstacles" projects is: \$152,055,400.

Landscape Section

The staff would remain at its present level of ten.

Activity No. 70 Activity Name Capital Improvements (Design)

Coordination Section

We have determined that at least seven man days are required to consummate one railroad crossing project. A staff level increase of one person is needed.

Departmental staffing for object code 70

Bridge	=	81
Road & Consulting Services	=	57
Landscape	=	10
Coordination	=	<u>7</u>
		155

This represents a very conservative approach to staffing. In 1976-77, the departmental size was the lowest in number in ten years. The program in dollars has reached new highs, and the complexity of project design has not diminished.

In 1977, 142 positions were approved. In 1978, 158 positions were requested; however, only 134 were approved. The preceding analysis of the DOT program workload supports the need for 155 positions to produce 50% of our construction plans. To increase appreciably the percentage of design work by consultants is to invoke the law of diminishing returns. The comprehensive process of procuring and administering engineering service contracts requires too much staff effort to justify more than 50% of our plan production by consultants. Operation with less than the 155 positions requested will be at less than optimum efficiency. The greater the deviation from 155 positions, the less will be the efficiency.

KANSAS DEPARTMENT OF TRANSPORTATION
EMPLOYEE HEADCOUNT
August 1, 1977

Div/Dept/Dist.	ADM BDGT		CONST BDGT		MAINT BDGT		OTHER		TOTAL	
	O	A	O	A	O	A	O	A	O	A
SECRETARY										
Office	5	6	-	-	-	-	-	-	5	6
Directors	10	10	-	-	-	-	-	-	10	10
Fiscal	32	37	6	6	-	-	-	-	38	43
Legal	16	17	-	-	-	-	-	-	16	17
Project Cont.	6	6	-	-	-	-	-	-	6	6
Sub-Total	69	76	6	6	-	-	-	-	75	82
ADMINISTRATION										
Data Center	-	-	8	8	-	-	30	35	38	43
Mgmt. Analysis	4	5	2	2	-	-	-	-	6	6
Personnel	7	9	11	12	-	-	-	-	18	21
Public Infor.	5	5	-	-	-	-	-	-	5	5
Safety	-	-	-	-	-	-	33	38	33	38
Sub-Total	16	19	21	22	-	-	63	73	100	114
ENG. & DESIGN										
Design	20	22	112	133	-	-	-	-	132	155
Eng. Services	14	15	120	130	-	-	-	-	134	145
1 Right of Way	14	15	45	50	-	-	-	-	59	65
Sec. Roads	17	18	-	-	-	-	-	-	17	18
Urban Highways	8	10	19	24	-	-	-	-	27	34
Sub Total	73	80	294	337	-	-	-	-	369	417
OPERATIONS										
Const.	23	24	6	6	-	-	-	-	29	30
Maint.	17	19	-	-	15	15	15	15	47	49
Materials	10	10	135	144	-	-	-	-	145	154
Dist. One	18	18	253	281	410	433	-	-	681	732
Dist. Two	17	17	67	72	293	306	-	-	377	395
Dist. Three	15	15	55	59	268	280	-	-	338	354
Dist. Four	14	14	104	109	319	328	-	-	437	451
Dist. Five	14	15	166	185	329	356	-	-	509	556
Dist. Six	12	13	43	54	217	236	-	-	272	303
Sub-Total	140	145	829	910	1851	1954	15	15	2862	3024
PLANNING & DEVELOP.										
	-	-	-	-	-	-	108	118	108	118
TOTAL	298	320	1150	1275	1851	1954	176	206	3512	3755

O - On board
A - Allocated

FY 78 BUDGET LIMITATIONS
Administration 321
Maintenance 1956
Research&Plann. 125
Communications 15
Traffic & Safety 38
Data Processing 36
Capital Improvm. 1275
TOTAL 3766

VACANCY ANALYSIS

At the present time, the Kansas Department of Transportation has a total of 211 vacancies. (8/22/77) As far as total number of vacancies, this figure is in the ball park for an organization the size of the KDOT. However, a breakdown of the vacancies shows three (3) real problem areas that adversely affect the program output of the KDOT. These three classes comprise 76 percent of the total KDOT vacancy picture.

1. Civil Engineer vacancies (49)

The vacancy total in our Civil Engineer classifications equals 17 percent of the total number of Civil Engineer positions. These vacancies have an adverse affect by:

- A. Cutting down on the program output in our Planning and Design Departments;
- B. Causing Engineering Technician positions to be left vacant because of the lack of Civil Engineers to supervise, which again causes a program cut-back;
- C. Creating a void in our Career Development by not having young engineers and their ideas to feed into the KDOT.

Possible avenues of action that would help to alleviate the Civil Engineer vacancy problem might include:

better salary structure
career classification development
latitude in recruiting for KDOT
latitude in certification for KDOT
nation wide advertising

2. Engineering Technician vacancies (66)

The vacancy total in our Engineering Technician classifications equal 7 percent of the total number of Engineering Technician positions. These vacancies have an adverse affect by:

- A. Cutting down on the total number of projects on which the preliminary technician work can be completed;
- B. Cutting down on the number of tests and inspections that are made for projects under development; and,
- C. Putting a further work load on Civil Engineers who must complete the duties that an Engineering Technician would be doing.

Possible avenues of action that would help to alleviate the Engineering Technician vacancy problem might include:

revision of minimum requirements for eligibility to become an Engineering Technician

latitude for KDOT to do ET testing

expansion of hiring of women as ET's

better salary structure

compression of the ET class structure

3. Equipment Operator vacancies (66)

The vacancy total in our Equipment Operator classification equals 5 percent of the total number of Equipment Operator positions. These vacancies have an adverse affect by:

A. Cutting back on the level of maintenance service provided; and,

B. Causing other classifications to pick up the EO workload as well as their own.

Possible avenues of action that would help to alleviate the Equipment Operator vacancy problems might include:

better salary structure

flexible career development in a fixed location

revision of regulation relative to advance travel pay

expansion of hiring women as EO's

The KDOT is making every effort to fill the existing vacancies and in fact shows a vacancy percentage that is favorable for the size of the agency and the number of lower level positions (5.6%). Historically, the present number of vacancies in just the three earlier mentioned classes is shown in figure

CLASSIFICATION	HEAD- QUARTERS	DIST. I	DIST. II	DIST. III	DIST. IV	DIST. V	DIST. VI	TOTAL Auth.	VAC.
Elec. Com. Tech.	1							12	1
LSA I							1	5	1
GEO III	1							5	1
Planner II	1							1	1
R/W Agent II	2							24	2
R/W Agent III	1							7	1

TOTAL

211

ENGINEERING STRENGHT REPORT - AUGUST 1, 1977

EPT/DIST	CE I			CE II			CE III			CE IV			CE V			TOTAL		
	Auth	on hand	vac.	Auth	on hand	vac.	Auth	on hand	vac.	Auth	on hand	Vac.	Auth	on hand	Vac.	Auth	on hand	vac.
Design	4	4	0	62	44	18	16	15	1	5	4	1	1	1	0	88	68	20
Const.	0	0	0	1	1	0	1	1	0	2	2	0	1	1	0	5	5	0
Mainten.	0	0	0	2	1	1	4	3	1	1	1	0	1	1	0	8	6	2
Materials	2	1	1	7	7	0	5	5	0	2	2	0	1	1	0	19	18	1
Planning	6	1	5	16	16	0	14	14	0	3	3	0	1	1	0	40	35	5
R/W	0	0	0	2	2	0	1	1	0	1	1	0	0	0	0	4	0	0
Sec. Rds	0	0	0	3	2	1	5	5	0	1	1	0	1	1	0	10	9	1
Data	0	0	0	0	0	0	1	1	0	0	0	0	0	0	0	1	1	0
Urban	4	1	3	8	8	0	4	3	1	1	1	0	1	1	0	18	14	4
Eng. Serv.	1	1	0	6	6	0	5	4	1	1	1	0	1	1	0	14	13	1
Dist. I	19	14	5	14	14	0	6	6	0	2	2	0	1	1	0	42	37	5
Dist. II	3	3	0	4	4	0	1	1	0	2	2	0	1	1	0	11	11	0
Dist. III	0	0	0	5	5	0	1	1	0	2	2	0	1	1	0	9	9	0
Dist. IV	7	5	2	7	7	0	1	1	0	2	2	0	1	1	0	18	16	2
Dist. V	9	4	5	10	10	0	4	3	1	2	2	0	1	1	0	26	20	6
Dist. VI	1	0	1	5	4	1	1	1	0	2	2	0	1	1	0	10	8	2
TOTALS	56	34	22	152	131	21	71*	66	5	30*	29	1	14	14	0	323*	274*	49

*Includes one (1) - Project Control

SUMMARY/REMARKS/ - ENGINEERING STRENGTH REPORT

TOTAL AUTHORIZED ENGINEERS (CE's) - 323

TOTAL VACANCIES

CE I's = 20

CE II's - 23

CE III's - 5

CE IV's - 1

CE V's - 0

TOTAL 49

49 Engineering Vacancies - minus 12 EIT's = 37 net vacancies

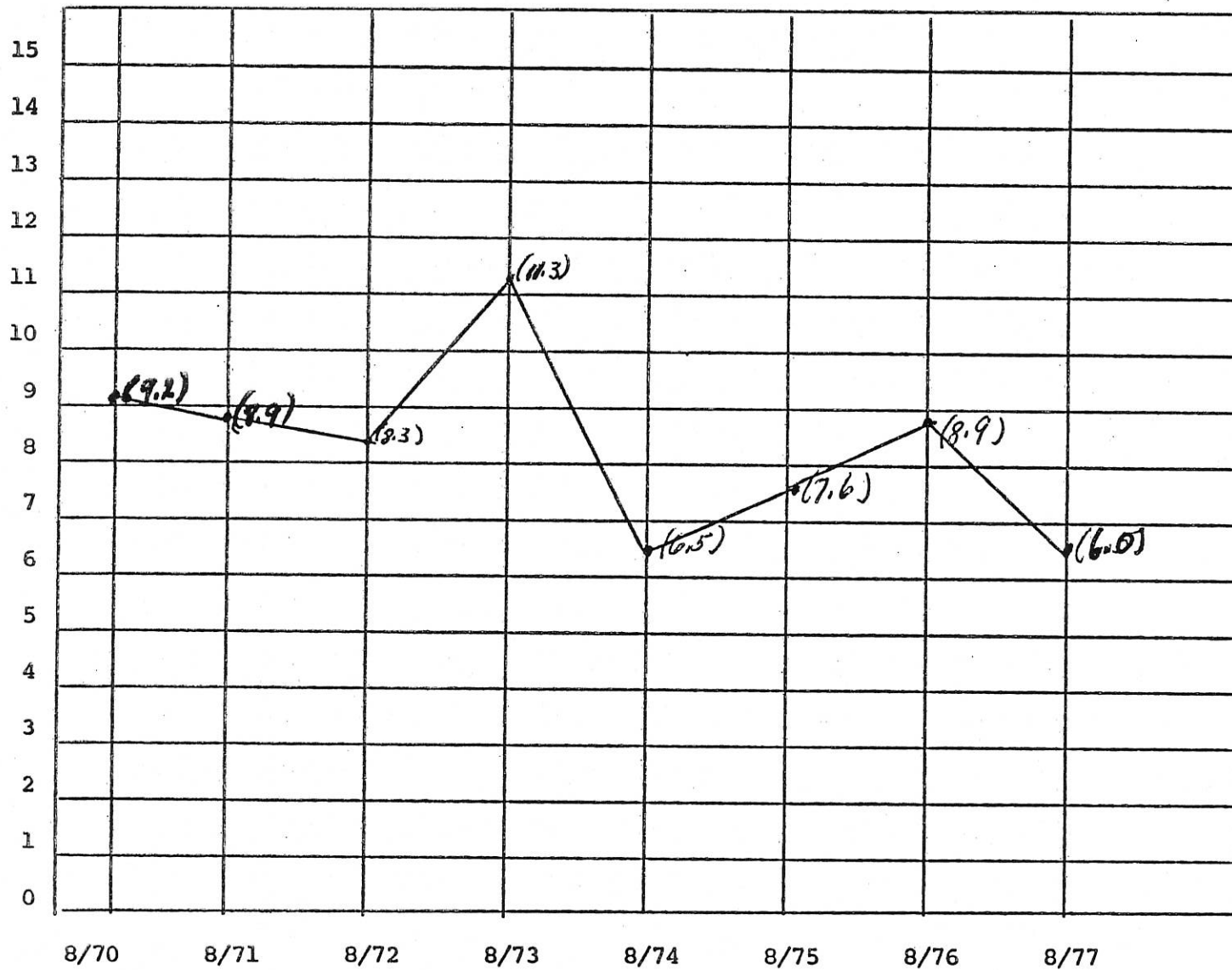
Actual Engineer Strength = 286

NOTE: Engineers-in-training assigned to the Personnel Department as "Feeders" into the "Functional Structure", have not been included in above figures. Currently twelve (12) EIT's are assigned. This in effect reduces the actual number of vacancies as follows. $49-12=37$

KANSAS DEPARTMENT OF TRANSPORTATION

NUMBER OF VACANCIES (per cent)

August 1 each year



VACANCY REPORT
August 1970 to present

	EQUIPMENT OPERATORS			ENGINEERING TECHNICIANS			CIVIL ENGINEERS*		
	ON HAND	VAC.	TOTAL AUTH.	ON HAND	VAC.	TOTAL AUTH.	ON HAND	VAC.	TOTAL AUTH.
August 1970	1420	70	1490	783	353	1136	321	104	425
August 1971	1429	21	1450	1024	170	1194	327	75	402
August 1972	1418	59	1477	1002	161	1163	328	63	391
August 1973	1391	84	1475	970	202	1172	323	60	383
August 1974	1361	108	1469	910	57	967	323	21	334
August 1975	1364	82	1446	869	104	973	299	37	336
August 1976	1352	94	1446	863	108	971	280	51	331
August 1977	1372	83	1455	878	77	955	274	49	323

*DOES NOT INCLUDE ENGINEERS-IN-TRAINING.

4. A REPORT ON THE IMPACT OF THE AGENCY OF ADJUSTMENTS IN FUNDING FOR CAPITAL OUTLAY ITEMS MADE BY THE 1977 LEGISLATURE

It has been the policy of the Department of Transportation to budget Capital Outlay items based upon programs usually covering multiple years. In the case of heavy maintenance equipment, a replacement schedule is a necessary planning tool and is based upon relative repair and maintenance costs for the normal equipment life. Other Capital Outlay items are requested as replacements for production equipment or new equipment which will improve productivity or add new capabilities. Again acquisition of these items is scheduled on the basis of wear out, obsolescence, or a planned improvement of production methods.

In the case of this years Capital Outlay budget, the impact cannot be considered as critical, however, it will cause adjustments within the replacement plans, increase some maintenance costs and delay the use of new methodology. Two examples of budget adjustments are cited which illustrate the relative impact of the action taken.

Maintenance Equipment - The reduction of capital outlay has little direct effect on the maintenance operation. Two motor graders, which were deleted, were included in the budget request on the basis of former replacement policies. The change in policy extending the years of service from 15 to 20 years for motor graders did eliminate these two items. While there may be additional maintenance costs, it is felt that justification for extending the replacement policy takes into account those extra costs.

Replacement of maintenance equipment follows an approved program with age, total operating hours, mileage and maintenance costs as prerequisites. Age of equipment gets into the problem of replacement parts. Hours or mileage relate directly to wear and tear. Excessive maintenance costs on certain items regardless of age or usage is a primary consideration in budgeting replacements and can outweigh other prerequisites.

The disapproval of the request to purchase digitizing equipment in the Engineering Services Department budget has prevented the implementation of a procedure to automate the production of maps, accumulation of land use data, inventory of highway appurtenances, etc. This particular piece of equipment is the last element of a multi-year effort to automate a number of manual, time consuming operations. All of the other necessary equipment such as a coordinatograph, key punch, and incremental drum and flat bed plotters have already been acquired. Although usable as they presently exist, and for other purposes, the agency is prevented from maximizing their utility by the lack of suitable digitizing equipment.

J. IMPACT OF ESTABLISHING AN EXPENDITURE LIMIT ON CONSTRUCTION

The expenditure limitation of just under \$98 million is expected to be exceeded during this fiscal year, perhaps in the month of October when a sizable construction letting is scheduled. Under current KDOT accounting procedures daily expenditures and encumbrances for freeway construction are charged against the State Highway Fund. These expenses are subsequently reimbursed to the Highway Fund from the State Freeway Construction Fund in one monthly payment through a transfer. Bond proceeds have been used for this transfer. As a result of this pass-through process freeway construction expenses are being accumulated against the limitation and will be the major cause for exceeding that limitation relatively early in the fiscal year.

If plans and right of way for projects scheduled for the October 20, 1977, letting progress as anticipated, nearly \$85 million in construction contracts will have been encumbered by the end of October. This amount added to salary and other encumbrances estimated at about \$6 million for the first four months of the fiscal year will nearly equal the limitation. Monthly lettings subsequent to October will necessitate Finance Council action under these conditions.

There are other smaller accounts which also use the Highway Fund pass-through arrangement similar to the freeway accounts. State and federally financed safety work and railroad crossing protection work are in this category. Their impact on the Fund, however, is slight if their currently anticipated level of encumbrance does not change -- probably less than \$2 million for fiscal year 1978 if federal funding and regulations in these categories do not change. The total by which the limitation is expected to be exceeded is about \$48 million. A graph of anticipated encumbrances against the Highway Fund is attached.

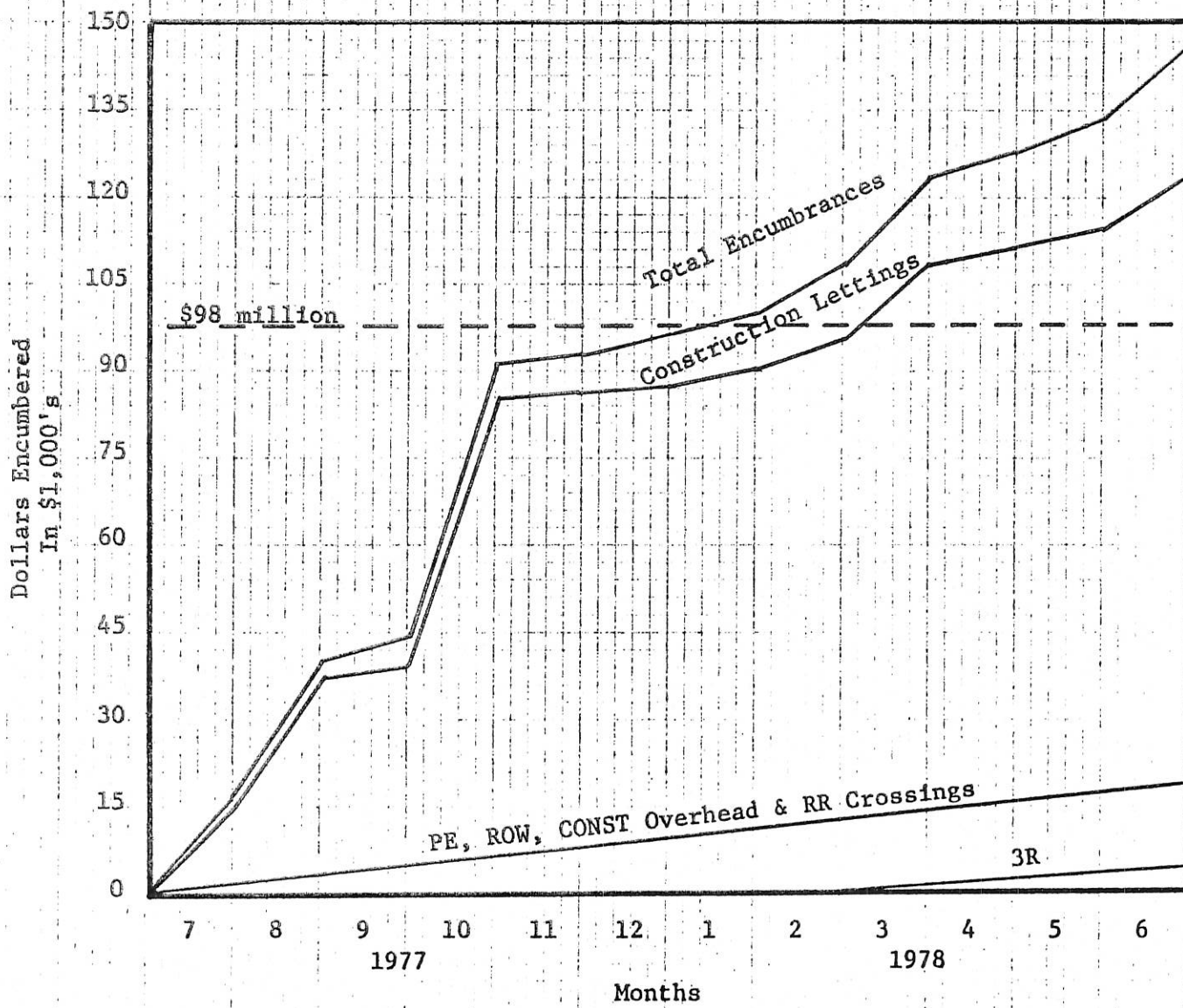
The ramifications of changing KDOT accounting practices to attempt to remain within the limitation have not been fully explored. The effect on the trust agreement between the KDOT and the bond holders should be investigated. The effect on investment management of the current surplus of bond proceeds must also be analyzed. Any proposal to change from past practices in handling the bond proceeds should be reviewed by the KDOT bond and investment counselors, as well as the Department of Administration, Accounts and Reports Division.

In a more speculative area, it should be noted that increases and first-come-first-serve federal funding for interstate construction and bridge replacement work is being considered on the National level. The KDOT is in a favorable position on interstate work, particularly I-435 in Johnson and Wyandotte Counties, to take advantage of increased funding should this occur. Finance Council action would again be required under this contingency.

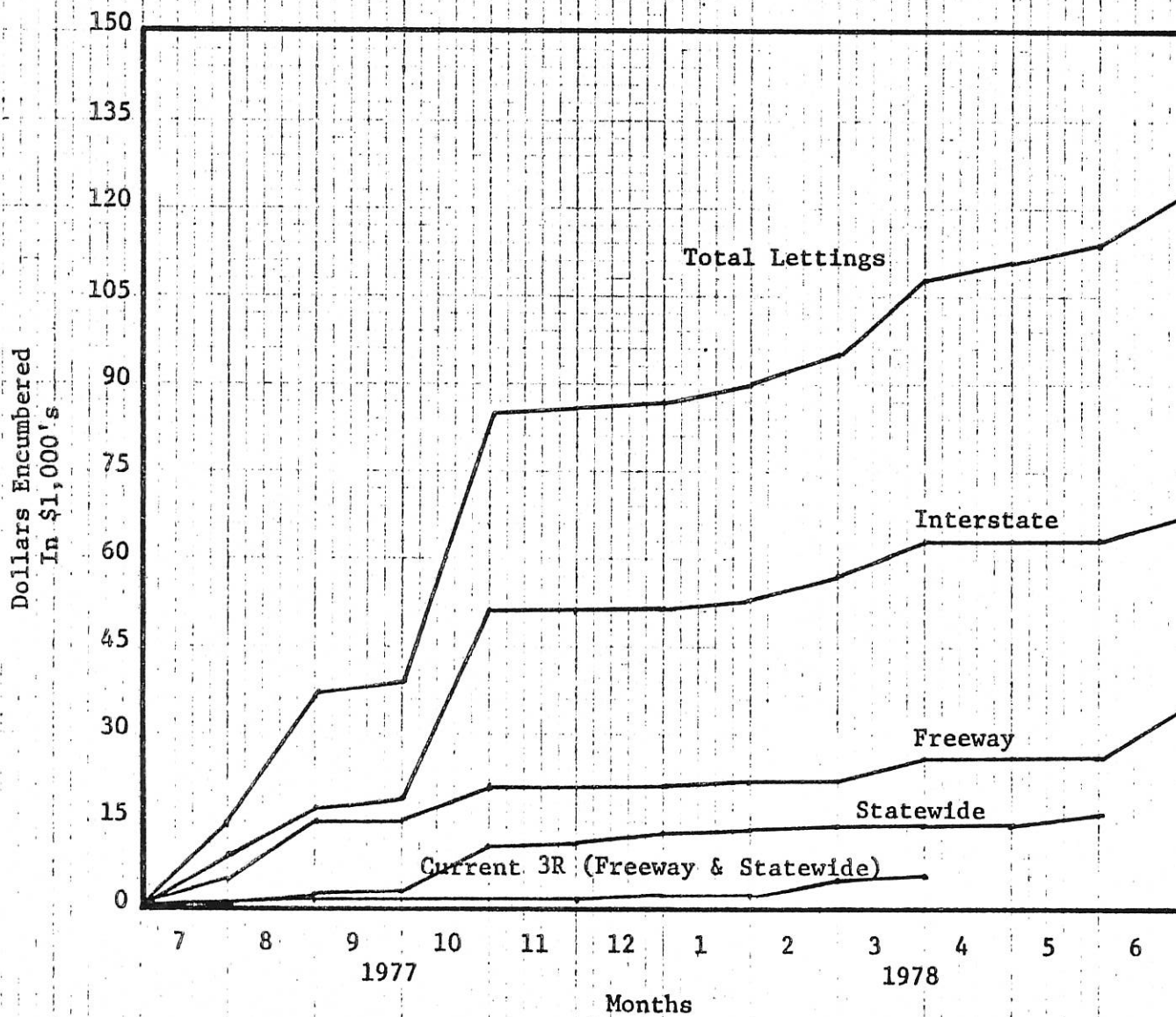
The attached graphs have been compiled to show the anticipated schedule for contract lettings. The projects represented by accumulated dollar amounts are in the design/detail phase. Encumbrances for preliminary engineering, right of way, and construction overhead are shown as straight line distribution over the course of the fiscal year, as are the encumbrances estimated for railroad crossing protection. A new 3R program is anticipated to be underway during the last four months of the fiscal year and is shown starting in April for contract lettings. These are the known elements of highway work for fiscal year 1978. There may be some additional encumbrances for interstate reconstruction and interstate bridge deck

protective systems for which funds are available but for which the project locations have not been determined. The graphs do not include these encumbrances which could be incurred later in the fiscal year. Neither do the graphs include the more speculative program additions for first-come-first-serve interstate and bridge replacement funding noted earlier.

The operation and expenses of the KDOT are, of course, wholly user revenue supported and therefore do not impact the financing of other agencies' operations. Had the KDOT been aware that a limitation on expenditures would be placed on the costs of the program for fiscal year 1978, it is possible that a request for contingencies would have been included in the budget. This approach, however, will not resolve the method of accounting for freeway expenditures passing through the Highway Fund.



CONSTRUCTION LIMITATION AND ANTICIPATED ENCUMBRANCES



ESTIMATED ACCUMULATED COST OF CONTRACT LETTING
FOR PUBLISHED STATE CONSTRUCTION PROGRAMS

6. COMPARISON OF THE VARIOUS PLANNING COST ESTIMATES ON CONSTRUCTION PROJECTS AND ACTUAL PROJECT COSTS AS REPORTED AT THE TIME THE PROJECT IS LET.

Attached is a tabulation of projects which were let to contract during fiscal year 1977 which shows the information requested on actual and estimated costs. A history of project revisions which are formalized through the KDOT project authorization process (Form 883) has been compiled and included with each project on the listing. Also included as part of the project estimate data is information on the "high bids" received at letting time which have been adjusted to include the preliminary engineering, right of way and construction engineering costs associated with the project. The "high bid" provides a range of possible actual costs from bids actually received which may be compared with the planning cost estimate.

The listing is arranged according to the major state construction programs which were underway during fiscal year 1977 -- Interstate, Freeway, Statewide, Freeway 3R, and Statewide 3R programs.

Also attached are copies of charts and graphs from Price Trends for Federal-aid Highway Construction published in the first quarter of 1977 which portrays the then current circumstances which prevailed at the time the estimates were made in late 1975 and early 1976. During the year of 1975-1976 the information available for predicting program costs reflected the economic situation generated by the energy shortage. These data indicated that prices were rising at a rate substantially greater than has actually occurred. For instance, the trend line for the composite index of construction costs from 1973 through the fourth quarter of 1975, the period for which data was available, jumped 57.4 percentage points as compared to the 1967 base year (209.8% - 152.4%) -- or an annual rate of about 23% (57.4% ÷ 2½ years). The data on the various types of work may be applied to the actual type of work represented by the projects on the attached listing to show an even more erratic variation of trends for excavation, surfacing and structures. An analysis of those various trends would indicate that estimates made at that time which ranged from 50% to 100% higher than actual 1977 letting costs were possible and in fact to be expected.

A comparison of bid and cost fluctuations is provided in the following data from actual contracts on contiguous portions of the new K-10 alignment in Johnson and Douglas Counties:

Let Date	Description	Length	Work Type	Cost	Cost per mile
12-74	S. of DeSoto, E. to K-7	7.3 mi.	Surfacing	\$4,438,000	\$608,000/mi.
10-76	DG-JO Co. Line E. to S. of DeSoto	4.1 mi.	Surfacing	\$1,862,000	\$454,000/mi.
12-76	2.5 mi. E. of Lawrence E. to DG-JO Co. Line	7.5 mi.	Surfacing	\$3,156,000	\$421,000/mi.

Cost per mile variation on the same type of work varied by 44% between December 1974 and December 1976.

In comparing actual costs and planning estimates made by KDOT in early 1976 attention should be directed to the overall program estimate and actual costs for the entire fiscal year. For each program on the attached listing the comparison

as follows for projects let in fiscal year 1977:

	Actual Cost at Letting	Estimated Costs	% Estimate Exceeds Actual
Interstate	\$32,765,000	\$39,762,000	21%
Freeway	\$47,737,000	\$57,415,000	20%
Statewide	\$11,579,000	\$14,741,000	27%
Freeway 3R	\$ 2,591,000	\$ 3,290,000	27%
Statewide 3R	<u>\$15,811,000</u>	<u>\$18,179,000</u>	15%
Total FY Program	\$110,483,000	\$133,387,000	21%

In summary, planning estimates are made based upon location, type of work, complexity of project, Kansas cost histories for current construction techniques and future cost trends as provided through various technical publications such as Price Trends for Federal-aid Highway Construction as cited earlier and included here in part. A change in any of these parameters during the several years of a project's development has a sizable effect on the accuracy of planning estimates when compared with actual at the time of letting. To guard against possible cash flow complications, the KDOT makes a final detailed estimate much the same as contractors who will bid the work. This estimate is confidential and does not appear as a planning estimate in normal project information available to the public; nor are these estimates presented on the attached list. Bids received on projects are then compared to these detailed estimates and those exceeding 10% more than the KDOT estimate are carefully examined to determine if the contracts should be awarded. Bids usually are within 10%. Therefore with this safeguard, the significance and criticality of the planning estimate is placed in proper perspective and that is, the planning estimate should be a guideline which represents current thinking just as revenue estimates and other resource estimates. The planning estimate for project cost, for instance, is not as critical as a planning estimate of the capability to develop the design and details of a sizable number of construction projects in terms of the number of personnel and skills required to do the work. This capability and experience includes personnel policies which provide for acquisition and retention of manpower resources qualified to produce the transportation programs. |||

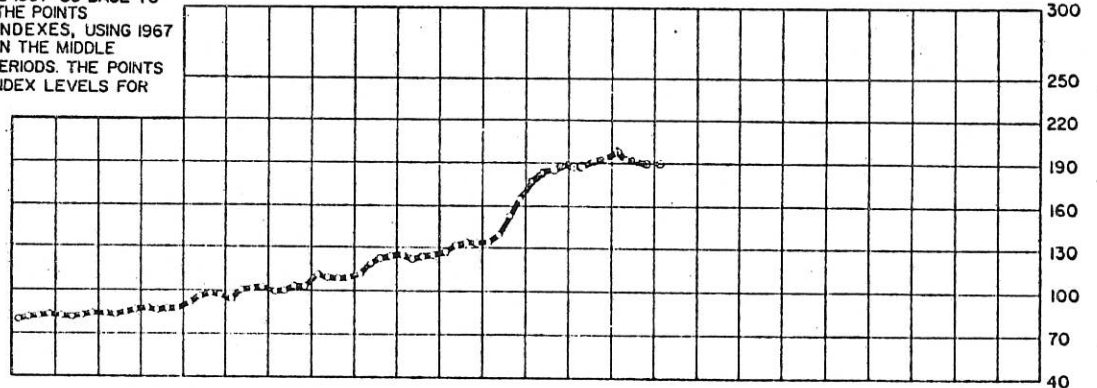
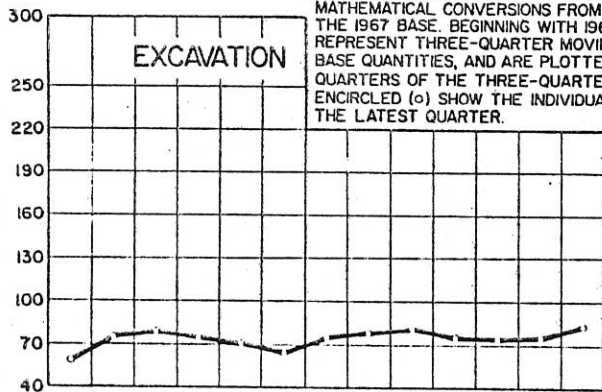
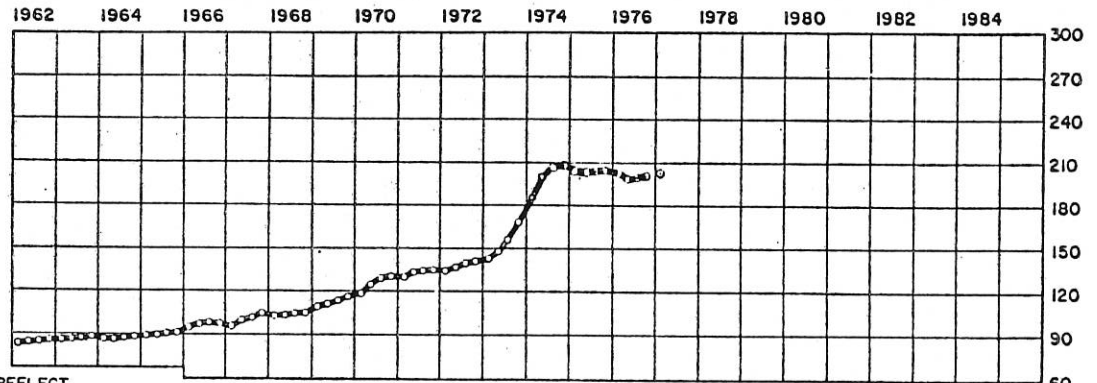
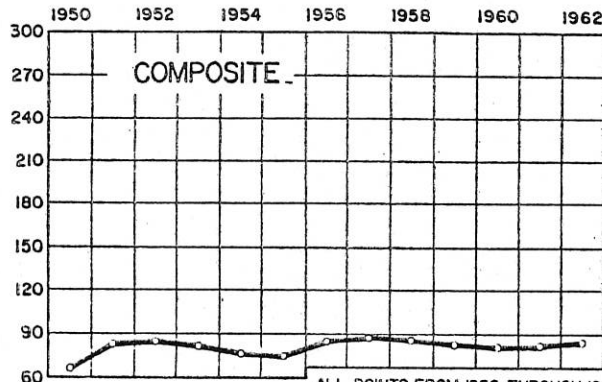
PRICE TRENDS FOR FEDERAL-AID HIGHWAY CONSTRUCTION

1967 Base¹

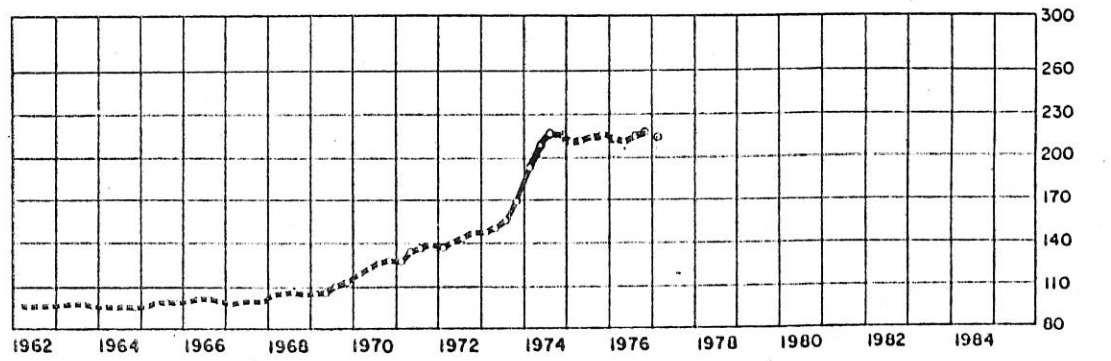
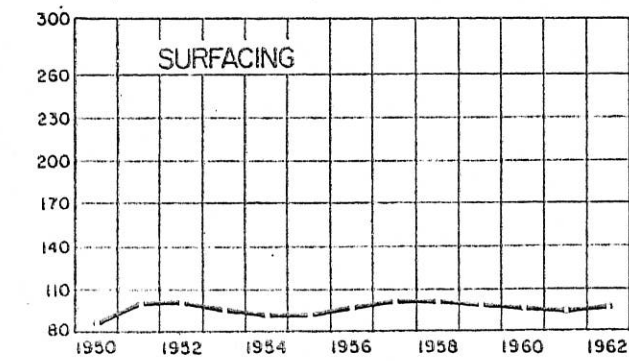
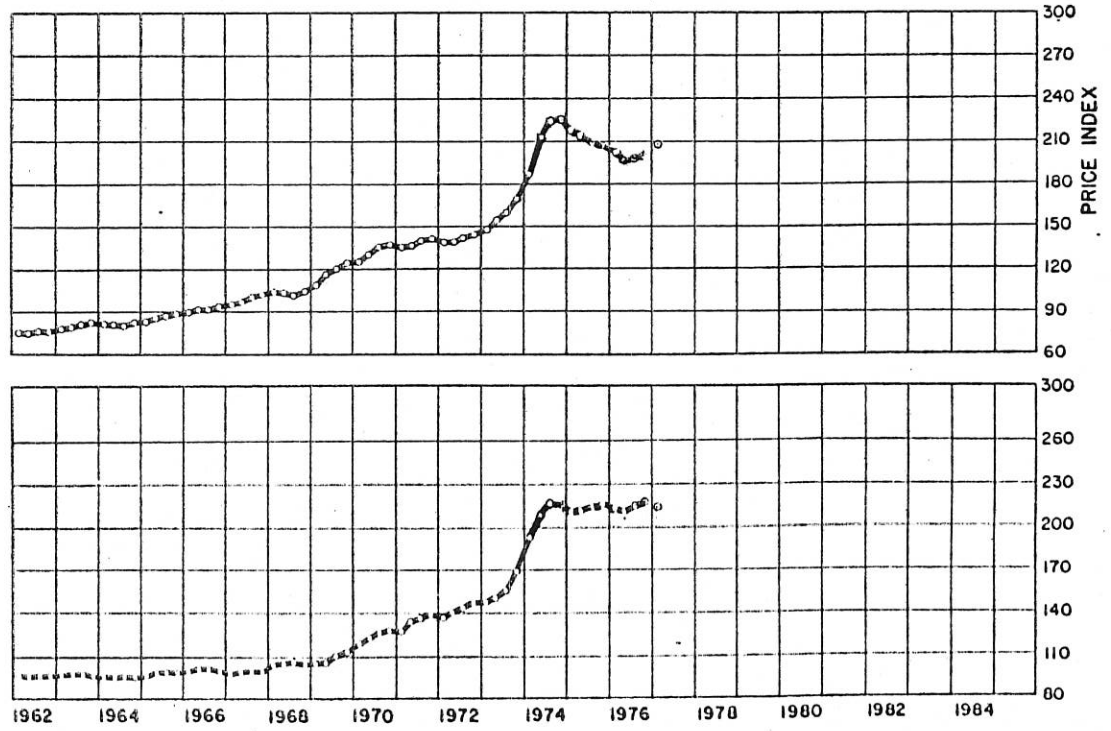
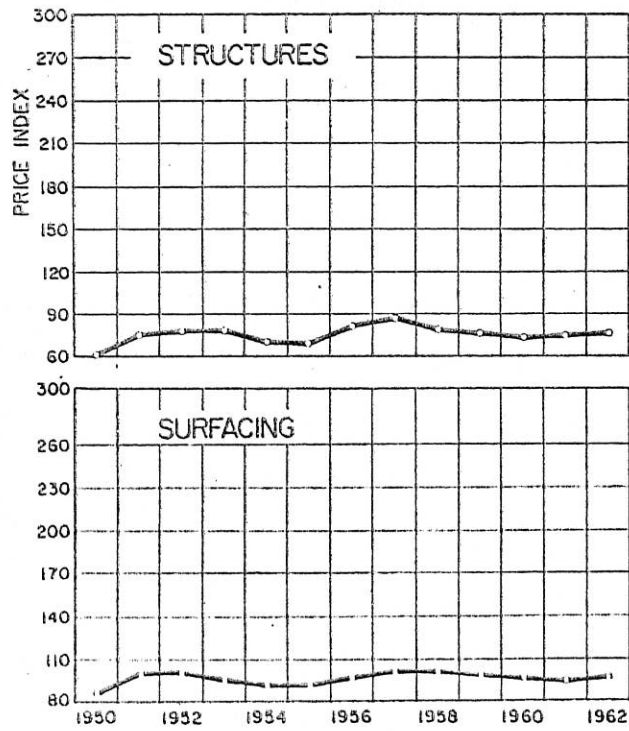
Year	Common excavation		Surfacing					Structures								Composi Index
			Portland cement concrete		Bituminous concrete		Surfacing Index	Reinforcing steel		Structural steel		Structural concrete		Struc- tures index		
			Average contract price (cu. yd.)	Index	Average contract price (sq. yd.)	Index		Average contract price (ton)	Index	Average contract price (lb.)	Index	Average contract price (lb.)	Index		Average contract price (cu. yd.)	
1950	\$0.32	59.1	\$3.62	79.9	\$5.89	91.8	85.9	\$0.099	75.9	\$0.129	52.3	\$42.62	60.7	60.2	66.6	
1951	.40	75.1	3.92	86.5	7.33	114.2	100.5	.119	91.6	.176	71.5	50.72	72.2	74.8	81.8	
1952	.43	79.9	4.19	92.5	6.98	108.8	100.7	.119	92.0	.178	72.3	52.24	74.4	76.3	84.1	
1953	.40	75.1	4.07	89.8	6.53	101.8	95.9	.121	93.4	.172	70.1	52.82	75.2	76.2	81.0	
1954	.38	71.4	3.98	87.9	5.97	93.0	90.5	.112	86.3	.159	64.5	50.15	71.4	71.3	76.4	
1955	.35	65.6	3.96	87.4	6.07	94.6	91.0	.110	84.8	.157	64.0	50.01	71.2	70.8	74.3	
1956	.40	74.9	4.26	94.0	6.58	102.6	98.3	.127	97.5	.212	86.1	53.74	76.5	82.7	84.0	
1957	.42	78.6	4.34	95.8	6.75	105.2	100.6	.134	103.5	.228	92.6	55.98	79.7	87.4	87.7	
1958	.43	80.3	4.41	97.4	6.67	104.0	100.7	.129	99.5	.186	75.7	54.10	77.0	79.9	85.6	
1959	.40	74.7	4.40	97.1	6.58	102.6	99.9	.126	96.8	.169	68.6	53.00	75.4	76.4	82.0	
1960	.39	73.2	4.33	95.6	6.37	99.3	97.5	.119	91.7	.167	67.7	51.72	73.6	74.3	80.1	
1961	.41	75.5	4.20	92.7	6.35	98.9	95.9	.115	88.5	.165	67.1	53.38	76.0	74.9	80.7	
1962	.45	82.9	4.28	94.4	6.28	97.9	96.2	.113	86.7	.166	67.7	54.62	77.7	75.8	83.8	
1962	.45	82.6	4.17	94.2	6.32	95.9	97.2	.113	86.2	.167	67.6	53.88	76.6	75.6	84.3	
1963	.45	82.6	4.24	95.7	6.48	100.1	97.9	.114	87.1	.182	73.8	57.31	81.5	80.2	86.4	
1964	.46	84.8	4.16	93.9	6.26	96.8	95.3	.112	85.7	.193	78.1	57.71	82.1	81.5	86.9	
1965	.47	87.4	4.34	97.9	6.50	100.5	99.2	.124	94.5	.200	81.1	59.63	84.8	85.4	90.3	
1966	.52	96.5	4.50	101.7	6.44	99.6	100.7	.127	97.2	.224	90.7	63.22	89.9	91.4	96.1	
1967	.54	100.0	4.43	100.0	6.47	100.0	100.0	.131	100.0	.247	100.0	70.30	100.0	100.0	100.0	
1968	.56	102.6	4.79	108.1	6.77	104.7	106.4	.131	100.5	.249	100.8	71.81	102.1	101.5	103.4	
1969	.59	108.5	4.87	110.0	7.01	108.4	109.3	.143	109.6	.316	128.1	81.34	115.7	118.3	111.8	
1970	.66	121.8	5.42	122.4	8.04	124.3	123.3	.163	124.9	.338	137.0	92.73	131.9	132.2	125.6	
1971	.67	123.8	6.06	136.8	8.54	132.1	134.5	.177	135.3	.348	141.2	97.02	138.0	138.5	131.7	
1972	.72	133.4	6.25	141.2	9.22	142.6	141.9	.181	138.2	.342	138.6	100.17	142.5	140.6	138.2	
1973	.80	147.1	6.87	155.1	9.99	154.5	154.8	.207	158.0	.373	151.0	111.83	159.1	156.5	152.4	
1974	1.00	184.1	8.67	195.8	14.74	228.0	211.3	.340	259.8	.551	223.4	136.80	194.6	214.5	201.8	
1975:																
First quarter	1.02	188.1	9.84	222.3	13.95	215.7	219.1	.332	253.0	.577	234.0	140.93	200.5	219.7	207.3	
Second quarter	1.00	184.9	8.22	185.7	14.35	221.9	203.2	.320	244.9	.542	219.9	139.85	199.0	213.1	199.3	
Third quarter	1.02	188.8	8.49	191.7	15.58	241.0	215.5	.283	216.4	.556	225.4	142.13	202.2	211.5	203.9	
Fourth quarter	1.10	202.6	9.00	203.3	16.41	253.8	227.7	.277	211.4	.548	222.0	131.90	187.6	201.9	209.8	
Annual	1.03	190.6	8.62	194.8	15.13	234.1	213.8	.297	226.8	.554	224.5	138.76	197.4	210.5	203.8	
1976:																
First quarter	1.04	192.0	7.76	175.3	16.28	251.8	212.3	.251	191.8	.543	220.0	133.72	190.2	199.3	200.3	
Second quarter	1.05	194.3	8.56	193.4	14.13	218.5	205.5	.242	184.6	.510	206.7	145.65	207.2	203.1	200.4	
Third quarter	1.03	191.1	9.18	207.3	15.02	232.3	219.4	.264	201.6	.438	177.5	135.28	192.4	189.6	199.0	
Fourth quarter	1.01	187.3	9.17	207.2	14.76	228.3	217.4	.271	207.4	.481	195.0	141.34	201.1	200.4	200.4	
Annual	1.03	190.9	8.68	196.1	14.83	229.4	212.2	.258	197.1	.484	196.2	139.59	198.6	197.6	199.3	

PRICE TRENDS FOR FEDERAL-AID HIGHWAY CONSTRUCTION

1967 = 100



ALL POINTS FROM 1950 THROUGH 1962 REFLECT MATHEMATICAL CONVERSIONS FROM THE 1957-59 BASE TO THE 1967 BASE. BEGINNING WITH 1962, THE POINTS REPRESENT THREE-QUARTER MOVING INDEXES, USING 1967 BASE QUANTITIES, AND ARE PLOTTED ON THE MIDDLE QUARTERS OF THE THREE-QUARTER PERIODS. THE POINTS ENCIRCLED (o) SHOW THE INDIVIDUAL INDEX LEVELS FOR THE LATEST QUARTER.



YEARS

INTERSTATE PROGRAM
PROJECTS LET IN FISCAL YEAR 1977

HISTORY OF ESTIMATED* AND ACTUAL COSTS

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments
						Let Cost (High Bid)#	Estimated Cost		
I-70	Shawnee	Across Shawnee Co. at selected locations	---	Fencing	7-76	\$15 (23)	\$17	5-76	Current program
							14	--	Update
							12	--	Update
							10	--	Update
							9	12-73	883 - Change cost
	3	10-71	883 - Original						
I-70	Riley	Across Riley Co. at selected locations	---	Fencing	7-76	\$26 (79)	\$43	5-76	Current program
							30	--	Update
							26	--	Update
							23	12-73	883 - Change cost
							20	10-71	883 - Original
I-70	Geary	Through Geary Co.	26.5	Gore & Gd. Fc.Mod.	7-76	\$935 (1,772)	\$1,162	5-76	Current program
							1,000	--	Update
							832	--	Update
							718	--	Update
							629	12-73	883 - Change cost
	615	11-71	883 - Split from larger project						
I-70	Dickinson	Across Dickinson Co. at selected locations	---	Fencing	7-76	\$9 (28)	\$10	5-76	Current program
							9	--	Update
							7	--	Update
							6	--	Update
							5	12-73	883 - Change cost
	4	10-71	883 - Original						

*Estimated costs are from published programs
and/or Project Authorization or revisions thereof (Form 883)
#Amounts in parenthesis represents high bids received.
NOTE: Update refers to previous estimate chronologically.

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments
						Let Cost	Estimated Cost		
							(High Bid)		
I-70	Saline	Across Saline Co. at selected locations	---	Fencing	7-76	\$54 (183)	\$85 77 61 52 46 38	5-76 -- -- -- 12-73 10-71	Current program Update Update Update 883 - Change cost 883 - Original
I-135	Sedgwick	Lincoln St. & Mt. Vernon Overpass in Wichita	---	Pav't. Mkg.	7-76	\$14 (24)	\$12 13	5-76 7-75	Current program 883 - Split from larger project
I-70	Wabaunsee	Through Wabaunsee Co.	24.0	Gore & Gd. Fc.Mod.	8-76	\$943 (1,245)	\$758 679 543 469 411 583	5-76 -- -- -- 12-73 11-71	Current program Update Update Update 883 - Change cost 883 - Split from larger project, included fencing
I-70	Russell	2 mi. E. of Russell	---	SRA	8-76	\$108 (274)	\$159 229 166 143 126 61 39	5-76 -- -- -- 12-73 -- 6-70	Current program Update Update Update 883 - Change scope of work Update 883 - Original
I-70	Trego	4.5 mi. E. of Wakeeney	---	SRA	8-76	\$398 (540)	\$330 417 309 267 234 317 205	5-76 -- -- -- 12-73 -- 6-70	Current program Update Update Update 883 - Change cost Update 883 - Original

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments
						Let Cost	Estimated Cost		
I-135	Sedgwick	Stafford to English in Wichita (Stg.III)	2.2	Gr.Su.	8-76	\$11,459	\$10,670	5-76	Current program
						(12,632)	9,341	--	Update
							6,453	--	Update
							5,626	11-73	883 - Change cost
							5,508	6-72	883 - Change cost & scope
	1,547	4-72	883 - Original						
I-635	Wyandotte	I-635 NB & I-70 EB Divergence on Kansas River Bridge	---	Attenuator	9-76	\$6 (11)	\$4	5-76	Current program (program addition)
I-435	Wyandotte	Kansas River Bridge Substructure	0.5	Br.	10-76	\$2,982	\$7,906	5-76	Current program
						(4,716)	7,643	--	Update
							5,662	--	Update
							4,889	--	Update
							4,286	11-73	883 - Change cost & split from superstr.
I-135	Harvey	Around Newton	1.2	Lane Impr.	10-76	\$266	\$526	5-76	Current program
						(269)	643	--	Update to 1980 FY
							315	--	Update
							272	--	Update
							238	11-73	883 - Original
I-135	Harvey	Jct. US-50 N. to include Broadway Ave. in Newton	1.6	Lt.	10-76	\$92	\$254	5-76	Current program
						(127)	220	7-75	883 - Change cost
							246	--	Update
							157	--	Update
							138	11-73	883 - Change cost & split from another project
	184	10-70	883 - Original						

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments
						Let Cost	Estimated Cost		
I-135	Harvey	Along Newton Bypass	2.5	Fencing	10-76	\$21	\$63	5-76	Current program Update to 1980 FY Update 883 - Change cost 883 - Original
						(34)	51	--	
							32	--	
							28	11-73	
						12	10-71		
I-635	Wyandotte	Fairfax Spur in Kansas City	0.2	Su.	1-77	\$353	\$382	5-76	Current program 883 - Program addition
						(423)	382	5-75	
I-635	Wyandotte	Fairfax Spur in Kansas City	0.2	Sg.	1-77	\$56	\$64	10-76	883 - Program addition
						(60)			
I-635	Wyandotte	Fairfax Spur in Kansas City	0.2	Lt.	1-77	\$35	\$56	5-76	Current program 883 - Program addition
						(75)	46	6-75	
I-435	Johnson	I-435 & Roe Ave. in Overland Park	---	Trf.Sig.	3-77	\$49	\$46	5-76	Current program 883 - Program addition
						(60)	46	3-75	
I-435	Wyandotte	Kansas River Bridge Superstructure	0.5	Br.	3-77	\$10,539	\$11,021	5-76	Current program - FY 1978 Update Update Update 883 - Change cost 883 - Original
						(13,459)	\$10,879	--	
							7,502	--	
							6,479	--	
							5,676	11-73	
							11,176	6-73	
I-70	Saline	1.5 mi. W. of Solomon	---	SRA Impr.	3-77	\$515	\$423	5-76	Current program Update Update Update 883 - Change cost 883 - Original
						(540)	500	--	
							303	--	
							262	--	
							230	12-73	
							227	6-70	

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments
						Let Cost	Estimated Cost		
I-70	Geary	4.0 mi. W. of K-177	---	SRA	3-77	\$748	\$571	5-76	Current program
						(770)	477	--	Update
							412	--	Update
							362	12-73	883 - Change cost
							334	6-70	883 - Original
I-70	Gove	LG-GO Co. Line E. to W. of Grainfield	0.4	Shear Base Lt.	4-77	\$25	\$18	5-76	Current program
						(28)	15	--	Update
							11	--	Update
							10	--	Update
							8	12-73	883 - Change cost
	4	6-70	883 - Original						
I-70	Shawnee	WB-SN Co. Line E. (EB & WB lanes)	4.0 4.0	Pav't.Recon. O'lay & Shldrs.	6-77 6-77	\$23	\$20	4-77	883 - Program addition
						705	1,181		
						(42) (809)			
I-70	Wabaunsee	Eskridge Interchg. E. to Co. Line (EB & WB lanes)	4.2 4.2	Pav't.Recon. O'lay & Shldrs.	6-77 6-77	\$21	\$20	4-77	883 - Program addition
						827	1,165		
						(22) (886)			
I-70	Geary	0.7 mi. E. of K-57 NE to Co. Line (EB lane)	15.4	O'lay & Shldrs.	6-77	\$1,541 (2,030)	\$2,796	4-77	883 - Program addition
TOTAL						\$32,765	\$39,762		

ESTIMATE = 121%
ACTUAL

FREEWAY PROGRAM
PROJECTS LET IN FISCAL YEAR 1977

HISTORY OF ESTIMATED* AND ACTUAL COSTS

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments			
						Let Cost (High Bid)#	Estimated Cost					
US-75	Shawnee	Kansas River Br. to S. of Soldier Creek	1.9	Brs.	5-76	\$15,117 (19,093)	\$12,560	5-76	Current Program			
				Gr.Su.	7-76							
				Sg.Lt.	8-76							
						1.9	PE & R/W			979	11-76	883 - Change funding
						1.9	PE & R/W			460	4-76	883 - Change year
						1.9	Gr.Br.Su.Sg.			11,680	4-76	883 - Combined Gr.Br.Su.Sg. Deleted PE, R/W & Railroad Br.
						1.9	Lt.			446	4-76	883 - Change year, separate from Su.Sg.
						1.9	Sg.			358	4-75	883 - Separate from Su.Lt.
						2.1	Su.Sg.Lt.			1,235	3-73	883 - Change funding, add Sg.Lt.
						2.1	Gr.Br.			4,750	3-73	883 - Change funding & cost
						1.8	Su.			625	2-71	883 - Change cost
						1.8	Gr.Br.			5,650	2-71	883 - Change cost
			1.8	Su.			525	2-70	883 - Original			
			1.8	Gr.Br.			4,990	2-70	883 - Original			
US-54	Sedgwick	Kellogg, Estelle to Roosevelt in Wichita	0.5	Lt.	7-76	\$101 (196)	\$220	5-76	Current program			
			0.5	Lt.			207	5-75	883 - Change funding & year			
K-10	Johnson	DG-JO Co. Line E. to 1 mi. S. of DeSoto	4.3	Su.Sg.	10-76	\$1,939 (2,568)	\$3,860	7-76	Current program & 883			
			4.5	Sg.			38	7-71	883 - Original			
			4.5	Su.			3,000	3-73	883 - Change funding			
			4.5	Su.			3,000	2-71	883 - Change cost			
			4.5	Su.			1,910	2-70	883 - Original			

*Estimated costs are from published programs
and/or Project Authorization or revisions thereof (Form 883)

#Amounts in parenthesis represents high bids received.

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments	
						Let Cost	Estimated Cost			
US-36	Doniphan	BR-DP Co. Line, E.	1.0	Gr.Br.	10-76	\$1,044	\$920	5-76	Current program 883 - Change 4-lane to 2-lane, split from another project	
			1.0	Gr.Br.		(1,356)	920	4-76		
US-36	Brown	3.5 mi. E. of US-73 E. to BR-DP Co. Line	6.5	Gr.Br.	10-76	\$4,164 (5,732)	\$6,235	5-76	Current program 883 - Change from 4-lane to 2-lane, change year & cost 883 - Change funding & length 883 - Original	
			6.5	Gr.Br.				6,235		4-76
			6.5	Gr.Br.				4,605		3-73
			13.0	Gr.Br.				8,575		2-70
K-96	Sedgwick	West St. E. to Old Wichita Urban Limits	0.6	Gr.Su.	10-76	\$2,641 (3,529)	\$1,400	7-76	Current program & 883 883 - Unlet part of larger project 883 - Unlet part of larger project 883 - Change funding & cost 883 - Original	
			0.6	Su.				235		12-73
			0.6	Su.				520		11-73
		Maize, SE to Wichita Urban Limits	5.4	Gr.Br.				8,050		7-72
			5.3	Gr.Br.				5,415		2-70
K-96	Sedgwick	Arkansas River Br.	0.2	Br. Sub.	11-76 } 4-77 }	\$4,201 (6,501)	\$4,835	9-76	Current program & 883 Change funding 883 - Change year, funding & cost 883 - Split from Gr. 883 - Change funding & cost 883 - Original	
			0.2	Br.				4,835		7-76
			0.2	Br.				3,740		11-73
			0.2	Gr.Br.				8,050		6-72
			0.2	Gr.Br.				3,600 for Br. 5,415		2-70
K-10	Douglas	Learnard St. in Lawrence, E. to DG-JO Co. Line	8.9	Sg.	12-76	\$91 (120)	\$75	7-76	Current program & 883 Change year 883 - Original Updated on original	
			8.9	Sg.				22 75		7-71 7-73

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments
						Let Cost	Estimated Cost		
K-10	Douglas	2.5 mi. E. of Lawrence E. to DG-JO Co. Line	7.5	Su.	12-76	\$3,156 (3,450)	\$7,205	10-76	Current program & 883 Change funding
			7.5	Su.			7,205	7-76	883 - Change year & cost
			7.5	Su.			4,690	3-73	883 - Change funding
			7.5	Su.			4,690	2-71	883 - Change cost
			7.5	Su.			2,970	2-70	883 - Original
K-96	Reno	K-96 & US-50 at Hutchinson S. to Jct. K-17 at Elmer	2.7	Gr.Br.Su.SS	5-77	\$1,523 (1,605)	\$1,345	9-76	Current program & 883 Change year & cost
			2.7	Gr.Br.Su.SS			1,390	3-73	883 - Change funding & cost
			2.7	Gr.Br.Su.			1,125	2-71	883 - Original
US-54	Sedgwick	Kellogg Viaduct	0.4	Br.	6-77	\$6,361 (7,154)	\$9,450	4-77	Current program & 883
			0.4	Br.			9,450	7-76	883 - Change funding & cost, separate from Gr.Su.
		Topeka to Lulu	0.7	Gr.Br.Su.Sg. Lt.			12,810	7-73	883 - Change funding
			0.7	Gr.Br.Su.Sg. Lt.			12,810	3-73	883 - Change funding, year, length & cost
			0.3	Gr.Br.Su.			2,510	2-70	883 - Original
US-69	Miami	4.7 mi. N. of LN-MI Co. Line N. to 0.3 mi. S. of Jct. K-68	11.1	Gr.Br.	6-77	\$7,399 (10,322)	\$9,310	4-77	Current program & 883 Change funding
			11.1	Gr.Br.			9,310	5-76	883 - Change from 4-lane to 2-lane, change year & cost
			11.1	Gr.Br.			10,360	3-73	883 - Change funding, year & cost
			11.1	Gr.Br.			7,855	2-71	883 - Change year
			11.1	Gr.Br.			7,855	2-70	883 - Original
TOTAL						\$47,737	\$57,415		

$\frac{\text{ESTIMATE}}{\text{ACTUAL}} = 120\%$

STATEWIDE PROGRAM
PROJECTS LET IN FISCAL YEAR 1977

HISTORY OF ESTIMATED* AND ACTUAL COSTS

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments
						Let Cost (High Bid)#	Estimated Cost		
US-40	Wallace	Colorado State Line, 7.8 E.		Gr.	7-76	\$692	\$692	8-76	Current program
						(909)	680	2-71	883 - Change cost
							695	2-70	883 - Original
US-56	Ford	9 mi. E. of CY-FO Co.3.0 Line E. to US-283		Gr.Br.Su.	7-76	\$1,705	\$2,045	8-76	883 - Change year
						(1,864)	550	10-71	883 - Change funding
							550	2-70	883 - Original
US-50	Harvey	Interchg. with K-15 & Westerly	0.7	Lt.	7-76	\$64	\$108	7-75	883 - Change length & funding
			1.8			(110)	184	--	Update cost
							119	10-70	883 - Original
US-160	Stanton	N. Jct. K-27, E.	5.9	O'lay	10-76	\$646	\$665	8-76	Current program
						(691)	665	12-74	883 - Original
US-283	Graham	2.8 mi. N. of TG-GH Co. Line, N.	11.9	Gr.	11-76	\$1,578	\$2,540	8-76	Current program
						(2,181)	1,325	2-71	883 - Change cost & year
							1,180	2-70	883 - Original
US-24	Pottawatomie	Old Vermillion Rv. Br. #18.96	0.2	Gr.Su. Culvert	11-76	\$161	\$250	8-76	Current program
						(215)	273	3-75	883 - Program addition
K-6	Wyandotte	Cissna St. to Sunshine Rd. in Kansas City	1.1	Sg.	1-77	\$40	\$245	8-76	Current program
						(53)	245	6-75	883 - Split from Su.Lt.

*Estimated costs are from published programs and/or Project Authorization or revisions thereof (Form 883)

#Amounts in parenthesis represents high bids received.

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments
						Let Cost	Estimated Cost		
K-6	Wyandotte	Cissna St. to Sunshine Rd. in Kansas City	1.1	Su.	1-77	\$1,106 (1,263)	\$1,577 1,890	8-76 6-75	Current program 883 - Split from Sg.Lt. & change cost
K-6	Wyandotte	Cissna St. to Sunshine Rd. in Kansas City	1.1	Lt.	1-77	\$80 (110)	\$133 133	8-76 6-75	Current program 883 - Split from Su.Sg.
K-31	Osage	I-35 to approx. 1 mi. S. of Melvern	3.0	Gr.Su.	1-77	\$789 (899)	\$885 704	8-76 6-74	Current program 883 - Original
K-4	Jefferson	NE of Valley Falls to Nortonville	6.6 7.1 7.0	Su.	1-77	\$1,558 (2,113)	\$2,190 865 1,025	8-76 6-72 2-70	Current program 883 - Change funding 883 - Original
US-40	Wallace	Colorado State Line, E.	7.8	Su.	2-77	\$949 (1,405)	\$1,410 580 580	8-76 11-73 2-70	Current program 883 - Change funding 883 - Original
US-169	Miami	US-169 & FAS 259 E. of Osawatomie	0.5	Lt. (Tower)	3-77	\$57 (74)	\$50	5-74	883 - Program addition
US-281	Barton	Arkansas River Br. at S. edge of Great Bend	---	Br. O'lay	3-77	\$115 (183)	\$201	2-77	883 - Program addition
K-132	Wyandotte	Over Kansas River at Turner	---	Br. Repair	4-77	\$1,397 (1,650)	\$1,165	2-77	883 - Program addition
K-192	Leavenworth	Dawson Creek Br. #3.00 W. of Easton	0.3	Gr.Br.Su.	5-77	\$260 (347)	\$230 192	8-76 1-76	Current program 883 - Original

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments
						Let Cost	Estimated Cost		
K-138	Wabaunsee	Mill Creek Drainage Br. #0.56 W. of Paxico	0.1	Gr.Br.Su.	6-77	\$170 (191)	\$90	8-76	Current program
K-115	Washington	Peats Creek Br.#0.65 E. edge of Palmer	0.1	Gr.Br.Su.	6-77	\$212 (262)	\$265 250 115	8-76 -- 1-73	Current program Update 883
TOTAL						\$11,579	\$14,741		

$$\frac{\text{ESTIMATE}}{\text{ACTUAL}} = 127\%$$

FREEWAY 3R PROGRAM
PROJECTS LET IN FISCAL YEAR 1977

HISTORY OF ESTIMATED* AND ACTUAL COSTS

In \$1,000

Route	County	Description	Length	Work Type	Let Date	Let Cost (High Bid)#	Estimated Cost	Date of Estimate	Comments
US-81	Cloud	0.7 mi. S. of FAS 145 N.	1.0	Gr.Su.SS	7-76	\$395 (409)	\$300	3-76	Current program
US-59	Anderson	S. Jct. US-169 N. to 0.1 mi. N. of S. City Limits of Garnett	5.5	O'lay, Widen	7-76	\$318 (483)	\$565	3-76	Current program & 883
US-59	Franklin	N. City Limits of Ottawa, N. to FR-DG Co. Line	7.3	O'lay, Shldrs.	7-76	\$425 (515)	\$660	3-76	Current program & 883
US-169	Anderson	7.6 mi. N. of Colony, N. to S. Jct. US-59	3.5	Widen, O'lay, Shldrs.	7-76	\$220 (330)	\$460	3-76	Current program & 883
US-69	Crawford	Arma Bypass, S. Jct. US-69 Alt. N. to N. Jct. US-69 Alt.	2.9	Shldrs.	9-76	\$94 (103)	\$30	3-76	Current program & 883
US-69	Crawford	CK-CR Co. Line N. to N. Jct. US-69 Alt.	7.7 7.7	O'lay, Shldrs.	9-76	\$687 (708)	\$695	3-76	Current program & 883
US-75	Brown	US-75 & US-36, N.	3.0	O'lay, Shldrs.	4-77	\$372 (412)	\$500	9-76	883 - Program addition
US-36	Brown	W. Jct. US-75, E.	1.9	O'lay, Shldrs.	4-77	\$80 (91)	\$80	1-77	883 - Program addition
TOTAL						\$2,591	\$3,290		

*Estimated costs are from published programs and/or Project Authorization or revisions thereof (Form 883)
#Amounts in parenthesis represents high bids received.

$\frac{\text{ESTIMATE}}{\text{ACTUAL}} = 127\%$

STATEWIDE 3R PROGRAM
PROJECTS LET IN FISCAL YEAR 1977

HISTORY OF ESTIMATED* AND ACTUAL COSTS

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments
						Let Cost (High Bid)#	Estimated Cost		
US-36	Norton	Jct. K-67, E. to NT-PL Co. Line	10.1	O'lay	7-76	\$820 (957)	\$760	4-76	Current program & 883
US-50	Lyon	LY-CS Co. Line E. to 4-lane W. of KTA	5.6	O'lay & Shldrs.	7-76	\$420 (544)	\$475	4-76	Current program & 883
US-50	Chase	1.7 mi. W. of LY Co. Line E. to LY-CS Co. Line	1.7	O'lay & Shldrs.	7-76	\$148 (212)	\$145	4-76	Current program & 883
US-156	Ellsworth	W. City Limits of Holyrood NE to Jct. K-14	12.9	O'lay	7-76	\$923 (1,015)	\$970	4-76	Current program & 883
US-50	Chase	MN-CS Co. Line, NE	9.4	O'lay & Shldrs.	7-76	\$665 (761)	\$755	4-76	Current program & 883
K-96	Lane	SC-LE Co. Line E. to 0.1 mi. E. of W. City Limits of Dighton	11.5	O'lay	7-76	\$792 (1,051)	\$1,150	4-76	Current program & 883
US-154	Ford	0.3 mi. E. of Jct. US-56 in Dodge City SE to N end of Arkansas River Br.	16.2	O'lay & Widen	7-76	\$1,676 (1,885)	\$1,865	4-76	Current program & 883
US-59	Neosho	NO-LB Co. Line N. to Jct. K-146	15.4	O'lay & Shldrs.	7-76	\$820 (1,016)	\$1,310	4-76	Current program & 883

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#Amounts in parenthesis represents high bids received.

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments
						Let Cost (High Bid)#	Estimated Cost		
US-59	Anderson	AL-AN Co. Line N. to 15.2 S. Jct. US-169		O'lay	7-76	\$747 (1,096)	\$1,140	4-76	Current program & 883
K-14	Reno	W. Jct. K-61 NE to E. Jct. K-61 in Arlington	1.1	O'lay	8-76	\$111 (205)	\$100	4-76	Current program & 883
K-61	Reno	0.4 mi. SW of E. City Limits of Arlington NE to Jct. US-50	8.8	O'lay	8-76	\$863 (905)	\$970	4-76	Current program & 883
US-56	Douglas	Jct. US-59 E. to W. City Limits of Baldwin	4.5	O'lay & Widen	9-76	\$314 (341)	\$440	4-76	Current program & 883
US-56	Douglas	W. City Limits of Baldwin E. to DG-JO Co. Line	7.3	O'lay	9-76	\$504 (554)	\$550	4-76	Current program & 883
US-50	Harvey	E. City Limits of Newton NE to HV-MN Co. Line	13.1	O'lay & Shldrs.	10-76	\$855 (1,024)	\$1,115	4-76	Current program & 883
US-383	Decatur	W. City Limits of Jennings NE to DC- NT Co. Line	7.3	O'lay & Widen Shldrs.	12-76	\$740 (1,032)	\$780	4-76	Current program & 883
US-383	Norton	DC-NT Co. Line NE thru Clayton	0.8	O'lay & Widen Shldrs.	12-76	\$90 (131)	\$90	4-76	Current program & 883
US-59	Jefferson	Jct. K-4 SE of Norton-0.5 ville N & E to JF-AT Co. Line		O'lay & SS	1-77	\$46 (58)	\$44	9-76	883 - Program addition

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments
						Let Cost	Estimated Cost		
K-4	Jefferson	S. of Nortonville NE to US-59	0.4	O'lay & SS	1-77	\$36 (46)	\$33	9-76	883 - Program addition
K-68	Osage	Jct. K-268, E.	0.5	O'lay & SS	4-77	\$34 (43)	\$55	5-76	Current program & 883
K-4	Jefferson	3.7 mi. NE of Jct. K-92 NE to C. Jct. K-16	6.9	O'lay	4-77	\$641 (677)	\$520	5-76	Current program & 883
US-73	Brown	6.3 mi. N. of Hiawatha N. to Nebraska State Line	5.4	O'lay	4-77	\$549 (611)	\$405	5-76	Current program & 883
K-268	Osage	Jct. US-75 E. to Jct. K-68	9.5	O'lay & SS	4-77	\$719 (895)	\$1,050	5-76	Current program & 883
US-54	Greenwood	BU-GW Co. Line E. to W. City Limits of Eureka	12.5	O'lay & Shldrs.	4-77	\$693 (875)	\$1,065	5-76	Current program & 883
US-83	Thomas	2.7 mi. NE of Jct. US-24 E. to TH-SH Co. Line	8.8	O'lay	5-77	\$730 (768)	\$880	5-76	Current program & 883
US-75	Coffey	N. City Limits of Burlington N. to 2.4 mi. N. of New Strawn	6.9	O'lay & Shldrs.	5-77	\$605 (625)	\$650	5-76	Current program & 883
US-50	Edwards	FO-ED Co. Line E. to W. City Limits of Offerle	0.3	O'lay	5-77	\$28 (32)	\$20	5-76	Current program & 883
US-50	Ford	Near Spearville E. to FO-ED Co. Line	9.4	O'lay	5-77	\$1,034 (1,089)	\$710	5-76	Current program & 883

Route	County	Description	Length	Work Type	Let Date	In \$1,000		Date of Estimate	Comments
						Let Cost	Estimated Cost		
US-56	Pawnee	ED-PN Co. Line NE to 1.2 mi. SW of Larned	1.3	O'lay & Widen Shldrs.	6-77	\$208 (249)	\$132	5-76	Current program - split out of larger project
						TOTAL	<u>\$15,811</u>	<u>\$18,179</u>	

$$\frac{\text{ESTIMATE}}{\text{ACTUAL}} = 115\%$$

GRAND TOTAL \$110,483 \$133,387,000

$$\frac{\text{ESTIMATE}}{\text{ACTUAL}} = 121\%$$

7. COMPARISON OF CONSTRUCTION COSTS IN KANSAS
WITH COMPARABLE CONSTRUCTION IN OTHER STATES

It is difficult to compare actual construction costs between states due to type and size of projects. However, the average unit cost of major construction items does indicate a certain trend in costs. A table of statistics by state is attached for information. Unit costs shown at the bottom section of the chart indicate the relative position of certain costs for each state.

As requested, a comparison was made of an Oklahoma project on US-60 with the US-59 project south of Garnett. The Oklahoma project provided for an 1½" overlay while the Kansas project provided for widening to 24' and a 3" overlay. By unit values per ton of asphalt mix, the Kansas project was more economical (\$11.19 vs. \$13.40) but again it is difficult to make an assessment of costs on just the basis of unit costs.

Labor rates in the Kansas City area, in both Kansas and Missouri, compare with the highest in the nation. These rates, along with the Davis-Bacon rates required in all contracts, tend to keep construction costs at a maximum in all states. A table of current rates for various construction crafts is attached for comparison of rate variance in Kansas.

8.

COMPARISON OF HIGHWAY MAINTENANCE
COSTS IN KANSAS WITH COMPARABLE
MAINTENANCE COSTS IN OTHER STATES

The FHWA Statistical Report of 1974 indicated that maintenance costs are above the average nationwide and higher than our neighboring states. We have made an extensive review of this matter through direct personal contact with Maintenance Engineers in other states and considerable correspondence. There is such a wide variance in the definition of maintenance as related to construction that it is impossible to correlate true maintenance costs as reported. The level of service and the type of surface have a definite bearing on maintenance costs.

The attached chart does list total maintenance costs for our neighboring states. With the contract maintenance costs deleted Kansas does compare favorably. Level of service, especially winter maintenance, varies considerably. Iowa has a system for providing three levels of snow and ice control based on traffic. This is one area we are considering for a reduction in total cost. However, we realize the environmental problems when one community gets less service than another.

Our maintenance program is being developed around a work needs inventory. The magnitude of the inventory depends on our policies regarding the level of service we can reasonably furnish with available resources. If it is determined that our resources should be reduced, the level of service will be reduced in direct proportion to the reduction in available resources.

1/
COMPARISONS - KANSAS & ADJACENT STATES

ITEM	KANSAS	COLORADO	NEBRASKA	MISSOURI	OKLAHOMA
Population (1976 Est. Census)	2,310,000	2,583,000	1,553,000	4,778,000	2,766,000
Area Sq. Miles	82,264	104,247	77,227	69,686	69,919
Total Miles of Road	134,691	85,545	97,108	117,007	109,399
Total Miles State Administered 1975	10,878	9,090	10,233	32,066	13,029
Miles of Road Per Sq. Mile	1.63	0.82	1.26	1.67	1.56
Persons Per Mile of Road	17.1	30.2	16.0	40.8	25.3
Persons Per Mile of State Highway	212.3	284.1	151.8	149.0	212.3
Maintenance	\$45,672,000	\$36,072,000	\$24,592,000	\$101,294,000	\$31,589,000
Cost Per Mile	4,199	3,968	2,403	3,159	2,424
Capital Outlay State System					
Roads & Bridges	\$114,795,000	\$106,494,000	\$106,651,000	\$251,327,000	\$115,433,000
Highway Construction Contract Awarded 1975	\$86,393,000	\$220,368,000	\$83,965,000	\$180,772,000	\$101,596,000
Unit Costs (1976)					
Common Excavations cu. yd.	\$.91	\$.95	\$.49	\$ 1.04	\$ 1.17
Surfacing, Portland Cement sq. yd.	11.32	11.89	9.19	9.06	10.00
Surfacing, Bituminous Concrete ton	14.61	12.68	12.39	16.13	13.75
Reinforcing Steel pound	.269	.241	.344	.290	.199
Structural Steel pound	.574	.601	.548	.503	.07
Structural Concrete cu. yd.	\$127.87	\$152.37	\$132.07	\$166.64	98.58

State	Total Budget	Contract Budget	Number Employees	Total Miles	\$/Mile	\$/Mile (Less Const. Maint)	Miles/Employee
Kansas	\$ 50,000,000	16% \$ 8,000,000	1900	10,500	\$4800	\$4000	5.6
Missouri	\$113,000,000	8.9% \$10,000,000	3400	32,000	\$3450	\$3200	9.4
Colorado	\$ 52,000,000	0 \$ 0	1500	9,100	\$5700	\$5700	6.1
Oklahoma	\$ 41,000,000	37% \$15,000,000	1300	12,800	\$3200	\$2050	9.9
Nebraska	\$ 24,000,000	13% \$ 3,000,000	1200	10,500	\$2300	\$2000	8.8
Iowa	\$ 43,000,000	9% \$ 3,000,000	1900	10,500	\$4100	\$3810	5.6
Average	\$ 53,800,000	100% \$ 6,500,000	1866	14,300	\$3750	\$3310	7.6

MINIMUM WAGE COMPARISON - WAGE AREAS 1 and 5

<u>CLASSIFICATION</u>	<u>Area 1</u>	<u>Area 5</u>
	Western ½ of State Decision #KS77-4024 Dated 2-18-77	K.C. Area Decision #MO77-4075 Dated 4-8-77
Asphalt Paving Machine Operator	4.02 per hour	12.45 per hour
Bulldozer Operator	3.97 per hour	11.95 per hour
Carpenter	4.15 per hour	11.85 per hour
Laborer	3.09 per hour	10.15 per hour
Roller Operator (Plant Mix)	3.70 per hour	12.20 per hour
Scraper Operator	3.47 per hour	12.45 per hour
Truck Driver (Tandem)	3.75 per hour	11.95 per hour

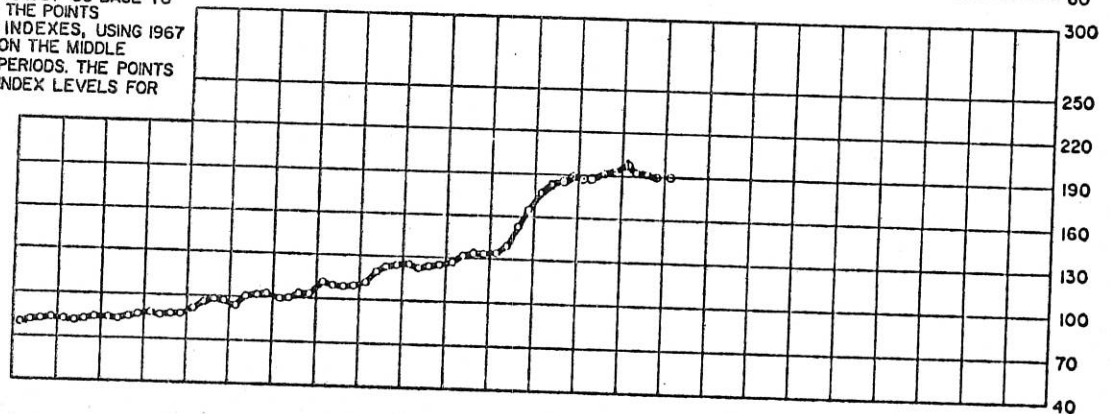
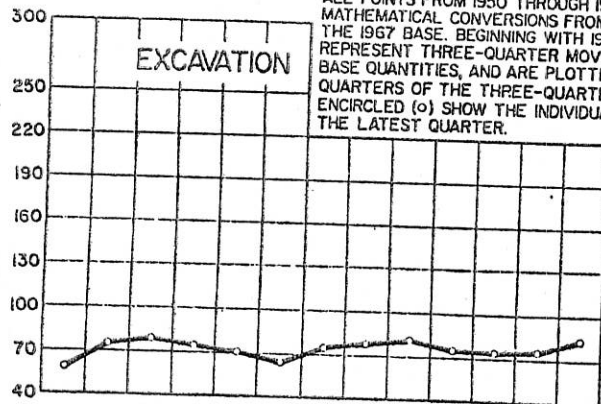
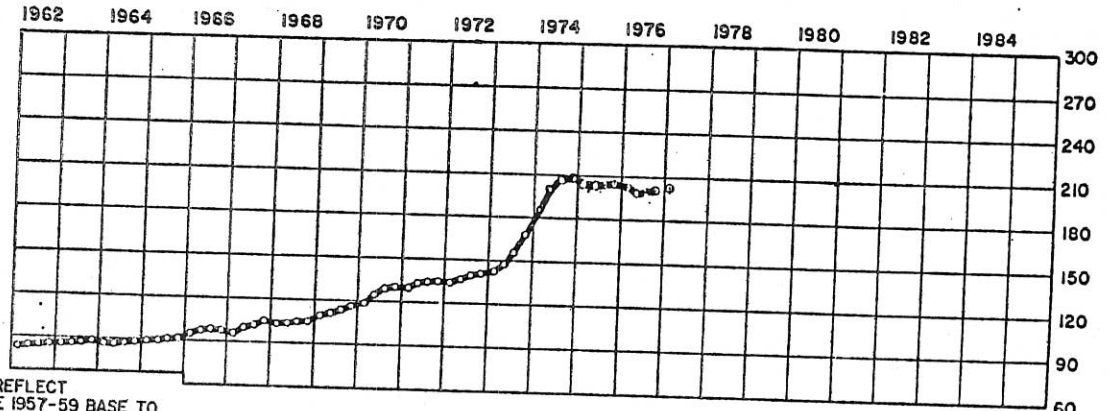
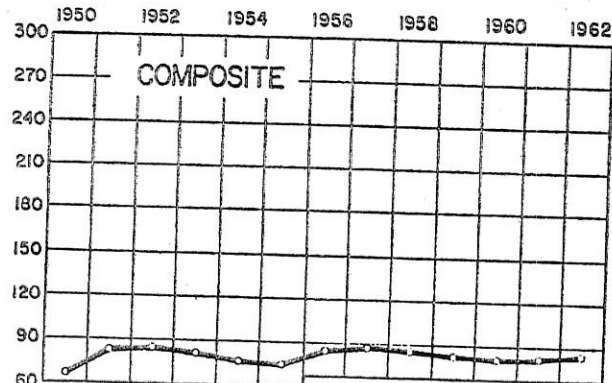
Areas No. 2 and 3 are very similar to Area 1.

Area 5 rates are union rates.

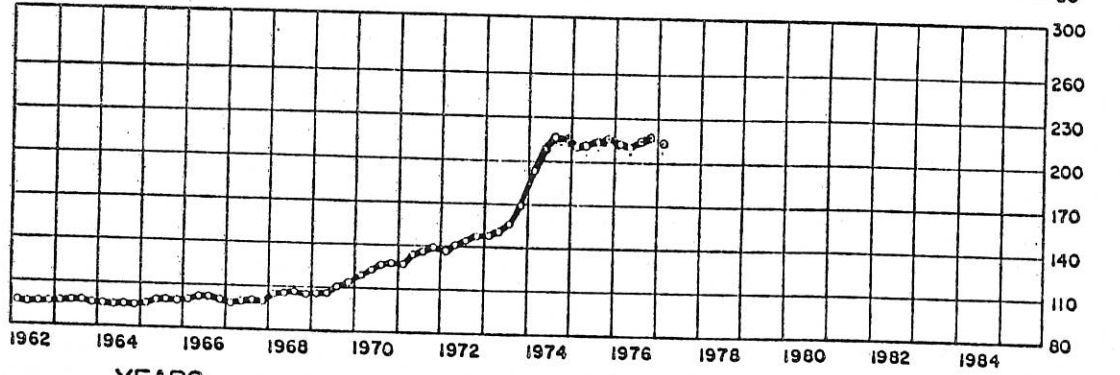
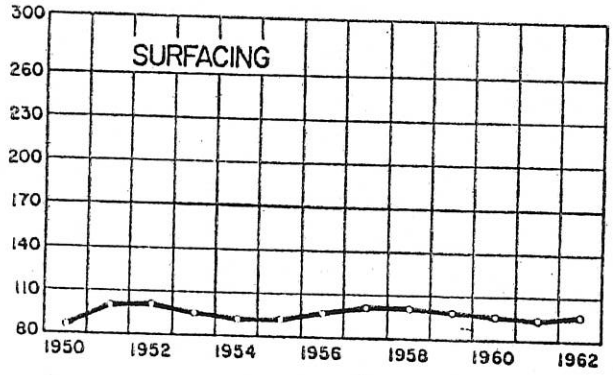
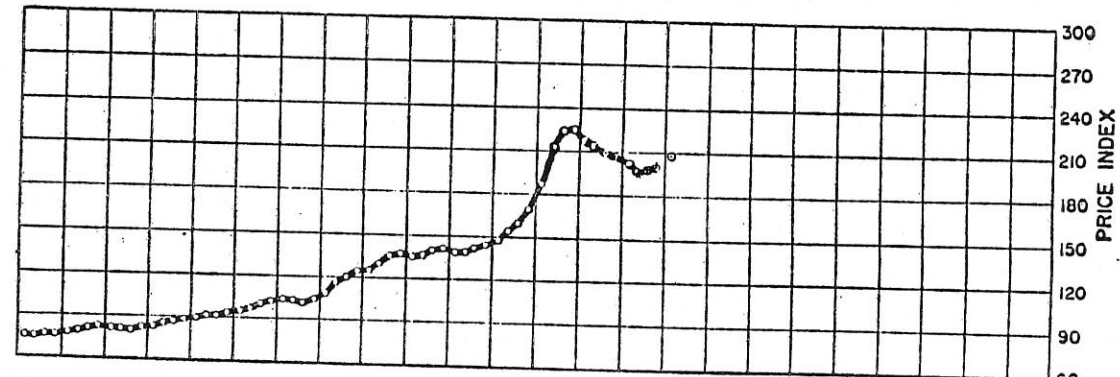
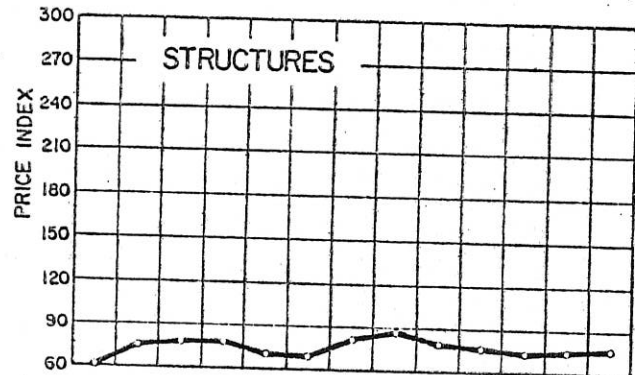
Area 1 rates are based on prevailing rates in the area. However, since rate comparisons are made of previous projects with Davis-Bacon rates, the system adds to the inflationary trend as they are normally above the rates being paid in the local community.

PRICE TRENDS FOR FEDERAL-AID HIGHWAY CONSTRUCTION

1967 = 100



ALL POINTS FROM 1950 THROUGH 1962 REFLECT MATHEMATICAL CONVERSIONS FROM THE 1957-59 BASE TO THE 1967 BASE. BEGINNING WITH 1962, THE POINTS REPRESENT THREE-QUARTER MOVING INDEXES, USING 1967 BASE QUANTITIES, AND ARE PLOTTED ON THE MIDDLE QUARTERS OF THE THREE-QUARTER PERIODS. THE POINTS ENCIRCLED (o) SHOW THE INDIVIDUAL INDEX LEVELS FOR THE LATEST QUARTER.



YEARS

ANNUAL PRICE TRENDS FOR FEDERAL-AID HIGHWAY CONSTRUCTION 1967 BASE

		Composite Index								
REGION	STATE	1968	1969	1970	1971	1972	1973	1974	1975	1976
1	CONNECTICUT	88.5	112.2	156.4	129.6	145.3	194.9	202.4	176.3	175.4
	MAINE	117.8	111.0	140.6	116.8	126.6	163.1	165.4	152.6	158.2
	MASSACHUSETTS	111.4	99.8	120.5	260.4	161.9	135.4	142.9	212.2	166.6
	NEW HAMPSHIRE	78.6	67.6	119.2	109.7	119.8	199.8	174.3	159.9	162.9
	NEW JERSEY	92.4	98.8	115.0	118.4	118.1	155.6	330.8	221.6	144.2
	NEW YORK	101.8	107.7	112.2	133.5	114.8	113.9	135.0	227.6	149.3
	RHODE ISLAND	116.2	111.8	120.6	108.8	116.2	156.8	261.2	190.1	175.9
	VERMONT	94.4	85.5	102.6	110.2	122.8	171.4	200.5	172.0	161.8
	PUERTO RICO	271.8	*0.0	191.5	195.2	166.1	402.1	300.7	194.8	*9.0
	REGION	100.7	102.7	115.0	139.3	121.6	155.1	187.1	213.8	155.5
	3	DELAWARE	118.7	113.8	129.8	183.0	147.2	208.5	297.0	221.3
DISTRICT OF COLUMBIA		128.8	146.7	113.7	260.8	215.7	424.3	406.7	271.9	275.7
MARYLAND		101.3	112.5	143.0	154.3	165.9	198.9	351.1	264.1	432.6
PENNSYLVANIA		93.7	116.2	127.8	114.3	113.9	147.4	176.9	189.3	200.5
VIRGINIA		105.8	120.5	179.2	142.4	170.7	194.6	209.2	191.6	195.5
WEST VIRGINIA		96.0	92.3	103.0	117.9	135.0	149.2	417.1	279.8	249.1
REGION		100.2	115.0	141.2	132.9	141.5	177.2	243.0	211.2	222.6
4	ALABAMA	105.5	121.0	118.2	152.9	128.7	173.2	215.8	233.0	214.2
	FLORIDA	93.1	127.0	126.0	138.1	152.0	178.4	218.1	228.8	210.2
	GEORGIA	107.3	124.1	120.6	220.4	195.0	177.3	198.0	187.1	175.0
	KENTUCKY	111.0	142.7	120.2	143.5	140.8	202.5	250.6	278.8	298.8
	MISSISSIPPI	86.7	90.4	117.6	99.1	124.3	140.1	174.1	255.2	267.2
	NORTH CAROLINA	114.2	119.3	124.8	150.5	152.8	140.7	241.5	216.2	197.6
	SOUTH CAROLINA	91.2	105.6	121.7	149.7	156.1	249.9	200.3	194.5	190.4
	TENNESSEE	113.6	123.7	123.1	149.8	154.8	177.0	293.9	338.2	248.2
	REGION	104.8	124.3	121.3	148.5	147.8	183.0	218.6	251.6	240.0
	5	ILLINOIS	109.4	115.6	136.8	162.7	146.1	151.8	183.0	227.5
INDIANA		104.3	92.3	107.2	124.3	136.7	167.8	241.1	220.9	199.3
MICHIGAN		104.4	98.3	115.3	116.4	119.7	128.3	156.9	170.3	141.8
MINNESOTA		90.0	106.1	118.1	124.1	121.9	135.9	157.9	180.6	164.7
OHIO		103.1	126.9	124.8	130.1	129.2	142.6	204.6	190.1	185.4
WISCONSIN		91.5	94.1	118.2	125.0	145.0	140.0	179.4	181.4	164.1
REGION		103.0	109.9	123.8	137.6	135.2	147.0	190.0	203.5	197.6
6	ARKANSAS	103.2	114.5	140.9	170.9	163.0	211.3	370.6	289.1	262.7
	LOUISIANA	90.2	100.6	94.5	116.5	127.2	153.1	249.0	262.5	231.0
	NEW MEXICO	133.5	137.0	160.2	158.3	144.4	171.2	246.4	263.9	259.7
	OKLAHOMA	114.3	131.9	137.1	151.0	151.8	198.1	234.6	252.6	306.4
	TEXAS	106.9	116.3	130.0	142.4	164.5	189.5	324.5	270.7	328.9
	REGION	109.2	119.7	132.7	146.7	156.5	188.4	295.2	268.2	309.6
7	IOWA	84.9	104.3	118.4	125.4	123.7	155.5	206.3	208.4	175.4
	KANSAS	103.6	121.6	145.2	138.1	165.5	169.8	269.2	261.2	246.9
	MISSOURI	104.4	122.3	150.5	144.2	165.0	178.3	247.0	236.6	204.5
	NEBRASKA	97.9	117.8	138.4	148.5	142.5	174.0	247.4	261.0	217.0
	REGION	100.4	118.9	142.9	140.8	155.4	172.5	245.8	241.2	211.0
8	COLORADO	109.0	109.8	152.0	165.7	152.6	173.1	254.5	269.7	260.9
	MONTANA	109.6	112.2	125.7	157.9	148.4	160.7	180.2	223.5	236.0
	NORTH DAKOTA	94.4	95.2	115.3	127.1	127.8	118.0	174.7	186.9	197.4
	SOUTH DAKOTA	83.3	73.0	90.6	86.0	106.9	104.6	127.5	136.4	152.9
	UTAH	79.2	105.3	101.4	100.4	111.4	115.8	190.3	162.9	224.4
	WYOMING	109.0	109.9	126.6	174.6	143.6	146.8	216.7	226.6	245.7
	REGION	96.7	101.2	118.6	133.8	131.1	137.0	192.6	201.3	229.8
9	ARIZONA	100.8	116.5	143.8	161.8	193.9	192.7	221.9	229.1	182.6
	CALIFORNIA	105.5	112.5	115.2	120.7	132.9	165.3	204.5	216.7	210.0
	HAWAII	104.1	126.3	109.3	108.3	109.8	146.1	201.9	211.9	178.6
	NEVADA	109.6	115.7	118.8	162.6	199.5	154.2	164.6	220.8	236.4
	REGION	105.7	114.0	118.8	127.1	142.3	167.2	204.7	218.2	205.3
10	ALASKA	132.6	83.5	76.1	94.9	167.5	120.6	146.2	184.5	172.6
	IDAHO	112.2	100.6	126.5	169.8	130.9	137.3	228.7	203.7	229.0
	OREGON	118.5	143.3	126.8	144.7	174.2	141.5	301.8	251.6	235.5
	WASHINGTON	114.0	116.5	118.0	135.1	135.7	168.7	184.5	239.7	286.9
	REGION	120.0	117.3	116.4	138.0	149.8	149.2	216.7	230.6	247.8
UNITED STATES		103.4	111.8	125.6	131.7	138.2	152.4	201.8	203.3	199.3

*Indicates not enough information is available to calculate a value I.E. Current quantity or Base-Cost missing or zero.

1976 ANNUAL PRICE TRENDS FOR FEDERAL-AID HIGHWAY CONSTRUCTION 1967 BASE

REGION	STATE	COMMON EXCAVATN		SURFACING			STRUCTURES				COMP-OSITE INDEX
		AVG PRICE INDX	AVG PRICE INDX	AVG PRICE INDX	SRFC INDX	RNFCG STL AVG PRICE INDX	STRCT STL AVG PRICE INDX	STRC CNCRT AVG PRICE INDX	STRC INDX		
										PTLND CMT	
1	CONNECTICUT	1.77 147.5	12.19 168.1	13.55 143.5	157.8	0.251 191.2	.483 176.9	123.16 193.3	187.7	173.4	
	MAINE	1.36 153.5	*0.00 *0.0	15.38 155.9	155.9	0.250 186.9	.531 282.2	117.84 162.2	234.3	158.2	
	MASSACHUSETTS	1.03 145.8	*0.00 *0.0	15.96 209.1	209.1	0.342 261.4	.799 301.6	139.46 303.0	299.0	166.6	
	NEW HAMPSHIRE	1.21 154.6	*0.00 *0.0	16.07 181.7	181.7	0.235 174.2	.422 235.5	88.86 161.6	178.9	162.9	
	NEW JERSEY	1.59 120.3	15.99 202.8	16.79 166.2	169.5	0.453 225.5	.387 180.1	154.25 148.9	168.4	144.2	
	NEW YORK	1.62 143.5	7.20 98.8	20.63 163.4	120.3	0.348 211.2	.422 147.4	193.85 179.6	169.8	149.8	
	RHODE ISLAND	1.03 144.8	*0.00 *0.0	14.32 211.6	211.6	0.288 209.0	.483 202.8	129.32 192.1	198.8	175.9	
	VERMONT	0.75 130.6	*0.00 *0.0	21.75 233.9	233.9	0.227 163.1	.454 208.2	108.34 172.5	186.9	161.8	
	PUERTO RICO	*0.00 *0.0	*0.00 *0.0	*0.00 *0.0	*0.0	0.293 209.5	*.000 *0.0	*0.00 *0.0	*0.0	*0.0	
	REGION	1.36 138.9	8.00 106.2	16.83 179.7	150.3		.431 162.0	131.20 174.4	174.8	153.5	
3	DELAWARE	1.22 126.3	*0.00 *0.0	17.35 180.0	180.0	0.438 306.0	.393 163.0	162.49 212.3	206.7	170.8	
	DISTRICT OF COLUMBIA	9.63 253.3	25.00 252.5	30.20 377.1	315.3	*0.000 *0.0	*0.00 *0.0	*0.00 *0.0	*0.0	275.7	
	MARYLAND	4.86 747.6	14.40 246.7	16.46 213.0	231.6	*0.181 132.3	.639 304.2	199.41 238.6	249.8	432.6	
	PENNSYLVANIA	1.28 184.7	13.83 236.7	18.26 181.3	230.6	0.340 251.6	.467 124.3	166.64 224.9	198.9	200.5	
	VIRGINIA	1.05 155.1	*0.00 *0.0	19.69 270.9	270.9	0.249 200.4	.410 208.9	135.86 228.8	218.8	193.5	
	WEST VIRGINIA	1.67 275.3	11.09 160.4	25.48 257.5	207.9	0.375 248.3	.628 253.3	198.85 205.6	213.2	249.1	
	REGION	1.31 222.5	11.41 227.5	18.79 248.2	236.2	0.279 227.4	.530 184.2	168.67 225.4	212.7	222.6	
4	ALABAMA	0.95 243.0	6.35 162.4	14.85 224.7	199.9	0.238 180.5	.416 205.1	133.11 198.3	196.9	214.2	
	FLORIDA	1.08 201.3	13.99 298.8	18.58 220.8	240.1	0.227 180.4	.491 158.3	131.47 202.9	193.3	210.2	
	GEORGIA	0.55 165.6	5.68 144.9	11.44 163.8	151.5	0.225 197.3	.375 187.7	114.64 260.5	239.4	175.0	
	KENTUCKY	1.18 387.2	7.53 164.1	19.75 246.7	211.8	0.272 185.0	.764 299.5	214.38 273.8	264.7	298.8	
	MISSISSIPPI	0.85 159.3	14.78 491.9	14.65 175.8	423.3	0.257 194.7	.530 232.3	147.96 175.5	182.2	267.2	
	NORTH CAROLINA	0.63 200.0	*0.00 *0.0	15.71 224.6	224.6	0.276 220.6	.399 168.3	106.12 170.5	175.9	197.6	
	SOUTH CAROLINA	0.68 167.9	*0.00 *0.0	15.91 223.1	223.1	0.213 162.7	.413 259.9	98.21 147.8	164.5	180.4	
	TENNESSEE	0.77 217.3	11.07 224.3	15.89 303.0	286.9	0.204 183.3	.896 342.0	112.33 205.6	238.5	248.2	
	REGION	0.72 267.0	6.79 240.2	15.46 240.4	240.3	0.235 185.4	.499 239.9	125.57 208.6	211.4	240.0	
5	ILLINOIS	1.94 260.1	11.57 245.0	21.02 197.2	232.2	0.343 214.3	.575 240.7	236.81 241.9	237.7	242.5	
	INDIANA	1.68 220.3	9.43 195.6	14.41 165.5	190.9	0.260 175.8	.437 195.2	156.56 173.0	182.5	199.3	
	MICHIGAN	1.38 132.6	6.98 119.1	16.38 168.0	126.7	0.333 212.4	.342 160.0	111.18 152.1	163.6	141.8	
	MINNESOTA	0.64 154.7	7.33 167.0	10.65 193.3	175.4	0.262 192.9	.465 180.2	126.72 152.0	168.6	164.7	
	OHIO	1.45 171.7	10.85 190.4	14.64 166.3	183.7	0.251 180.7	.428 187.7	120.28 210.2	195.3	183.4	
	WISCONSIN	0.73 160.6	6.37 146.2	12.05 194.5	160.2	0.224 201.5	.421 202.3	94.36 141.0	169.2	164.1	
	REGION	1.20 197.3	8.31 192.5	15.64 185.3	195.9	0.277 197.5	.436 205.6	140.81 195.0	199.6	197.6	
6	ARKANSAS	1.74 396.1	8.65 249.0	14.93 188.5	227.8	0.229 187.4	.387 230.3	106.94 184.5	201.8	262.7	
	LOUISIANA	2.26 236.2	15.39 316.1	21.06 247.2	305.3	0.288 210.4	.633 222.1	141.78 178.2	191.3	231.0	
	NEW MEXICO	1.03 304.7	11.28 302.1	12.82 218.8	247.5	0.278 198.6	.388 213.0	142.63 216.9	213.1	259.7	
	OKLAHOMA	1.17 378.7	10.00 259.8	13.75 273.2	267.5	0.199 167.6	.807 413.9	98.58 213.8	268.2	306.4	
	TEXAS	1.58 352.6	11.23 375.8	22.15 345.9	360.1	0.247 226.6	.567 243.2	150.40 270.6	255.8	328.9	
	REGION	1.47 346.8	10.93 323.5	16.96 297.1	310.5	0.249 208.2	.452 287.7	133.57 232.9	240.4	300.6	
7	IDAH	0.66 182.6	9.35 159.8	14.85 92.1	149.9	0.251 212.3	.452 214.1	114.40 175.7	195.5	175.4	
	KANSAS	0.91 271.2	11.32 229.7	14.61 249.0	243.8	0.269 207.2	.574 245.5	127.87 239.3	233.6	246.9	
	MISSOURI	1.04 207.4	9.06 207.0	16.13 235.0	218.8	0.290 191.8	.503 182.8	166.64 198.1	191.2	204.5	
	NEBRASKA	0.49 181.7	9.19 232.1	12.39 192.9	226.1	0.344 247.7	.548 248.7	132.07 263.0	260.4	217.0	
	REGION	0.84 210.7	9.31 202.2	13.54 230.4	218.5	0.278 202.4	.507 201.5	142.67 210.8	206.0	211.0	
8	COLORADO	0.95 264.0	11.89 371.1	12.48 246.0	270.9	0.241 202.4	.601 267.2	152.37 252.9	244.6	260.9	
	MONTANA	0.91 288.2	*0.00 *0.0	10.50 193.5	193.5	0.309 191.7	.482 199.3	180.42 229.7	215.0	236.0	
	NORTH DAKOTA	0.61 144.6	6.94 188.2	12.06 246.4	234.7	0.337 247.4	.535 207.3	166.98 262.9	235.4	197.4	
	SOUTH DAKOTA	0.56 123.2	8.53 162.8	11.06 166.2	163.7	0.301 245.0	.482 228.3	159.52 265.2	254.2	152.9	
	UTAH	1.22 236.7	6.81 199.8	10.09 193.2	193.9	0.316 239.5	.888 301.1	140.01 210.5	226.3	224.4	
	WYOMING	0.80 257.9	*0.00 *0.0	11.39 221.3	221.3	0.282 232.6	.542 260.5	151.11 252.9	249.2	243.7	
	REGION	0.82 228.7	7.31 185.5	11.56 209.6	202.8	0.275 216.9	.554 235.1	140.35 253.6	235.6	220.8	
9	ARIZONA	0.78 143.7	*0.00 *0.0	11.46 231.4	231.4	0.197 166.9	.484 216.2	138.44 229.5	215.1	182.6	
	CALIFORNIA	1.08 205.3	6.42 207.8	14.26 256.0	229.3	0.230 217.0	.564 206.5	118.30 199.3	204.9	210.0	
	HAWAII	2.12 157.0	*0.00 *0.0	33.98 233.2	233.2	0.263 146.9	.743	160.42 191.2	179.0	178.6	
	NEVADA	1.04 214.5	*0.00 *0.0	11.33 315.5	315.5	0.220 186.6	.425 115.5	136.57 209.7	194.0	236.4	
	REGION	1.02 198.6	6.42 207.8	12.68 232.8	234.5	0.232 205.0	.543 204.7	126.48 192.9	201.8	205.8	
10	ALASKA	1.68 159.8	*0.00 *0.0	29.95 189.8	189.8	0.465 180.0	.847 182.1	397.25 210.4	194.4	172.6	
	IDAHO	1.14 261.9	6.30 159.5	11.91 234.7	228.8	0.289 225.1	.466 168.4	114.22 163.4	177.1	229.0	
	OREGON	1.38 271.4	*0.00 *0.0	12.19 207.3	207.3	0.305 229.0	*.000 *0.0	160.10 209.2	215.0	235.5	
	WASHINGTON	1.94 317.3	8.29 193.0	14.48 239.3	228.0	0.261 206.7	*.000 *0.0	226.72 361.6	310.2	286.9	
	REGION	1.37 263.2	6.92 188.8	15.67 224.3	219.7	0.274 213.3	.607 179.0	192.28 279.5	244.8	247.8	
	UNITED STATES	1.03 190.9	8.68 196.1	14.83 229.4	212.2	0.258 197.1	.484 196.2	139.59 198.6	197.6	199.3	

INDICATES NOT ENOUGH INFORMATION IS AVAILABLE TO CALCULATE A VALUE I.E. CURRENT QUANTITY OR BASE-COST MISSING OR ZERO.

SECTION II

1. Long Range Planning

The Department agrees wholeheartedly that a long range (15-20 year) program plan or planning process is a high priority need. A long range plan does not, however, envision a priority listing of individual projects over 15 to 20 years scheduled as to year of construction. Rather it implies systems of desired goals that are realistic in terms of projections of revenue forecast, either on the basis of existing revenue sources or on several considerations of additional revenue sources or rates balanced against projected needs.

A long range plan is not static. It requires continuous surveillance and analysis to meet changing economic conditions. (Examples: the major change that the energy situation has produced in revenue forecasts; the transportation needs resulting from the need to move alternate energy sources (coal), possible future shifts in transportation mode as rail lines are abandoned or consolidated, etc.). Changes in social and cultural conditions will as well affect the long range plan. (Shifts from a rural to an urban population or the reverse movement; a growing concern with pollution and other environmental factors; an increasing population of elderly and handicapped restricted in the opportunity for personal transportation). Physical needs can and probably will change as well. (Increase or decrease in truck weights and axle loads or in number of trucks; a shift from gasoline-powered automobiles to diesel-powered or to electrical or hydrogen-powered cars).

The long range plan must also be responsive to public attitudes that also change as the public responds to changing conditions. (Example: Fifteen years ago (even 10 years) there was a strong general public resistance to bypasses).

All of the above factors and the interactions of these factors must be forecast and considered in a long range planning process and the forecasts must be monitored and adjustments made in the plan as monitoring reveals departure of actual from forecast.

Obviously, long range planning must be a continuing process and must have available adequate resources, including manpower as a major resource, if it is to be carried out successfully. The Department does not currently have sufficient resources, principally manpower, to implement fully a long range planning process.

The Department has established long range goals, recognized general major needs and problems, and established some desirable priorities as well as basic policies for planning and programming. (attachments).

The Wilbur Smith report has given a determination of needs based on a somewhat lower standard of service than the Kansas public has in the past considered desirable. The report does provide a good base for long range planning. If adequate resources are made available to the Department, the base can be developed into a long range plan and, more importantly, a long range planning process.

SPECIFIC DESIGNATION BY LAW FOR FOUR-LANE CONSTRUCTION

The statement in the report "that roads be constructed with two lanes on a single roadway unless specifically designated by law as a four-lane divided" is, we believe, an incorrect interpretation of existing law. If it is legislative intent that specific designation by the legislature is required for four-lane construction, present law should be amended.

A. DEPARTMENT-WIDE GOALS

Basic Transportation Goals

The basic goals-subgoals of the Department of Transportation are identified/defined in terms of the DOT Mission. This mission is:

To provide the creative professional leadership to assure effective coordination of planning, development, maintenance and operation of a safe, efficient, balanced and multimodally integrated statewide transportation system adequate to meet present and future needs of the people to move people and goods.

The DOT Mission will be in accordance with the following fundamental policies:

1. The statewide transportation system shall be planned, developed, maintained and operated so that:
 - A. The economic, social and cultural welfare of the people is enhanced;
 - B. The environment and natural assets of Kansas -- including scenic, historical and recreational assets -- are preserved, conserved and enhanced to the maximum degree possible;
 - C. There is adequate regard for the transportation objectives of local jurisdictions and appropriate regional planning agencies; and
 - D. The output of transportation products and services by the Department of Transportation is accomplished with the least expenditure of labor, materials, equipment, facilities and moneys required to attain an adequate level of quality and service.

C. MAJOR NEEDS/PROBLEMS (Highways)

The Kansas DOT seeks to address total needs of the Kansas Transportation Network in relation to its responsibilities for various parts of this network. It is estimated that approximately 95%+ of the resources directly available to the DOT are directed to needs on the Kansas State Highway System--and particularly the 10,000-mile system. The following are prioritized needs:

1. Raising the level of service on the 10,000-mile state system. In terms of average sufficiency ratings, the average sufficiency rating for the total 10,000-mile system was 72.76 in 1963. In 1974, the weighted average sufficiency rating for the rural state system was only 65.38--a decrease of 7.38 in one decade. The provision of an adequate level of service on already-built miles, and protection of already-invested moneys has to be a high priority.
2. Completion of Remaining Miles on the Interstate System. The remaining approximately 32 miles of new construction on this system are concentrated in Wichita, Johnson-Wyandotte Counties, and east of Emporia. It is estimated that completion of these miles will cost almost as much as it cost to complete the miles already built (some 600 miles).
3. Rehabilitation/Upgrading of Older Sections of the Interstate System. A considerable number of miles of already-built Interstate roads must be rehabilitated. This is particularly true with parts of I-70, and interchanges in Johnson County.
4. Progress with Developing the Freeway System. This 1,234-mile system is funded by a combination of bond funds/Federal-aid funds. All available funds are programmed to 1984--but the point has been reached that the DOT is unable to start new projects in the preconstruction "pipeline". Unless funding is made available, the inevitable result will be a "gap" in progress several years hence.
5. Progress in Upgrading the Federal-aid Primary/Secondary System. Needs on these systems must be met with a combination new construction and 3-R (rehabilitation, resurfacing, reconstruction). The Federal 3-R program will probably be helpful here when regulations are available in November/December, 1976.
6. Bridge Replacement--this is incorporated in the Primary/Secondary and 3-R programs.

7. Safety Improvements. Incorporated in Primary/Secondary and 3-R programs.

Changing Needs (Highways)

The needs outlined above have changed significantly during the last five years. Major reasons for changes are associated with the following:

1. Continuous wear and tear on the existing system--the weighted average sufficiency rating for all rural miles in 1968 was 69.32; for 1974 it was 65.38. This is a decrease of 3.94. Vehicle miles driven increased from 12.3 billions in 1967 to 15.5 billions in 1975--an increase of 26%.
2. Growth in Urban Population--this combines with increasing vehicle miles driven annually to intensify needs in urbanized areas of the state. Needs in the Kansas City urbanized area are growing rapidly and system improvements are "behind the power curve" there in relation to traffic congestion. Wichita is a similar area.
3. Increasing Concern About Safety--highway safety improvements help to decrease the incidence and severity of accidents but, unfortunately, 517 persons were killed in vehicle accidents in Kansas in 1975. The safety record on the state system compares favorably with other states--but the safety problem is nationwide.
4. Increasing Demand For Traffic Services--the Kansas DOT has responded (as have all other states) to the constantly-increasing demand for greater traffic services by the public. The response is related to safety, to "low-interruption" of use, to medical services, and to citizen-driver expectations.

Particular Areas of Need

Statewide highway system needs are greater in the eastern districts of the state than in others. The weighted average sufficiency rating for rural roads in 1974, by district, were:

District I (Topeka-Northeast)	52.65
District II (Salina-North-Central)	66.01
District III (Norton-Northwest)	69.75
District IV (Chanute-Southeast)	62.52
District V (Hutchinson-South-Central)	68.09
District VI (Garden City-Southwest)	73.25
Average	<u>65.38</u>

Also, the eastern section is, by and large, experiencing a greater increase in industrial development and population growth than others. The Wichita area is experiencing the same kinds of growth.

E. DOT-WIDE WATERWAYS OBJECTIVES

The Department is participating in the 14-state planning study conducted under the auspices of the Maritime Commission. Objectives are:

- WHY
1. To continue participation in the study, and
 2. To initiate a system for regularly collecting waterways planning data and information to provide a basis for developing a waterways plan.

F. PRIORITIES

The DOT priorities are set out below.

Highways

1. Maintain and increase the present level of sufficiency ratings in the two western districts, while raising these in other districts to a comparable level.
2. To raise the level of service (in terms of sufficiency ratings) of the entire State Highway System to a weighted average of 75+.
3. To carry on development of the Freeway System, the Interstate System, and the Primary/Secondary Systems within available funds. Promote adequate funding for the Freeway System.
4. To carry on, aggressively, the Bridge Replacement Program already initiated and incorporated in the Federal-aid Primary/Secondary Program.
5. To carry on the Safety Program aggressively.
6. To carry on the 3-R Program (statewide) to augment and contribute to accomplishment of 1,2,3,4,5, above.

Railways

- + Completion of the State Rail Plan.

Aviation

- + Promote legislation and funding for an Airport Development Program.

What is
Airport Dev.
PRD

A. BASIC TRANSPORTATION SYSTEM POLICIES

The DOT has developed a series of basic transportation system policies to guide actions of all units toward accomplishment of the goals/subgoals set out in Exhibit One, Appendix, and the objectives in Part Two. These policies relate to the following major areas:

- + Planning and Program Development
- + Relationships
- + Utilization of Resources

Policies Re Planning and Program Development

1. Transportation needs will be defined in terms of functional areas, or kinds of movements--interregional, intraregional, and intercity passenger and freight movements, rather than strictly in terms of modes such as highway, rail, air, water, etc. Needs related to each functional area will be assessed and the most effective mix of modes will be defined. At the present time, and probably for the reasonably foreseeable future, highways will be the dominant mode. But as other modes develop, they will be incorporated into the State Transportation Plan. Programs and project priorities will be based on need on a statewide basis.
2. Improvements of the state's transportation system shall be programmed and implemented only after careful assessment of the economic, social and environmental impacts of proposed improvements; and after careful consideration of the trade-offs among these kinds of impacts, costs, and improved service.
3. The Department will program, fund and schedule for completion only those improvements which are consistent with the overall State Transportation Plan and, where appropriate, with approved comprehensive plans and programs developed by proper state, local and regional units or agencies.
4. Wherever possible and feasible, the Department shall meet transportation needs by improving existing facilities rather than constructing new ones. Since high rates of inflation have substantially increased the cost of capital improvements, emphasis will be placed on programs designed to improve capacity and safety of existing facilities. This will include widening, shoulder treatments, easing sharp turns, addition of passing lanes and improved signing and signalization.

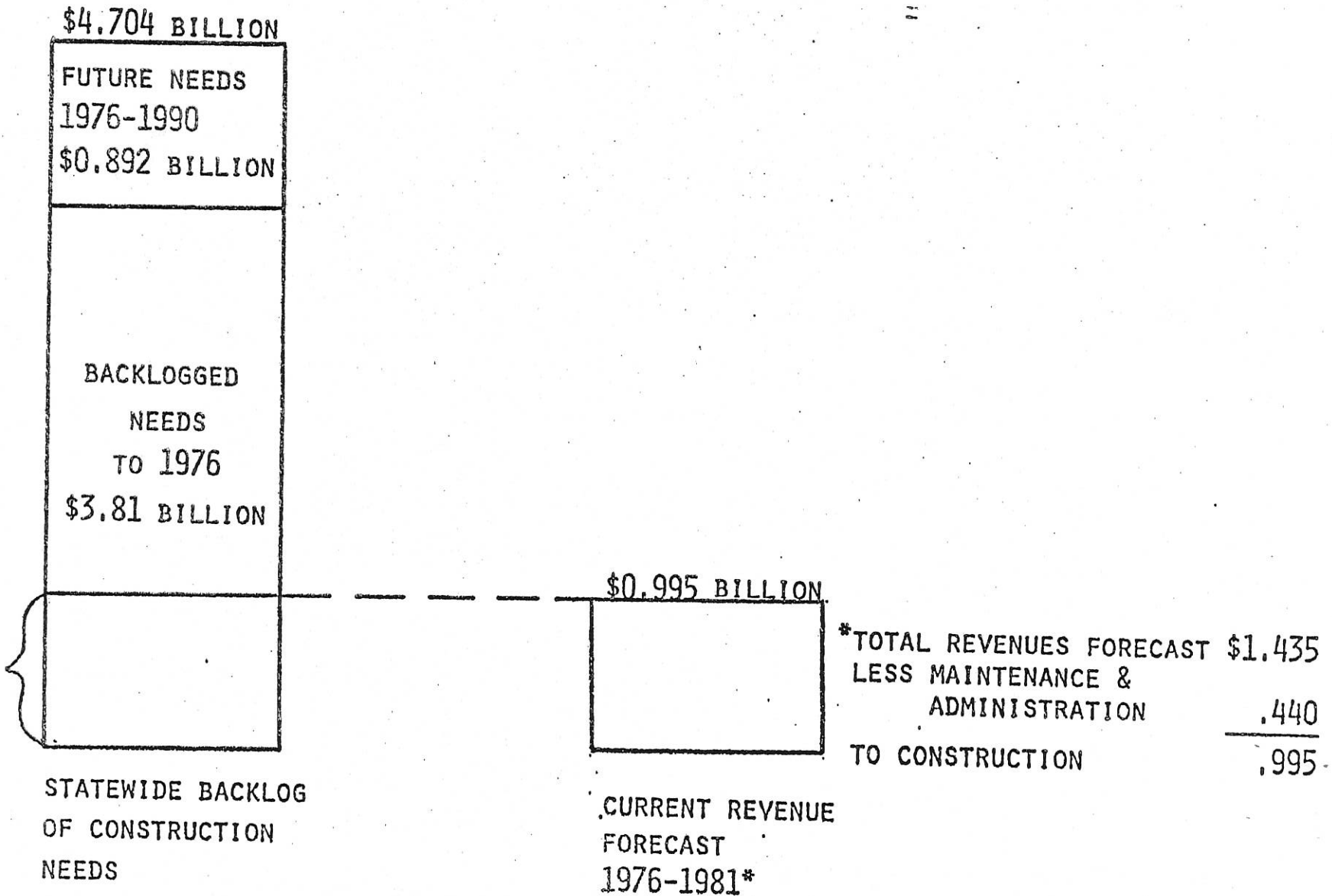
5. The Department will emphasize improved safety and security in the state's transportation system in the design, construction, maintenance and operation of transportation facilities, and will promote safety among the users of these facilities.
6. The Department will develop financially realistic transportation plans and programs. It will identify revenue needs to accomplish these programs. When available revenues do not meet the needs, the extent of the revenue short-fall will be identified for consideration by the Executive Branch and the Legislature.
7. The Department will encourage the use of rights-of-way for multiple transportation purposes; make the best possible use of land it already owns or uses; acquire only that amount of land necessary for transportation purposes, and make appropriate disposition of any lands in excess of its needs.
8. The Department will encourage energy efficient use of all transportation facilities. It will support and encourage energy-saving measures in design, construction, maintenance and operation of the state's transportation system.
9. The Department will encourage and conduct research and activities designed to assure that Kansas' Transportation System is adequate in the safe and efficient movement of people and goods to meet present and future needs of the public.

Policies Re Relationships

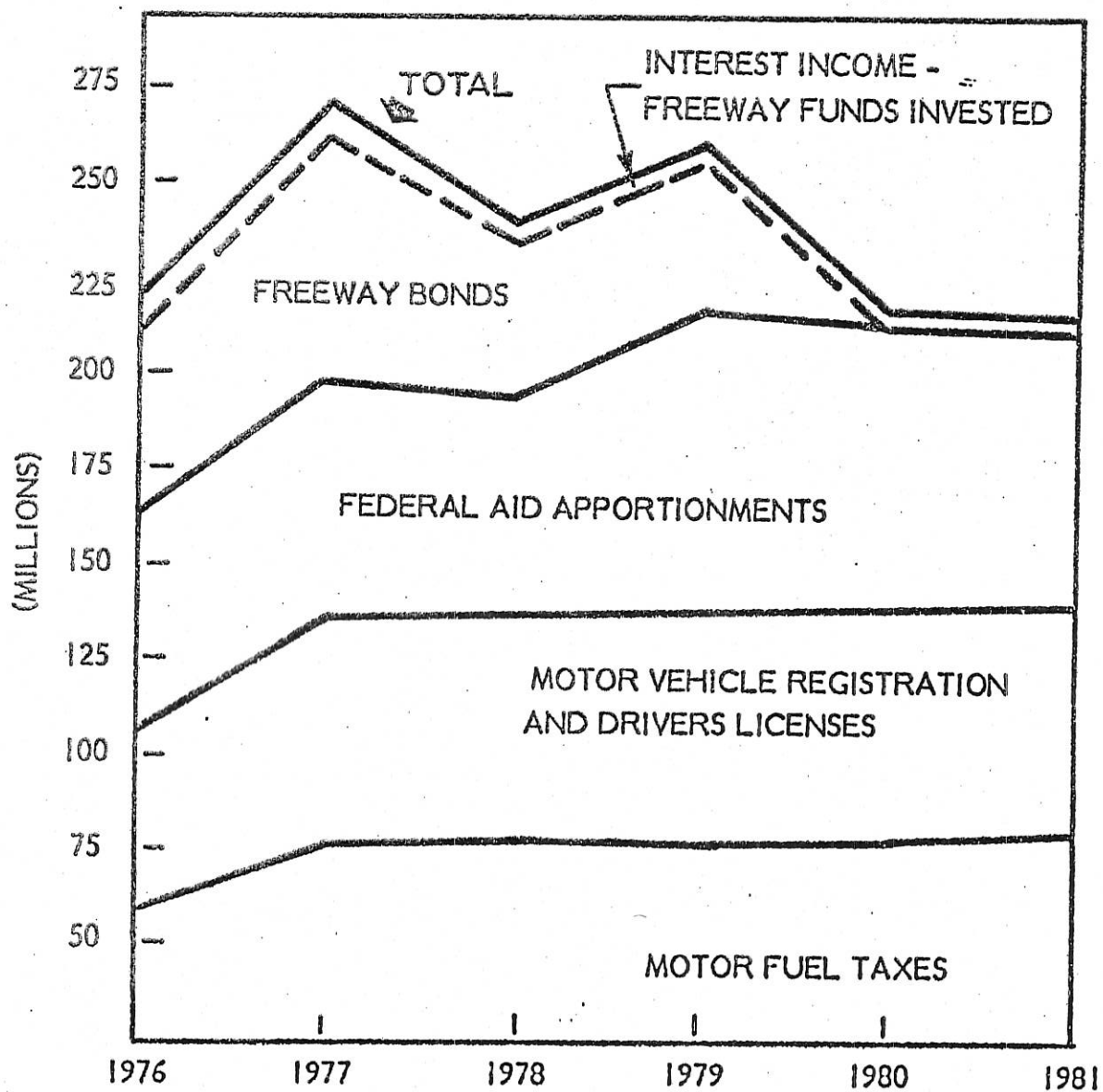
1. The Department will work cooperatively with all state and local jurisdictions to clarify the roles of both state and local jurisdictions in transportation, and will work cooperatively with them in every way possible. The common objective is a safe, efficient, balanced, and integrated statewide transportation system, adequate to meet the needs of the people of Kansas.
2. Proposed improvements of the state's transportation system shall be planned and scheduled to allow for early, continuous two-way communications with the public prior to selection of a final alternative course of action. This is in accordance with the Department's Action Plan (defining the Department's planning process) which recognizes the need and right of the public to know of, and have opportunity to influence, the kinds of improvements initiated by the Department.

A HUGE GAP EXISTS BETWEEN BACKLOGGED CONSTRUCTION NEEDS AND ANTICIPATED REVENUES--PROJECTED CONSTRUCTION REVENUES 1976-1981 WILL TAKE CARE OF ONLY 26% OF BACKLOGGED NEEDS.

CONSTRUCTION BACKLOG/ANTICIPATED CONSTRUCTION FUNDS COMPARISON (1976-1981)



KANSAS DEPARTMENT OF TRANSPORTATION PROJECTED REVENUE ACTUAL FY 1976 AND PROJECTED FY 1977-1981



2 (A) Project prioritization

Efforts to refine and formalize the priority determination procedures for the different systems and funding programs, exclusive of the freeway program for which a formalized procedure is already being used, continue as time and manpower permit. It is unrealistic and impractical to develop one prioritization procedure which includes all state administered highway systems. Each of the different subsystems of the State Highway System (Federal-Aid Interstate System, Federal-Aid Primary System, Federal-Aid Priority Primary System, State System of Express Highways and Freeways which is composed of Federal-Aid Primary and Priority Primary routes, a portion of the Federal-Aid Secondary System, a limited amount of the Federal-Aid Urban System and non-Federal-Aid routes) have different purposes, functions, goals and funding criteria. In some cases, special Federal-Aid funding programs may overlap several of the subsystems and have substantially different goals, guidelines and types of projects.

All of the projects to complete the Interstate System are already programmed. Major factors influencing this program are availability of Federal-Aid funds, design and right-of-way production activities, coordination with Missouri and completion of usable segments of the remaining routes. A change in programming and priority determination procedures would serve no useful purpose and would divert personnel from the necessary tasks.

All of the projects to use the current and expected available freeway program funds have been programmed. The priority of these projects was established using the formal procedure developed in 1969 and 1970. Design and right-of-way production activities are now the major factors affecting the accomplishment of this program within the current funding limitations. Any change in the existing priorities or priority procedures would be counterproductive.

It is acknowledged that additional effort could be expended for developing more formalized priority procedures for the statewide (non-freeway) Federal-Aid Primary and Secondary program projects, the 3R program projects, the bridge replacement program projects and the safety program projects. However, the current informal priority determination procedures are working quite well and the development of more formalized procedures would require the diversion of personnel from other necessary activities. The priority determination procedures currently in use are based on relative need and are tailored to the specific requirements of each program. Major items of consideration include traffic volumes, sufficiency ratings, geometric dimensions, road surface conditions, safety experience, bridge load postings and widths, continuity of design of route segments, funding by fund classification and preconstruction lead time.

The Federal-Aid Urban System program is essentially a local program, as directed by Federal statutes. Therefore project priorities are determined at the local level. The funds are made available to the local urban areas (population of 5,000 and above) on a first come first served basis within population groups. Federal guidelines require direct allocation of at least a specified minimum amount of funds to cities over 200,000 population (Kansas City and Wichita).

A review has been made of the factors used in the freeway program priority formula and it has been determined that the use of these factors is valid. It is acknowledged that additional documentation could be prepared when the additional factors are used. The only additional factor which has had any consideration in the order of projects to date is that of preconstruction lead time. Use of this factor is a necessary recognition of actual and possible plan and right-of-way production accomplishments.

The use of either the preliminary scheduling value or investment value factors has not substantially altered any of the project priorities of the unlet projects remaining in the freeway program for FY 1978-1984. Use of these factors did have an influence on the priorities of some of the projects let during the early years of the freeway program. This was essential if the funds were to be utilized as rapidly as possible.

To date, the factors "allocation of field personnel" and "amount of inter-agency coordination required" have not been used to adjust any freeway program priorities. In the past, the need for and the scheduling of two freeway program projects have been influenced by the construction of a large Interstate System project. The "amount of time required to design the road" is a significant factor in developing the program, however its use has not substantially altered the project priorities of the unlet projects remaining in the freeway program for FY 1978-1984. Use of this factor did affect the priorities of a few projects in the early years of the freeway program. However this was essential if the funds were to be utilized as rapidly as possible.

In summary, the priority procedures currently being used by the KDOT are producing adequate and reliable results. These procedures are being used on a statewide basis in a professional manner by the KDOT staff. While development of more formalized procedures for several of the programs may be a desirable goal, the cost of developing the procedures in terms of manpower and time must be weighed against other requirements on the use of these limited resources.

2(B) ROAD TYPE DETERMINATION

Past and current practices of the Kansas Department of Transportation ensure that the planning and constructing of freeway system segments are according to projected traffic needs. Some confusion has apparently developed concerning the several traffic projections developed by the KDOT. Several generalized traffic projections have been used for statewide needs study purposes only. In some cases these projections were developed within the constraints of a total statewide travel number provided by the Federal Highway Administration. Another generalized set of traffic projections were those developed for use in the freeway system priority determination formula. These were developed on a systemwide basis assuming four lanes using a procedure similar to that used for the Interstate System. These forecasts were developed on a uniform basis to eliminate any bias in the priority analysis. None of these traffic projections are used in the final determination of the number of lanes needed to serve the projected traffic needs of each segment of the freeway system.

As each project develops several forecasts are generally made for alternate alignments and for alternate improvement types and number of lanes. If the project development time is long or if conditions change, the forecasts may be reviewed and updated. The development of each design forecast, whether for a two-lane project or for a four-lane project, involves a detailed analysis of the traffic flow patterns, and past and expected future growth trends. If it is determined that a four-lane facility is needed for capacity purposes, a forecast is then made assuming a four-lane facility. This forecast would include an amount for diverted traffic on the basis of what occurred as the Interstate System was constructed.

The traffic forecasting procedures used by the KDOT for developing the actual forecasts used for design decision combined with the project review procedures, preclude constructing four-lane facilities where two-lane facilities would be adequate. Traffic forecasting procedures used by the KDOT are consistent with nationally accepted criteria and Federal Highway Administration guidelines and criteria.

2(C) PROJECT MANAGEMENT

For some time this Department has realized that its project scheduling and control process was in need of improvement and modernization. With this need in mind, planning and design on an automated program/project management and fund control system was begun. A conceptual design was included as a part of a total Resource Management System conceptual design completed earlier this year with the project management element having first priority. The project management system is scheduled to be in operation in the first quarter of fiscal year 1979. A consultant has been retained to guide the development of the project during this entire time. However, the system is being jointly designed and constructed by KDOT and consultant forces to insure its acceptance and usefulness within KDOT.

Nearly 400 state construction projects are in some stage of preconstruction planning and design and another 279 are under construction in the field. If federal-aid city, county, safety and railroad crossing projects are added a total of approximately 1200 to 1400 projects may be in some stage of design or construction at the same time. All of these will be included in the system under development. State projects, whether being developed by consulting firms or state personnel, vie for the same KDOT manpower resources in field surveys, design, and construction. The locally funded federal-aid projects also impact KDOT field construction personnel and some others.

Management and scheduling of these projects cannot be done independently, project by project, if personnel workload and other resource utilization is to be leveled. Resource and workload leveling can only be done successfully by giving proper consideration to the multi-project environment. With a manual scheduling system, resource leveling is practically impossible and, therefore, in the past it has been attempted only sporadically with the results becoming obsolete before the attempt is completed.

Following are some of the capabilities of the new system:

- + Measure program and project progress in terms of resource utilization and financing.
- + Identify resources required to complete projects and programs.
- + Provide a basis for leveling resources through scheduling in a multi-project mode.
- + Identify exceptions to scheduled progress.
- + Communicate priorities and status in common and consistent terms among departments and districts.
- + Maintain status of available funding on a current basis.
- + Simulate funding and workload conditions for planning and programming.

- + Provide accurate and current reports on projects in various formats and for various categories on demand as opposed to periodically to reduce unnecessary reporting.
- + In general make information necessary for managing programs and projects and funds accessible to those who need it.

The program/project management and fund control system of RMS will provide information heretofore difficult if not impossible to compile or retrieve in a timely fashion. The problems resulting from the multiplicity of project types, work programs and fund sources will be substantially reduced when this system has been installed and refined in Fiscal Year 1979. However, the most sophisticated system will not solve production problems which result from shortage of production personnel. The system will identify these situations and provide a basis for resolving the problems through more effective resource utilization, by acquiring adequate staff or, in lieu thereof, a reduced construction program.

2(D) Projects Costs

The Subcommittee states that there is a significant difference in the Department's planning estimates of project costs and actual costs. We agree that estimates should more closely reflect actual costs and are taking steps to refine and update the planning estimates in a more efficient and timely manner. However, we believe the discussion and tables used in 1976 Program Audit Report to be somewhat misleading. This information tabulated in the report is based upon the number of projects over or under estimated and does not reflect the dollar effect on the program. For example, to underestimate a \$100,000.00 signing project by 20% does not affect the program significantly, while a 10% under estimate of a \$10,000,000.00 grading and bridge project would impact the program. Generally, in a given year, a portion of the projects cost more than the estimates while the balance cost less, thus reducing the overall effect.

The information presented in the Program Audit Report compared the actual costs with the original freeway program project cost estimates which were developed in 1969, 1970 and 1971. In comparing actual and estimated costs on a yearly basis, we found that these costs were quite close for the years of 1971, 1972 and 1973, while they were not for the years of 1974, 1975 and 1976. The Department's original estimates were based upon an inflation factor of 7.5% per year to the program year. This was a valid assumption until late in 1973 when the rate of inflation increased to over 30%. The following table indicates that with the exception of 1970, the original estimates were overall accurate until the spiraling rate of inflation occurred. If revised project cost estimates, which are generally developed as part of the annual program review, had been used, the comparison would have indicated that the project cost estimates were much more accurate than the Program Audit Report would indicate.

Fiscal Year	Number of Projects				Original Program Estimate (\$1,000)	Actual Cost (\$1,000)	Differ- ence Actual- Program (\$1,000)	% Difference Actual compared to Program
	under estimated	over estimated	equal	total				
1970	13	2	2	17	\$ 10,963	\$ 14,369	\$ +3,406	+31.1%
1971	6	4	0	10	14,360	14,159	-201	-1.4%
1972	3	4	0	7	5,193	4,703	-490	-9.4%
1973	8	9	0	17	16,934	18,944	+2,010	+11.9%
1974	4	0	0	4	16,490	27,375	+10,885	+66.0%
1975	13	2	0	15	20,706	30,458	+9,752	+47.1%
1976	6	1	0	7	16,859	29,635	+12,776	+75.8%
Total	53	22	2	77	\$101,505	\$139,643	\$+38,138	+37.6%

At this time, the Department is developing a Resource Management system with programming and scheduling as one of the elements to be included in the system. It is expected that information included in the data base, with faster reaction time for updating, and the ability to establish and monitor trends will improve the capability for project estimation.

The Subcommittee recommended that the Construction Department have input to the final planning estimates. The Planning and Development and Construction Departments are coordinating this function by exchanging data concerning project types and costs. The Construction Department furnishes the Planning Department with the average bid prices for items in current projects, and further categorize them as to type of project, size and area of the state. They also furnish the latest wage rates for the different areas and other pertinent information which may affect project costs.

Although we believe that the program estimates can be improved, it is not probable that they will ever be exact. Program estimates are normally made before the plans have been developed to a stage where quantities have been calculated; therefore the costs must be developed on the project concept and gross quantity estimates used. As the project develops and becomes more defined, more detailed costs are available for the annual updating procedure. On the other hand, the Construction Department's estimate is based upon completed plans which list all of the final quantities and bid items. With their knowledge of current prices and construction practices it is then a routine procedure to develop a realistic and accurate estimate for the project.

It is interesting to note that a compilation of contractors bids on our projects showed a difference of 11.4% between the average bid and low bid for all projects in 1976. During May of 1977, that difference was 9.7%. However, in the May letting the differences between the high and low bids were in the 30% range with some high bids being twice that of the low bid.

2 (E)

UTILIZATION OF CONSTRUCTION FIELD PERSONNEL

The issue regarding the efficient utilization of construction field personnel has been questioned because of the amount of per diem paid out and extra charges made to the miscellaneous survey account during the 1976 Fiscal Year.

As the Interstate program began to phase out in the western part of the state, the DOT did have an excess of field employees in areas where the work load was insufficient to justify the continued operation of field offices. At the same time the work load increased in the Kansas City and Wichita areas to such a magnitude that it became necessary to make temporary assignment of personnel from other areas for extended periods of time. During this period 13 field offices were closed and the personnel were transferred to other locations as needed. Needless to say, these transfers brought considerable resistance from local communities and legislators as this transfer of personnel did have an economical effect on the local communities. Another field office was closed during the 1977 Fiscal Year; again with considerable resistance from community officials and legislators.

Even with these changes in our field organization, we still have the necessity at times to assign personnel on a temporary basis to handle the work load. This does result in a considerable expenditure for per diem while employees are working away from their official station. The advent of the 3R type projects in each of the districts, as well as the numerous federally funded projects, both on system and off system, requires the continued maintenance of a nucleus of construction personnel throughout the state. With this variable work load, personnel will continue to charge time either to projects or to the miscellaneous survey account. Procedures are being established to indicate the work types being performed under the all-encompassing miscellaneous survey account in order to further evaluate the assignment of our field forces.

The closing of the unwarranted field offices and the transfer of personnel has been made possible by the development of a viable construction program. Adjustments to this program have made it necessary to budget additional personnel in the 1979 fiscal budget. The Kansas City area has been directly affected by the increased emphasis on completing the Interstate system. Projects currently scheduled for letting in the remainder of this fiscal year will require maximum utilization of personnel with temporary assistance from outside the area. Prior to requesting authority for additional positions which were deleted in the 1978 Fiscal Year budget, we plan to make use of all existing allocated positions and the use of temporary personnel.

It should be noted that it is difficult to hire new employees at the starting salaries. This, coupled with the six weeks' delay in issuance of the initial pay check, adds to the problem. Procedures are being investigated to provide for earlier initial payment.

In another critical area which should be noted, we now have a bare minimum of professional employees in the field due primarily to a lack of classifications which provide for a career pattern. Consideration is being given to the establishment of area engineer positions at a grade above the current resident engineer level. Assignments in this position would include responsible charge of both maintenance and construction in the area; thus providing a background of experience for the more responsible District Engineer jobs and would provide a definite career pattern incentive for young engineers to stay in the field.

2(F) CONTRACTUAL SERVICES

House Bill No. 2172, 1977 Legislative Session declares it to be the policy of this state to negotiate contracts for engineering services on the basis of demonstrated competence and qualification for the type of professional services required at fair and reasonable prices. HB 2172 provides tighter management control as recommended in the sub-committee report.

The DOT has established and published, in accordance with the new law, the following criteria for the selection of engineering firms.

No. 498

(Published in The Topeka Daily Capital,
May 10, 1977)

LEGAL NOTICE

In accordance with House Bill 2172, 1977 Legislative Session, which became law April 20, 1977, it is the policy of the Department of Transportation to negotiate contracts for engineering services on the basis of demonstrated competence and qualifications for the type of professional services required at fair and reasonable fees. Selection criteria will consist of the following:

1. Size and professional qualifications of the firm.
2. Experience of the firm's staff.
3. Location of the firm with respect to the proposed project.
4. Workload of the firm.
5. The Firm's performance record.
6. Compliance with Kansas Statutes.
 - (a) All firms must comply with the requirements of the Professional Engineers License Act, K.S.A., Chapter 26a.
 - (b) All out of state firms must qualify to do business in Kansas by complying with K.S.A. 17-7301 or K.S.A. 65-305.

O. D. TURNER
Secretary of Transportation

Since the law was passed, DOT has negotiated 11 contracts with 11 different firms for engineering services. The qualification, selection and negotiation processes are documented in DOT files. The negotiation committee, appointed by the Secretary of Transportation, consists of three members, two from the Department of Transportation, and one from the Department of Administration.

2 (G) SUBCOMMITTEE REPORT ON DOT PROGRAM RE
RECOMMENDATIONS FOR A PROGRAM AUDIT

Reference has been made in previous discussion of the relatively high maintenance cost per mile in Kansas as related to our neighboring states and the national average. The recommended program audit of the DOT maintenance of the state highway system could be of assistance to the DOT in developing a program based on a reduced level and quality of service which would be accepted by the people of Kansas with a possible reduction in total maintenance costs.

At a time when less new construction is being programmed, it is doubtful that maintenance costs can be reduced appreciably even if the level of service is reduced. Road surfaces do wear out and the ever-rising inflationary trend has its effect on repair costs.

The development of the Resource Management System (RMS) will provide a means for evaluating and managing the program more efficiently which may result in lower maintenance costs per mile.

3. REORGANIZATION RECOMMENDATIONS

- (A) The merging of the Personnel Department, the Management Analysis Department, which includes the Internal Audit Section, and the EEO activities of three departments (Personnel, Management Analysis, and Construction) as recommended by the subcommittee has also been considered for several months by KDOT management. The interest stems from these departments' mutual concern for the human resources of KDOT and the necessity for close coordination of a major part of their operations, which, hopefully, can be accomplished more efficiently under a single manager.

The first step in this consolidation effort has been made by defining the management responsibilities of the head of such a department and which required and has received the approval of the Finance Council. The position entitled "Chief of Management Services" must now be advertised by the Personnel Division, Department of Administration, to establish a list of qualified applicants before it can be filled.

The ultimate goal of relocating all effected personnel in a single office cannot be accomplished immediately due to its impact on other office spaces.

- (B) The recommendation of the subcommittee for the consolidation of the KDOT Legal Department, Public Information Department and the Right of Way Department has been carefully reviewed by the KDOT staff. It is their collective opinion that the commonality which does exist between these departments is not of sufficient magnitude to result in any measurable improvement in efficiency by their merger. This opinion is predicated on the following considerations:

- (1) A comparison of the staffing of each department by classification as shown below indicates only minor repetition of classifications except in the secretarial and clerical positions which are common to all departments. Where the same classification is repeated, only one position of that class exists in the other department. This minor duplication indicates need for the services of personnel of the same classification; however, the services they perform are entirely different.

PUBLIC INFORMATION

Public Relations Dir. II
Secretary I
Clerk Steno II
Clerk Typist II
Informational Writer I

RIGHT OF WAY DEPT.

Chief of Right of Way
Secretary I
Clerk Steno II
Clerk Typist II

Secretary II
Clerk III
Attorney I
Special Investigator
Administrative Officer II
Operations Assistant
CE IV
CE III
CE II
R/WA IV
R/WA III
R/WA II
ET V

LEGAL DEPT.

Chief Attorney

Clerk Steno II

Secretary II
Clerk III
Attorney I
Special Investigators

PUBLIC INFORMATION

RIGHT OF WAY DEPT.

LEGAL DEPT.

ET IV
Account Clerk II
Clerk II

Attorney II
Law Clerk
Secretary III

- (2) The individual departmental roles and assistance to each other are unique in themselves and have been established through the years as the need for such services became a necessity. For comparison, a description of the mission of each of the departments in question is included:

Public Information Dept.

The purpose of the Public Information Department is to keep the public informed about Department of Transportation Programs both directly and through the news media. This effort includes the following:

- (a) Publishing of KDOT Work Programs and project schedules.
- (b) News releases of long-range program listings.
- (c) Legal notices of public hearings, project approvals, and projects to be let to bid.
- (d) Press releases subsequent to project lettings.
- (e) Press releases related to the start of a project which includes detour or traffic controls.
- (f) Responses to queries from the public and news media relative to project progress.
- (g) The preparation and distribution of approximately 850 construction bulletins each week which are mailed to contractors, materials suppliers, KDOT field offices, etc.
- (h) The preparation of a weekly internal information bulletin which receives statewide distribution to KDOT activities.
- (i) Publication of a monthly house organ that is distributed to employees, retired KDOT personnel, etc.
- (j) The publication of the official state transportation map as well as other related brochures.

- (k) The development of speech material and background information for the Governor's Office, Secretary of KDOT, Highway Advisory Commission, etc.
- (l) The development of exhibits associated with KDOT activities, National Transportation Week, etc.

Legal Department

The types of services performed by the Legal Department in KDOT are many and varied. They respond to the legal needs of all departments and are responsible for the final preparation and submission of KDOT proposed legislation. To ascertain the time involvement by the staff in handling its work assignments, the following tabulation is provided which is a categorical listing for 1976:

<u>Type</u>	<u>Assignments</u>	<u>% of Assignments</u>	<u>% of Time</u>
Agreements	276	51.8	11.0
Litigation (non eminent domain)	45	8.4	13.3
Litigation (eminent domain)	26	4.9	26.8
General Law	73	13.7	9.6
Appellate Courts	1	0	0.1
Miscellaneous	69	12.9	30.8
Highway Beautification	25	4.7	4.8
Kansas Administrative Regulations	6	1.1	1.0
Legislation	12	2.5	2.6
	<hr/>	<hr/>	<hr/>
	533	100.0	100.0

Right of Way Department

The duties and responsibilities of the Right of Way Department include the following:

- (1) Preparation of estimates of right of way costs:
 - A. To assist in determining final location of the proposed project.
 - B. For the programming of proposed projects.
- (2) To make an office check and if necessary an on-the-project field

check of the right of way plans:

- A. To determine if the right of way limits shown to be acquired conform to standard practice.
 - B. To determine that adequate access is provided to the remainder of the properties being affected by the acquisition of the right of way.
 - C. To make the necessary studies to determine whether cost of providing access is economically feasible or whether the entire property should be acquired.
 - D. To advise the Design Department of any changes in right of way limits that could decrease costs or provide better utilization of remaining land.
- (3) To prepare the necessary description and plats of the right of way necessary to be acquired for the various projects.
 - (4) To prepare the appraisals and appraisal reviews necessary to determine and document the fair market value of the right of way to be acquired from each ownership.
 - (5) To acquire by purchase the right of way necessary for the construction of the projects.
 - (6) To manage the right of way or other tracts between the time of acquisition and the time that the right of way is needed for construction. This may involve:
 - A. Rental of tract.
 - B. Sale and removal or demolition of improvements acquired with the right of way.
 - (7) To provide relocation assistance to the persons or businesses being displaced by the acquisition of right of way.
 - (8) To dispose of right of way previously acquired but no longer needed due to change in plans or vacation of old segments of highway.
 - (9) To maintain adequate records for Federal Highway Administration monitoring requirements and for internal needs.
 - (10) To administer the Federal and State beautification laws to include necessary action for the acquisition and control of outdoor advertising devices and the licensing and control of salvage yards.

The diversity of the above listed departmental activities is the basis for the decision that consolidation would not result in a savings in manpower nor an increase in efficiency.

4. DEVELOPMENT OF A MORE UNIFORM AND PROPORTIONATE
DISTRIBUTION OF RESOURCES AND WORK AMONG THE
RESPECTIVE DOT DISTRICTS

The question as to the lack of uniformity in the district maintenance budgets was brought out in the legislative budget review the past session.

The state is divided up into six districts. Each district is comprised of approximately the same number of miles of roadway to maintain. There the similarity ends. The terrain, the weather, soil condition, traffic, population, total vehicle miles driven, number and size of bridges, etc. vary tremendously.

The cost for basic housekeeping work on the urban sections of Interstate routes in the Wichita and Kansas City areas far outweighs total maintenance costs on other sections. One or two major bridge repair projects unbalances maintenance costs from one year to the next or from one district to another.

Our maintenance budgets are developed around each district's work program. The allocation of resources (personnel, materials and equipment) relates to that program and varies directly with the special needs in each district.

	<u>AVERAGE</u>
ATCHISON YOUTH CENTER	1 YEAR, 11 MO., 29 DAYS
NORTON HOSPITAL	1 YEAR, 23 DAYS
SOCIAL WELFARE	9 MO., 24 DAYS
WINFIELD HOSPITAL	9 MO.
SCHOOL FOR DEAF	8 MO.
TOPEKA YOUTH CENTER	7 MO., 27 DAYS
OSAWATOMIE ST. HOSPITAL	7 MO., 14 DAYS
DEPT. OF TRANSPORTATION	7 MO., 8 DAYS
LARNED HOSPITAL	6 MO., 28 DAYS
PARSONS HOSPITAL	6 MO., 21 DAYS
TOPEKA HOSPITAL	6 MO., 17 DAYS
KSU	6 MO., 13 DAYS
KANSAS NEUROLOGICAL INST.	6 MO., 11 DAYS
EMPORIA STATE	5 MO., 28 DAYS
IND. REFORMATORY	5 MO., 24 DAYS
FORT HAYS ST. COLL.	5 MO., 14 DAYS
S.E. T.B. HOSPITAL (CHAWITE)	5 MO., 7 DAYS
SOLDIERS HOME	5 MO., 4 DAYS
HISTORICAL SOCIETY	5 MO., 3 DAYS
STATE PENITENTIARY	4 MO., 21 DAYS
BELOIT YOUTH CENTER	4 MO., 15 DAYS
VISUALLY HANDICAPPED	4 MO., 10, DAYS
KBI	4. MO., 3 DAYS
UNIV. OF KANSAS	3 MO., 27 DAYS
KANSAS STATE COLL. AT PITTSBURG	3 MO. 19 DAYS
PARKS AND RECREATION	3 MO. 18 DAYS
WOMEN'S CORRECTIONAL INST.	3 MO. 13 DAYS

DEPT. OF ADMINISTRATION
KANSAS ST. FAIR
KU MED. CENTER
FORESTRY, FISH, & GAME
ARMORIES
RECEPTION / DIAGNOSTIC
KANSAS ST. PRINTER
EMPLOYMENT SECURITY DIV.
WSU
HEALTH DEPT.

AVERAGE

3 MO., 7 DAYS

3 MO.

2 MO., 19 DAYS

2 MO., 12 DAYS

2 MO., 10 DAYS

2 MO., 10 DAYS

2 MO., 9 DAYS

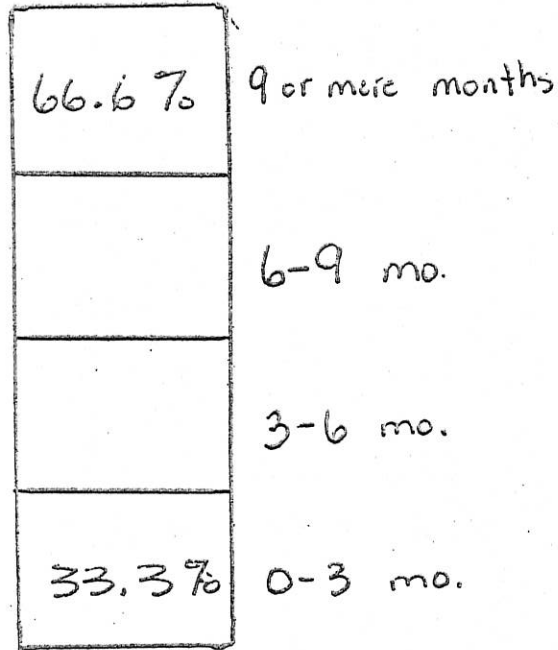
1 MO., 29 DAYS

1 MO., 24 DAYS

1 MO., 6 DAYS

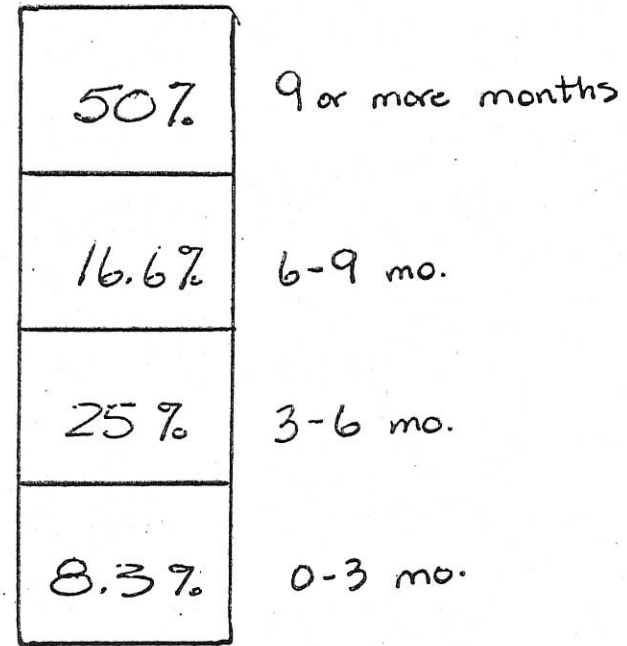
NUMBER OF PROJECTS

ATKINSON YOUTH CENTER (3)

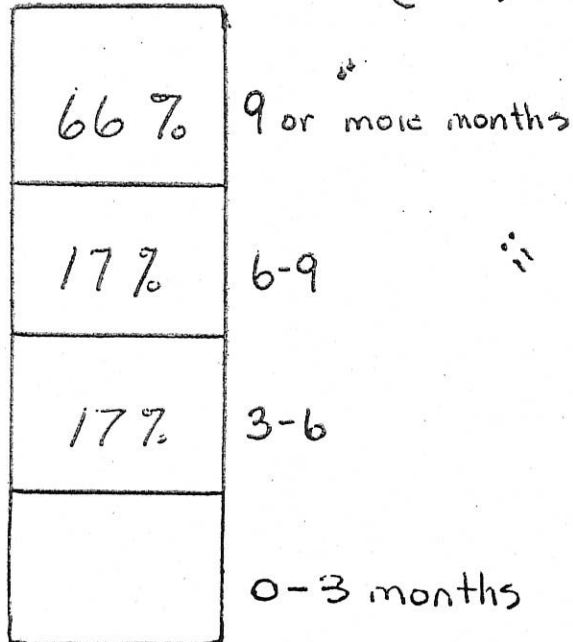


NUMBER OF PROJECTS

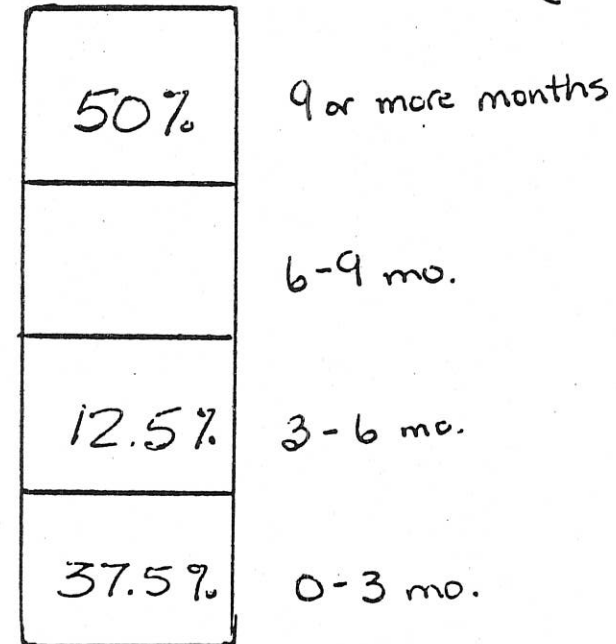
SOCIAL WELFARE (12)



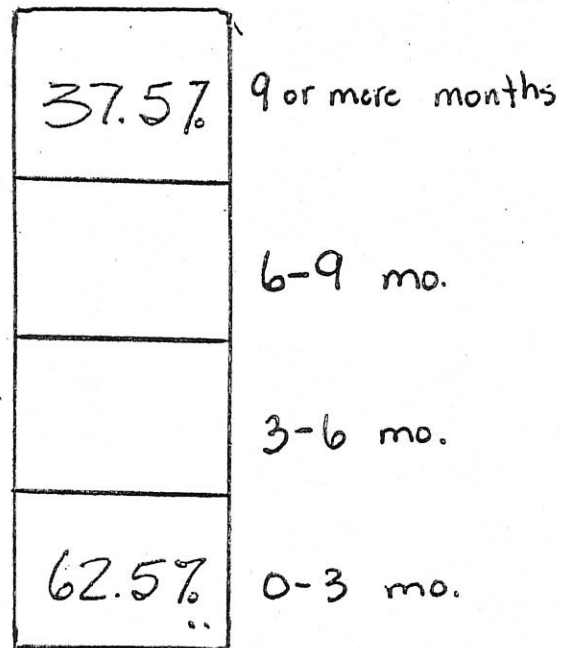
NORTON HOSPITAL (6)



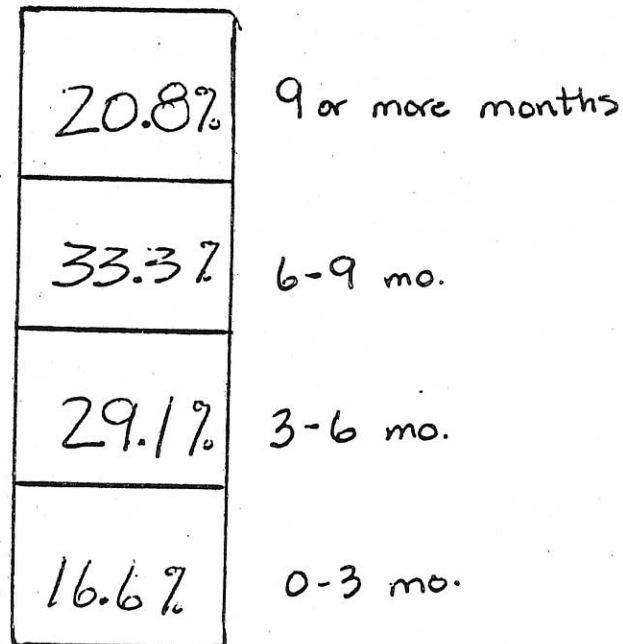
WINFIELD HOSPITAL (8)



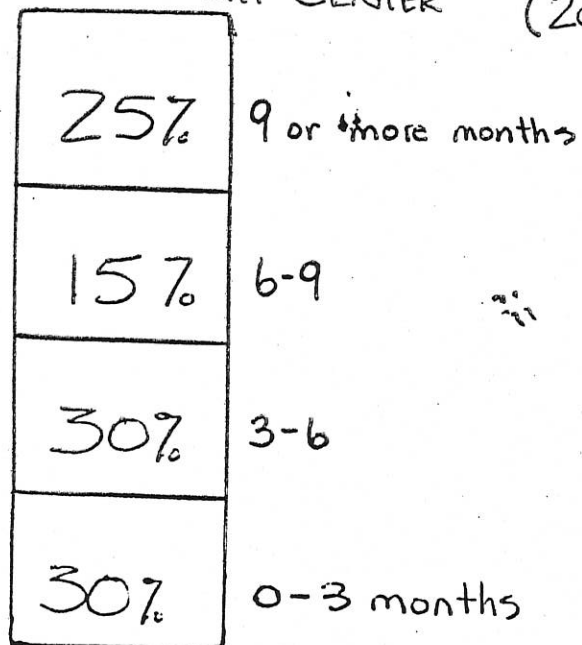
SCHOOL FOR DEAF (8)



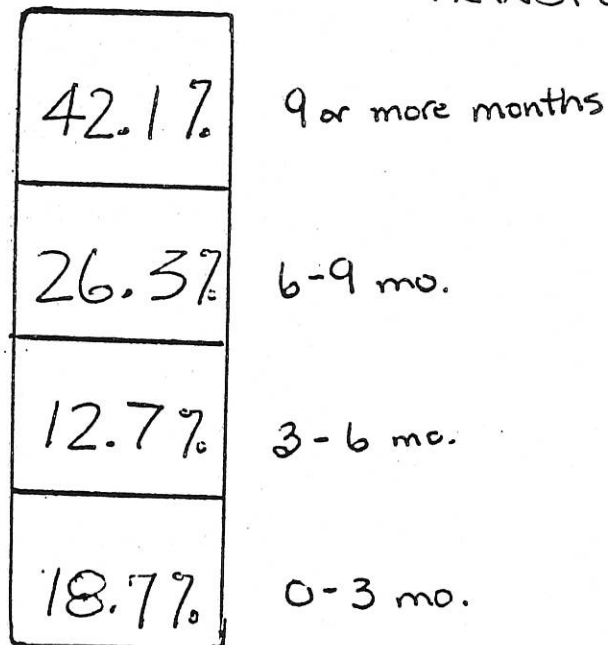
OSAWATOMIE STATE HOSPITAL (24) NUMBER



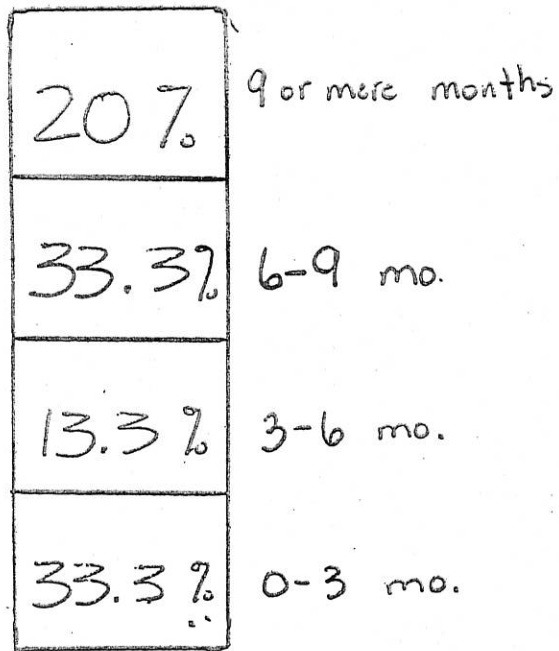
TOPEKA YOUTH CENTER No. (20)



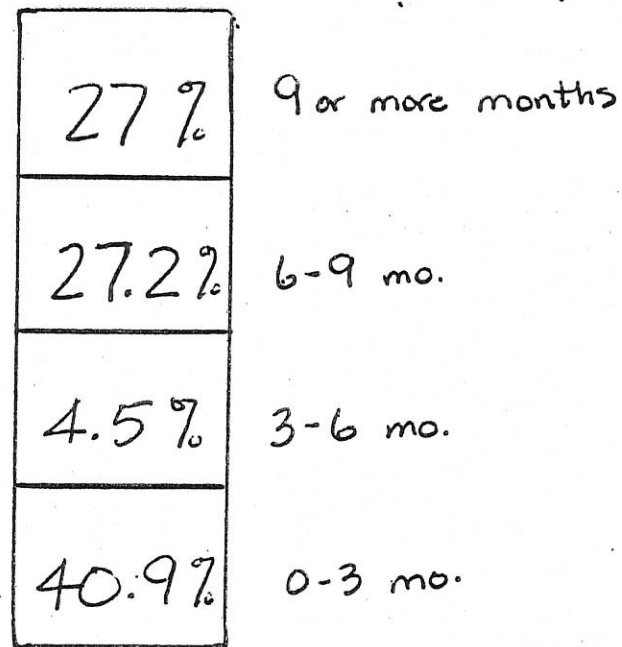
DEPARTMENT OF TRANSPORTATION No. (133)



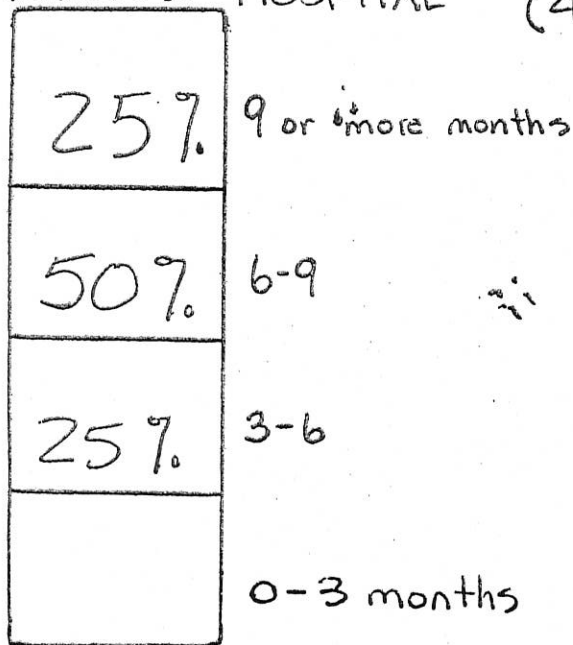
LARNED HOSPITAL (15) NUMBER OF PROJECTS



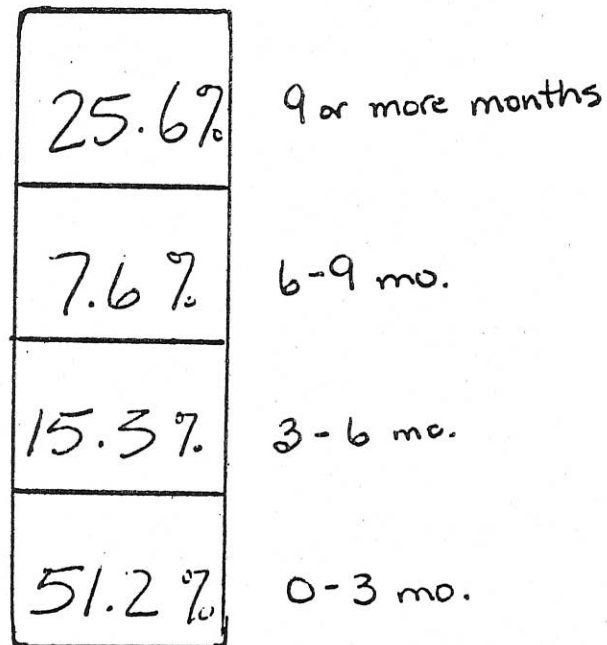
TOPEKA HOSPITAL (22) NUMBER OF PROJECTS



PARSONS HOSPITAL (4) No.



KANSAS STATE UNIVERSITY (39) No.



KANSAS NEUROLOGICAL INST.

NUMBER OF PROJECTS
(10)

30%
10%
10%
50%

9 or more months
6-9 mo.
3-6 mo.
0-3 mo.

INDUSTRIAL REFORMATORY

NUMBER OF PROJECTS
(14)

28.5%
14.2%
28.5%
28.5%

9 or more months
6-9 mo.
3-6 mo.
0-3 mo.

EMPORIA STATE UNIV. ^{No.} (42)

33.3%
14.2%
14.2%
38.3%

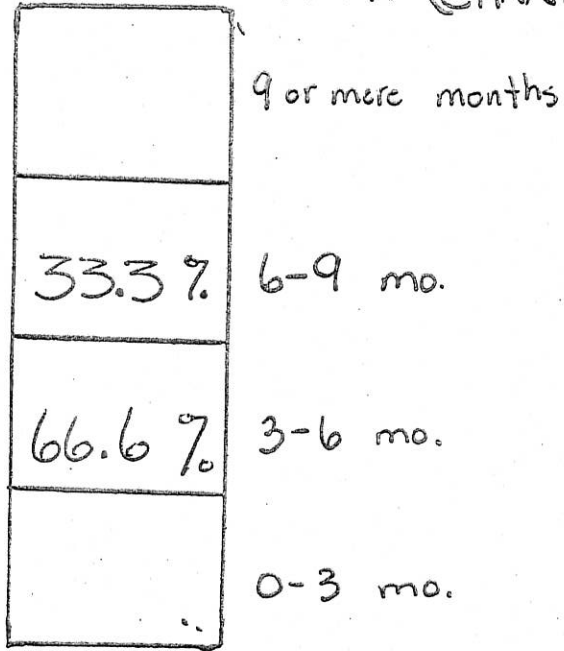
9 or more months
6-9
3-6
0-3 months

FORT HAYS STATE COLLEGE ^{No.} (32)

21.8%
15.6%
15.6%
46.8%

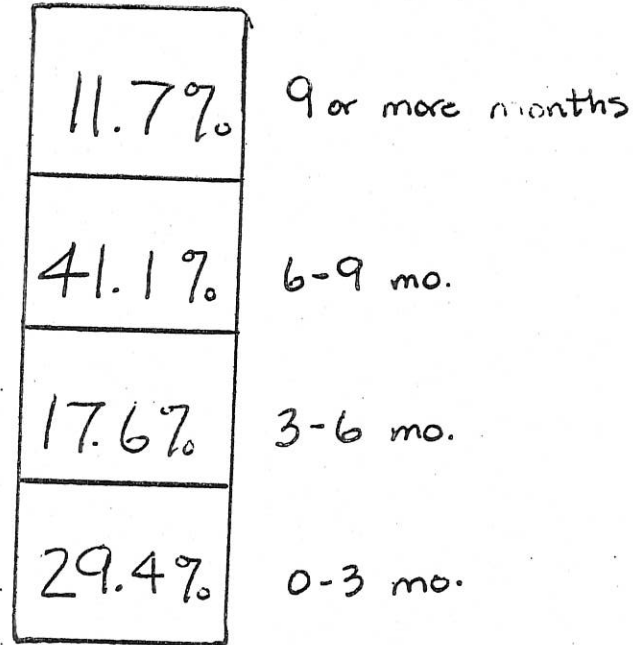
9 or more months
6-9 mo.
3-6 mo.
0-3 mo.

SOUTHEAST T.B. HOSP. (CHANUTE) (3)

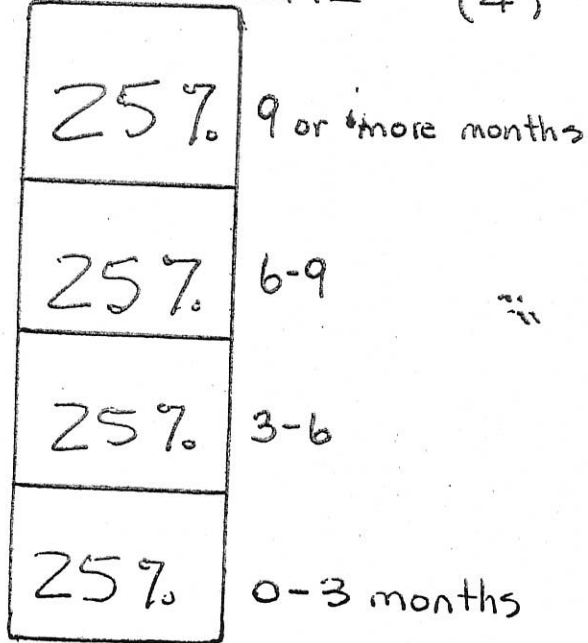


HISTORICAL SOCIETY

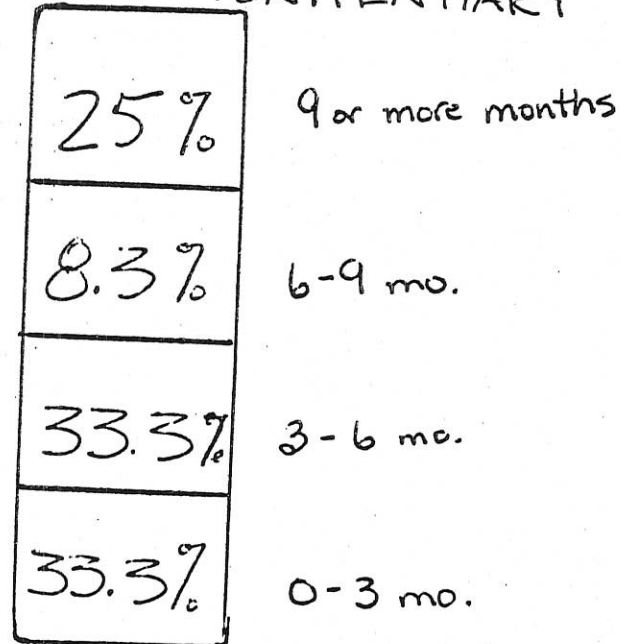
NUMBER OF PRISONS (17)



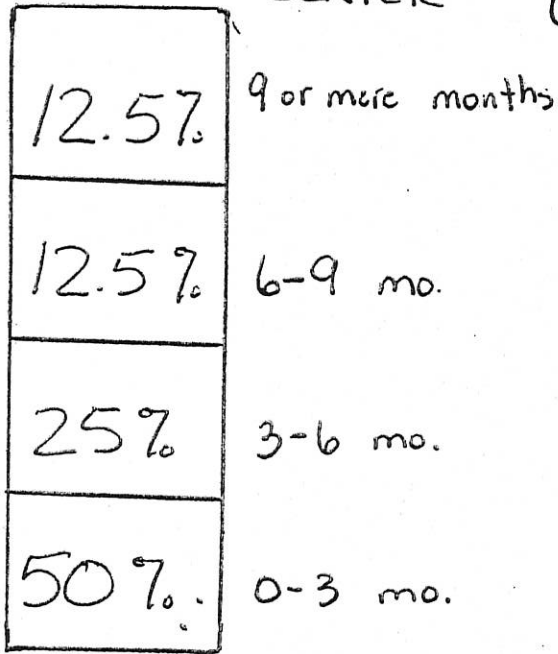
SOLDIER'S HOME No. (4)



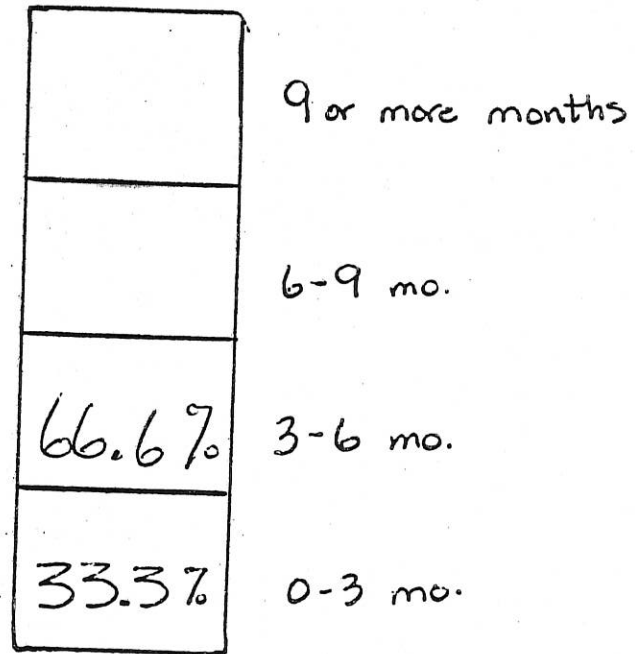
STATE PENITENTIARY No. (12)



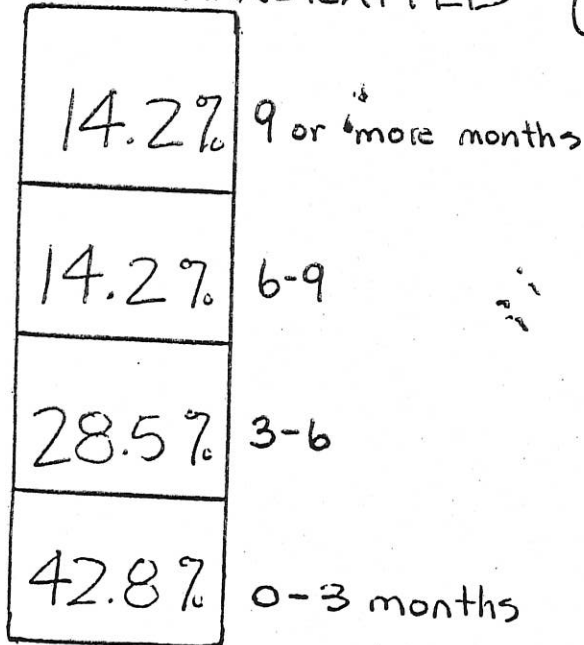
BELOIT YOUTH CENTER NUMBER OF PROJECTS (8)



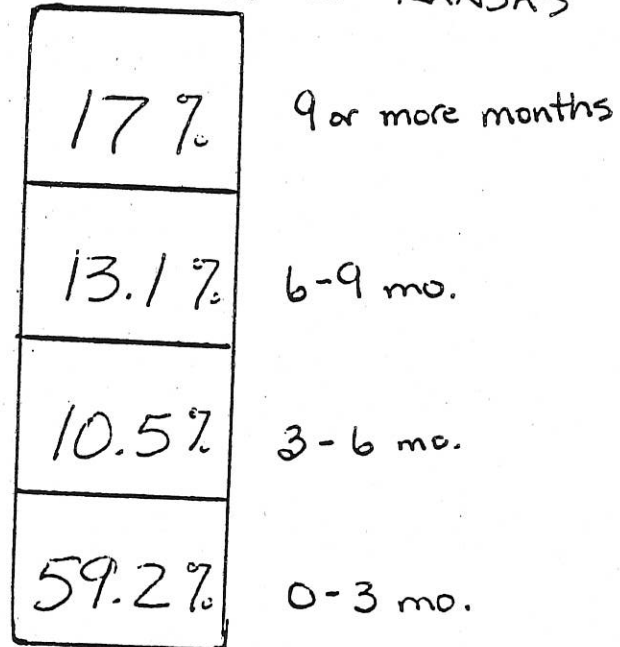
K.B.I. NUMBER OF PROJECTS (3)



VISUALLY HANDICAPPED No. (7)



UNIVERSITY OF KANSAS No. (76)



KANSAS STATE UNIV AT PITTSBURG

NUMBER OF PROJECTS
(35)

11.4%	9 or more months
11.4%	6-9 mo.
25.7%	3-6 mo.
51.4%	0-3 mo.

WOMEN'S CORRECTIONAL INST.

NUMBER
(3)

	9 or more months
33.3%	6-9 mo.
	3-6 mo.
66.6%	0-3 mo.

PARKS AND RECREATION

No.
(8)

12.5%	9 or more months
	6-9
50%	3-6
37.5%	0-3 months

DEPT. OF ADMINISTRATION

No.
(77)

9%	9 or more months
9%	6-9 mo.
15.5%	3-6 mo.
66.2%	0-3 mo.

KANSAS STATE FAIR NUMBER OF PROJECTS (10)

10%	9 or more months
10%	6-9 mo.
10%	3-6 mo.
70%	0-3 mo.

FORESTRY, FISH, & GAME NUMBER OF PROJECTS (23)

4.3%	9 or more months
8.6%	6-9 mo.
34.7%	3-6 mo.
52%	0-3 mo.

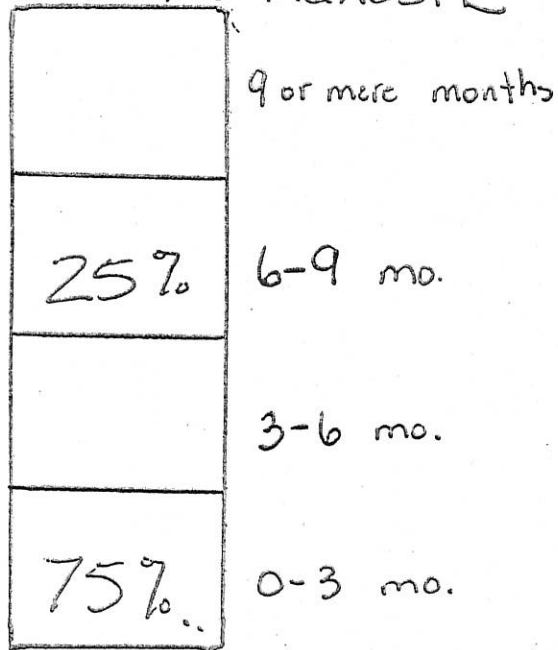
K.U. MEDICAL CENTER No. (30)

6.6%	9 or more months
6.6%	6-9 mo.
16.6%	3-6 mo.
70%	0-3 months

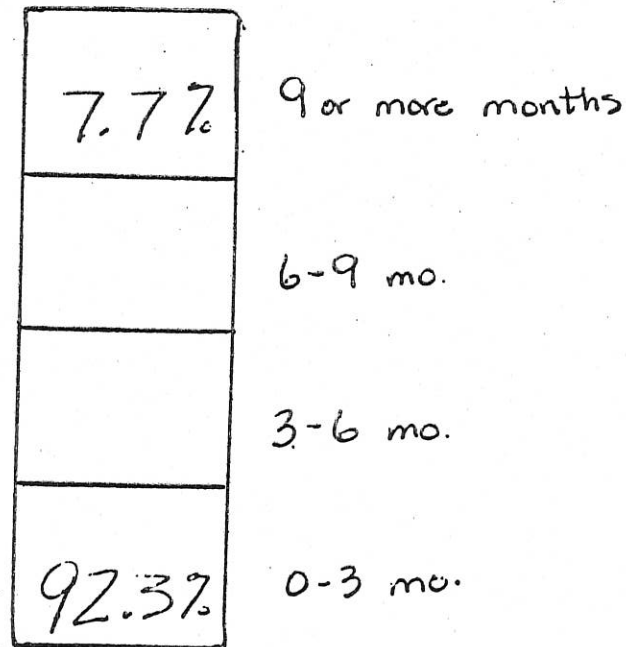
ARMORIES No. (44)

2.2%	9 or more months
2.2%	6-9 mo.
6.8%	3-6 mo.
90%	0-3 mo.

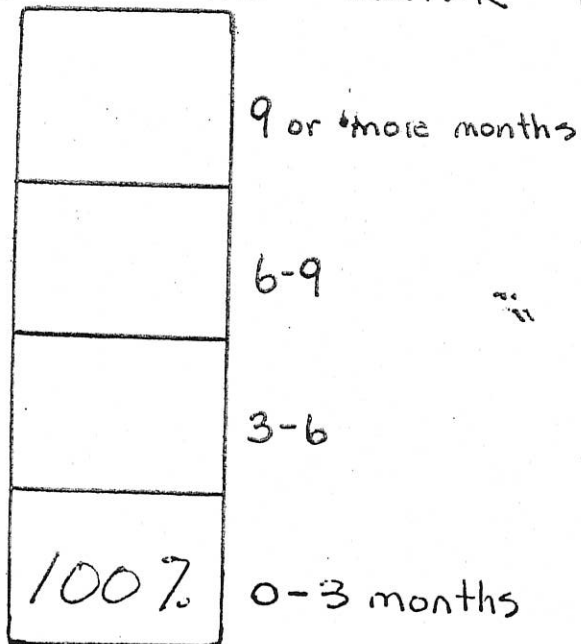
RECEPTION / DIAGNOSTIC (4)



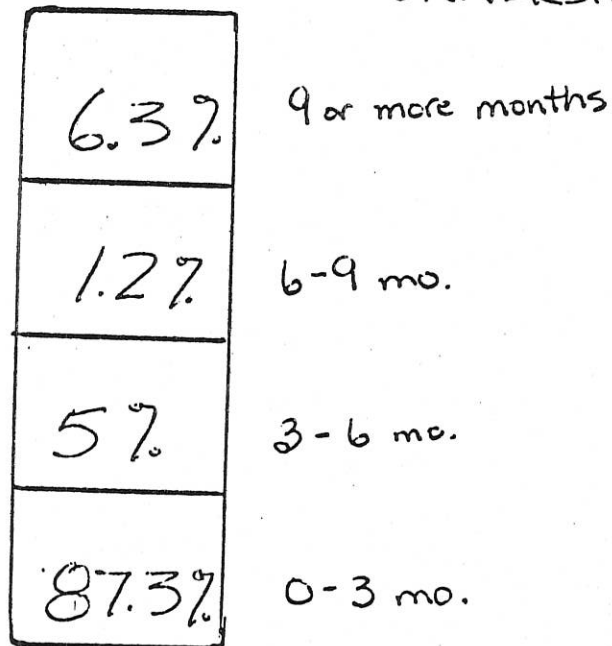
EMPLOYMENT SECURITY DIV. (13)



KANSAS STATE PRINTER (1)

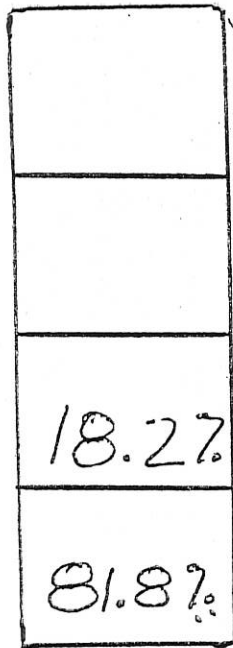


WICHITA STATE UNIVERSITY (79)



HEALTH DEPARTMENT

NUMBER OF PROJECTS
(11)

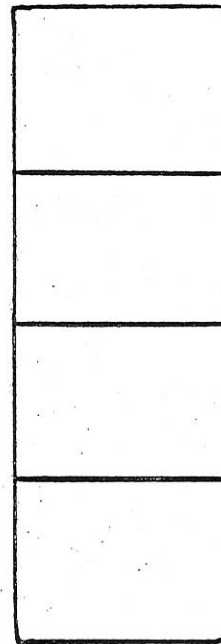


9 or more months

6-9 mo.

3-6 mo.

0-3 mo.

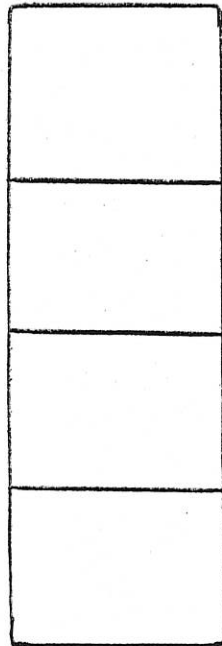


9 or more months

6-9 mo.

3-6 mo.

0-3 mo.

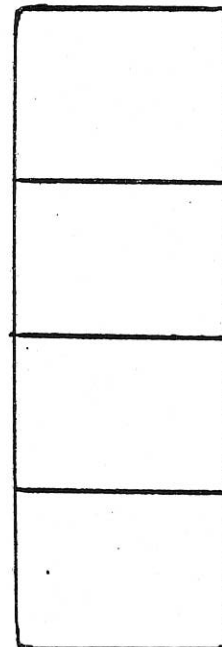


9 or more months

6-9

3-6

0-3 months



9 or more months

6-9 mo.

3-6 mo.

0-3 mo.

MEMORANDUM

August 22, 1977

TO: Special Committee on Ways and Means - B
FROM: Kansas Legislative Research Department
RE: Alternatives to Purchase of KBI Building

At the July 28-29 meeting the Committee instructed staff to investigate alternatives to purchase of the building in which the KBI is presently housed. The following alternatives are listed:

1. Continue rental of present space;
2. Move the KBI to other state-owned property; or
3. Construct a new building for the KBI and the Highway Patrol.

The first alternative -- rental of the present space -- has been discussed in a previous memo. The lease, as re-negotiated, is in effect until July 1, 1979. Annual cost is \$105,252. If the lease were renewed it would be tied to the cost-of-living index. It is projected that the cost per year for 1979 through 1984 would be \$126,312. That estimate is projected on estimated increases in the Consumer Price Index and the actual cost could vary from the price as shown.

In a previous memo the possibility of moving the KBI to a state-owned facility was also discussed. As of July a total of 4,668 square feet was available in state-owned facilities, not including the State House. However, the maximum space available in any one given location was 2,519 square feet, divided among four separate floors. Data on available space was furnished by the Division of Architectural Services.

There is 6,220 square feet in the State Defense Building which has been designed for an Emergency Operation Center (EOC). This space is set aside for state government use in case of a national emergency or natural disaster. It includes two dormitories, a kitchen/dining facility, an infirmary, an emergency telecommunications room, and a large meeting room.

According to the Adjutant General's Office, although the federal government has no specific guidelines about other use for the EOC quarters in non-emergency times, it has indicated it would be preferable to reserve the space for EOC

exclusively. The EOC space could possibly be partially converted to other use, but there is not enough space in the building to house the KBI.

The Committee directed staff to investigate the feasibility of constructing a new facility to house the KBI and the Highway Patrol. The two agencies have a few things in common which would indicate that it could be advantageous for them to be housed in one facility. First, they do not need to be housed in the Capitol Area Complex. Second, both agencies generally serve the same public constituency -- Kansas law enforcement officials. Third, both agencies require special parking and car maintenance facilities.

Perhaps the most important factor that both agencies have in common is the fact that they are currently renting non-state owned facilities. The Highway Patrol is renting 9,535 square feet in Townsite Plaza. The cost is \$5 per square foot plus utilities. For an 11-month period in FY 1977 utilities totaled \$5,516. That figure will probably increase because of the recent rate increase allowed to KPL. The contract is for five years and will expire in August, 1981. Although the square foot rate is set at \$5, that amount will be increased based on the difference per square foot of the tax rate in 1977 and the rate in future years.

In addition, it should be noted that the Townsite Plaza facilities, although adequate in terms of space, are rather poorly constructed. Colonel Rush pointed out that the facilities leak when it rains and that the heating and cooling system is extremely poor, since the building is located over the underground parking facility. In order to keep the office warm in winter, it has been necessary to use portable heating units.

The Highway Patrol also has 4,302 square feet in a state-owned facility located at 220 Gage. This facility is used to house the Division I Headquarters. Until recently the Highway Patrol had 3,577 square feet of the facility with a State Drivers' License Examination Office occupying the other 725 square feet. In July, the Drivers' License Examination Division was relocated and currently the Highway Patrol is remodeling the facility with a \$25,000 appropriation and will soon occupy the entire building. The 4,302 square feet will be occupied by 27 personnel with 44 additional troopers using the facility as needed. The building has two garages which are used to repair all radio equipment, a telecommunications center, and a meeting room and storage area in the basement.

It is estimated that for FY 1979 the state will be paying \$105,252 for rental of the KBI building and a minimum of \$54,000 per year for rent and utilities for the Highway Patrol for a total projected cost for that year of \$159,252

for 32,599 square feet. This cost will increase in FY 1980 because of the KBI and Highway Patrol lease provisions.

There are several state-owned land sites in Topeka which could be utilized if the Legislature desired to build a facility to house the KBI and Highway Patrol. The Kansas National Guard owns 91.3 acres between Kansas Avenue and Topeka Avenue at 27th Street. There are several areas at that site where a building could be located. There are also state-owned possible building sites on Van Buren located near the Department of Transportation Division I Headquarters and two sites on Gage that are owned by the state -- one at 320 and one at 110. In addition, 220 Gage, where the current Highway Patrol Division I building is located, also has some state-owned land adjacent to it where such a facility could be constructed. This site was considered in 1975 prior to the Highway Patrol State Headquarters relocation to Townsite Plaza.

In 1975 when the relocation of the Highway Patrol from the State Office Building was being considered, one proposal was to build a new facility which would house both the State Headquarters and Division I. At that time Division I did not have adequate space. With the addition of 725 square feet and the current remodeling project, Colonel Rush projects that facility to be adequate for another ten years.

If the Legislature wishes to construct a new facility for the KBI and Highway Patrol, space needs for the future must be projected. As noted earlier, 32,599 square feet are currently being leased and although this is adequate at present, agency space needs may change in the future. It will also be necessary to determine whether Division I headquarters and any other law enforcement or criminal justice agencies should be included in such a facility.

MEMORANDUM

August 23, 1977

TO: Special Committee on Ways and Means - B
FROM: Kansas Legislative Research Department
RE: Background Information Related to Sunset Laws

Introduction

The Special Committee on Ways and Means - B was assigned Proposal No. 75 which includes sunset laws. This report will review the findings of the 1976 Special Committee on Ways and Means on Proposal No. 62 which was also concerned with sunset laws and information related to the sunset laws of other states.

1976 Proposal No. 62 - Sunset Laws

Committee Activity. The 1976 interim committee heard testimony from a representative of Common Cause of Kansas and received comments from a number of state agencies which could be affected by the enactment of a sunset law in Kansas. The Committee also received technical recommendations from the Legislative Division of Post Audit.

The chief proponent of the sunset concept has been Common Cause. This organization views sunset laws as being complementary to the so-called sunshine laws (campaign financing, open meetings, lobbying disclosure, and personal financial disclosure) which it also advocates. Common Cause believes that the sunset concept is an action-forcing mechanism which will create an incentive for periodic and comprehensive executive and legislative evaluation of existing programs and agencies. Common Cause further believes that, through enactment of sunset legislation, programs and agencies will be periodically and comprehensively reviewed under threat of termination. Overlapping jurisdictions will be untangled and agencies rejuvenated, and programs and agencies that no longer serve a public purpose will be eliminated.

The Committee sent copies of the preliminary discussion draft of the "Kansas Sunset Law" to 45 state agencies, boards, and commissions which could be affected, or have program activities affected, by the enactment of such legislation. Of the 14 agencies that responded by the date the Committee requested, nine agencies expressed opposition to the enactment of a sunset law, two agencies expressed qualified support of the legislation, and three agencies either had no clear position or made alternate recommendations. Agencies

which opposed the enactment of a sunset law expressed the following concerns:

1. The legislation would merely duplicate existing control mechanisms (budget hearings, the appropriation process, Legislative Post Audit, etc.);
2. The legislation would result in additional work for the Legislature and the agencies and require additional, unnecessary expenditures;
3. Since the Legislature already possesses the power to abolish the agencies, the additional expense and trauma cannot be justified;
4. No great reduction in general fund expenditures would occur since most of the agencies scheduled for abolishment are self-supported fee agencies;
5. The legislation could discourage the employment and retention of qualified personnel in those agencies scheduled to be abolished;
6. In many areas, continuity in regulatory laws and licensing procedures is necessary to protect the public; and
7. Loss of federal funds could occur in some areas, such as the health fields, if state licensure requirements are deleted.

Alternatives suggested by some agencies included zero-based budget reviews, assignment of a sunset-like function to the legislative committee on governmental organization, utilization of professional full-time administrators rather than part-time boards, and more selective inclusion of agencies.

The Legislative Division of Post Audit presented the following recommendations:

1. The Legislature should provide for annual sunset reviews of different groups of agencies to equalize the additional workload that would be imposed on the Legislature, Legislative Post Audit, and the executive agencies;

2. Agencies with similar functions should be evaluated at the same time;
3. Smaller agencies should be reviewed first to allow the Legislative Division of Post Audit to develop sunset audit techniques before reviewing larger agencies; and
4. The review criteria should include a determination of whether regulatory activity is needed in a particular area and how that regulatory activity can best be performed if it is needed.

The Legislative Division of Post Audit estimated that implementation of the sunset concept would require the full-time efforts of two and one-half to three professional auditors. The annual cost of adding three professional auditors to the Post Audit staff would be approximately \$60,000.

1977 House Bill No. 2044

The Committee approved the introduction of 1977 House Bill No. 2044 without recommendation. The major provisions of the bill are as follows:

1. The bill would establish automatic termination dates for 35 state agencies, boards, and commissions, unless they are continued in existence or re-established by act of the Legislature. Agencies could be continued in existence or re-established for a period of six years, at which time they would again be subject to abolition, unless affirmative legislative action is taken to prevent their scheduled termination.
2. Prior to the termination of each state agency subject to the Kansas Sunset Law, the Legislative Division of Post Audit would conduct a performance audit of the agency. In conducting these performance audits, the Post Auditor would consider the following criteria:
 - a. Would the absence of regulations significantly harm or endanger the public health, safety, or welfare?

- b. Is there a reasonable relationship between the exercise of the state's police power and the protection of the public health, safety, or welfare?
- c. Is there another less restricted method of regulation available which could adequately protect the public?
- d. Does the regulation have the effect of directly or indirectly increasing the cost of any goods or services involved and, if so, to what degree?
- e. Is the increase in cost more harmful to the public than the harm which could result from the absence of regulations?
- f. Are all facets of the regulatory process designed solely for the purpose of, and have as a primary effect, the protection of the public?

The Division could also consider, among other factors, the existing performance audit criteria established in K.S.A. 1976 Supp. 46-1108:

- a. Whether any state agency is carrying out only those activities or programs authorized by the Legislature; or
- b. Whether the programs and activities of a state agency, or a particular program of activity, is being efficiently and effectively operated; or
- c. Whether any new activity or program is being efficiently and effectively implemented in accordance with the intent of the Legislature; or
- d. Whether there is a need for change in any authorized activity or program of a state agency; or
- e. Whether any reorganization of a state agency, or group of state agencies, is needed or justified to accomplish the results of programs or activities authorized by the Legislature; or

- f. Any combination of the purposes specified in this or any other section of this act.
3. Public hearings would have to be held by the appropriate legislative committees prior to the termination of each state agency subject to the sunset law. The state agency involved would have the burden of demonstrating a public need for its continued existence. The committees would take into consideration the same factors as those used by the Post Auditor in developing their recommendations.
4. If terminated, an agency would continue in operation for one year in order to complete its affairs, and the act of termination would not affect the rights of any person in any cause of action which occurred prior to the date the agency was terminated. Transfers of personnel and abolition of personnel positions resulting from the termination of an agency would be accomplished in accordance with the provisions of the Kansas Civil Service Act.

1977 Senate Bill No. 277

This bill, which was introduced by Senator Steineger, provides an alternative structure to sunset legislation. This bill would not establish a schedule for automatic termination of agencies; however, the bill does establish that the Legislative Post Audit Committee may direct that audits be performed to determine "...whether any state agency, or group of state agencies should be abolished." The bill lists the six criteria of 1977 House Bill No. 2044 as factors that may be included in such an audit.

Comparison of Various State Sunset Law Provisions

The information in the following sections is based on a review of various bills, articles and a telephone survey of various states conducted by the Kansas Legislative Research Department on August 22, 1977. It should be noted that legislative staff in several states indicated that the provisions of the sunset legislation are still in the process of being interpreted.

Automatic Termination. A major difference between 1977 S.B. No. 277 and 1977 H.B. No. 2044 relates to automatic termination of agencies. A set schedule for termination would be established by the House version. Common Cause contends

that without the threat of termination sunset legislation would not be an action-forcing mechanism. The Federation of Rocky Mountain States stated in a June, 1976, report that "The automatic termination of an agency's charter... shifts the burden of proof for continuing a regulatory agency from its detractors to the agency itself." It appears most states provide for automatic termination; however, termination requires a majority vote of both houses in Alabama. While Montana provides for the automatic termination of agencies, the repeal of the laws establishing agency duties and responsibilities would have to be accomplished by a separate legislative action.

Periodic Review. Common Cause contends that periodic review, on a uniform set schedule, is a minimum standard for comprehensive review. The sunset laws of Arkansas, Indiana, and South Dakota provide for only a one-time review. If a state decides on a system of periodic reviews, then the number of years between reviews becomes an issue. The nature of the program to be reviewed, the capacity of the state to conduct program reviews, and the impact on long-range program planning appear to be factors that have been considered in various states. Alabama and Louisiana established a maximum time between reviews of four years and Colorado, Florida, Georgia, Montana, Nebraska, New Mexico, Oklahoma, South Dakota, and Utah provide for a maximum time between reviews of six years. The statutes often provide for maximum number of years rather than a fixed schedule. This approach was used in 1977 House Bill No. 2044 when it established a maximum of six years.

Agencies Affected. Alabama, Arkansas, and Louisiana include all agencies in their sunset laws. Colorado, Florida, Georgia, Montana, New Mexico, Oklahoma, and Utah limit their sunset laws to regulatory agencies. The Indiana law provides that agencies created by executive order terminate when the Governor leaves office and agencies created by legislative resolution terminate with the expiration of the Legislature which created it. All new agencies terminate after ten years. The Nebraska law, in addition to regulatory agencies, includes the Department of Economic Development, State Office of Planning and Programming, Department of Revenue, and the Department of Administrative Services. The South Dakota law only includes the Divisions of Banking, Insurance, Consumer Protection, Securities, Human Rights, Racing, and Athletics.

Representative Gerald H. Kopel, Chairman of the Colorado interim committee which worked on the sunset proposal, stated that regulation activities were chosen as an initial "experiment" and would "establish the precedent for adding other sections of the executive branch in future years." Some of the reasons cited by Representative Kopel for concentrating on regulatory activities include a lack of agency responsiveness to state needs, a minimal number of salaried state employees that would be affected by agency termination, and immediate results would be visible.

Functional Groupings. Common Cause contends that programs in the same policy area should be reviewed at the same time. The survey of the various states with sunset laws found that very few states are able to do this.

Committee Review. Common Cause supports review by substantive committees; however, it contends that in many states policy area jurisdictions are so fragmented that committee reorganization would be required for meaningful oversight. Most states with sunset legislation provide that substantive committees will be involved in the sunset review. Alabama and South Dakota both provide for a separate sunset committee. New Mexico and Oklahoma both reported in the survey the budget or appropriations committees would be responsible for the sunset review.

Common Cause contends that if sunset legislation is to help restore public confidence in government, public participation must be an essential part of the sunset process. All of the states surveyed indicated that public hearings are either required in the sunset law or are commonly used in the state.

While all of the states reported that their laws provide criteria for the sunset review, several staff members reported confusion in regard to interpreting them. Most states indicated legislative staff will be very active in the preparation of the various sunset reviews; however, Georgia indicated that the executive staff would prepare the reports to the Legislature.

Safeguards. It is possible that a bill to recreate an agency could be held back and never brought to a vote. The Texas proposal provided that a bill to renew an agency that was scheduled to terminate must be reported from committee and brought to a vote in each house not less than 20 days before adjournment. None of the states surveyed had this type of safeguard. Many of the states have a clause that provides that any claim or right against any agency terminated would be assumed by some other agency of the state.

Costs and Results. Few states are able to identify costs associated with the sunset legislation. Utah reported that it had to reduce regular program audits in order to conduct the reviews required for its sunset law. Arkansas indicated that it had to repeal, in a special session, the requirement for a performance audit of all agencies because it did not have the manpower to conduct the audit. The State Government News of May, 1977, reported that the State Auditor of Colorado spent \$133,315 for performance audits of 13 agencies. The Colorado legislature did not renew three of the

agencies. Alabama could not calculate the cost of administration, but reported that it terminated four "non-functioning" agencies.

Conclusion

Because of a lack of experience, it does not appear possible to clearly establish costs or benefits of various sunset provisions. It does appear that the trend in sunset legislation is toward automatic termination of regulatory agencies, some procedure for periodic review, and reliance on the substantive committees for sunset reviews.

MEMORANDUM

August 30, 1977

TO: Special Committee on Ways and Means - B
FROM: Kansas Legislative Research Department
RE: Proposal No. 76 - Financing of Vocational Education

ILLUSTRATION OF ONE DIFFERENTIAL FUNDING ALTERNATIVE FOR
COMMUNITY JUNIOR COLLEGE APPROVED VOCATIONAL EDUCATION PROGRAMS

The following tables have been prepared to illustrate the fiscal effects of one method of differential funding of approved vocational programs offered by community junior colleges.

In FY 1977, community junior colleges received \$15.50 for each reimbursable credit hour* of enrollment. The 1977 Legislature increased this rate, effective in FY 1978, to \$16.50. This reimbursement is paid for by enrollments in community junior college vocational education programs for which credit hours are awarded just as for regular academic programs.

The following illustration is based on a suggestion submitted during the 1976 interim by the Kansas Association of Community Colleges to the Legislative Educational Planning Committee (1202 Commission). The proposal assumes the premise that vocational programs tend to be more expensive than most regular academic programs. Therefore, one way to recognize this fact is for the state to provide a higher level of funding for vocational programs than for other courses. Such funding could be determined in any number of different ways, such as being directly related to the costs of individual programs, etc. The approach illustrated herein represents a very simple (though imperfect) way of recognizing the higher costs of vocational programming.

Table I(A) shows for each institution the actual amount of credit hour state aid generated in FY 1977 by enrollments in approved vocational programs and what such aid would have been at the following levels: \$16.50, \$24.75, \$33.00, and \$41.25. In other words, based on the credit hour state aid rate (\$16.50) effective in FY 1978, differential funding at levels of 1.5, 2.0 and 2.5 times the rate for enrollments in regular academic programs was computed. Part (B) of Table I shows comparable reimbursement levels based upon the total number of FY 1977 credit hours produced by approved vocational programs, not just those which are reimbursable under present law.

* Credit hour state aid is limited to enrollment hours of Kansas resident students who have no more than 64 credit hours (72 hours in terminal-type nursing courses and in freshman-sophomore level pre-engineering courses) from an institution of higher learning approved by the State Board of Education.

Table II shows the actual FY 1977 state and federal categorical aid paid to community junior colleges for approved vocational programs through the formula applicable to community junior colleges. It has been suggested that if a differential funding approach were adopted, such as the one illustrated on Table I, the community junior colleges could forego further participation in the present vocational education categorical aid program.

By comparing the total FY 1977 categorical aid for a school with the additional aid from one of the differential funding plans (Table I), the effects of such a change for any institution can be readily noted. For example Table 1(A) illustrates that for FY 1977 Allen County would have received \$10,791 in credit hour state aid under the \$16.50 rate. Table II shows that for FY 1977 Allen County received \$12,384 in categorical aid. Adding those two amounts, Allen County would receive \$23,175 of state aid under the present system. This can then be compared to the amounts which would be received under a differential funding approach as shown in Table 1(A).

Table III shows for five community junior colleges the federal and state categorical aid for vocational programs which was received in FY 1977 through a contract or other arrangement with an area vocational school. As the Committee knows, funding received in this manner provides a greater level of program support than such aids which flow through the community junior college categorical aid program.

These data also may be compared with Table I data to determine the effects of this differential funding approach in the community junior colleges which now participate in the categorical aid program generally applicable to area vocational schools. For example, in FY 1977 Coffeyville would have received \$27,539 in state credit hour aid at the \$16.50 rate as illustrated in Table I(A). Table III shows that for FY 1977 Coffeyville received \$65,038 in categorical aid through agreements with area vocational schools. Adding those two amounts, Coffeyville would receive \$92,577 under the present system. This can then be compared to the amounts as shown in Table I(A) to determine the effect of a differential funding approach.

Increases in credit hour state aid for approved vocational programs might affect somewhat the amount of out-district tuition that may be charged by community junior colleges. The higher the credit hour state aid, the better is the chance that the out-district tuition rate would be reduced somewhat. However, it is the opinion of State Department of Education staff that none of the differential funding applications shown herein would reduce out-district tuition by any appreciable amount. This is because budgets would increase sufficiently so that operating expenditures per student probably would not be reduced. As a result there would be no reduction in the out-district tuition rate.

TABLE I

FY 1977 ESTIMATED IMPACT OF DIFFERENTIAL FUNDING OF COMMUNITY JUNIOR COLLEGE VOCATIONAL EDUCATION PROGRAMS

Community Junior College	(A)				(B)							
	Total Reimbursable CJC Credit Hours in Approved Vocational Programs ¹	CJC Credit Hour State Aid ² @ \$15.50	Estimated CJC Credit Hour State Aid @				Total CJC Credit Hours in Approved Vocational Programs	CJC Credit Hour State Aid @ \$15.50	Estimated Credit Hour State Aid @			
			\$16.50 ³	\$24.75	\$33.00	\$41.25			\$16.50 ³	\$24.75	\$33.00	\$41.25
Allen County	654	\$ 10,187	\$ (10,791)	\$ 10,187	\$ 21,582	\$ 26,978	702	\$ 10,881	\$ 11,583	\$ 17,375	\$ 23,166	\$ 28,958
Barton County	5,858	90,799	96,657	144,986	193,314	241,643	7,322	113,491	120,313	181,220	241,626	302,033
Butler County	4,322	66,991	71,313	106,970	142,626	178,283	4,550	70,525	75,075	112,613	150,150	187,688
Cloud County	3,322	51,491	54,313	82,220	109,626	137,033	3,367	52,189	55,556	83,333	111,111	138,889
Coffeyville	1,669	25,870	27,539	41,368	55,077	68,846	1,669	25,870	27,539	41,368	55,077	68,846
Colby	3,880	60,140	64,020	96,030	128,040	160,050	4,933	77,237	82,220	123,329	164,439	205,549
Cowley County	6,247	96,829	103,076	154,613	206,151	257,639	8,152	126,356	134,508	201,762	269,016	336,270
Dodge City	5,800	89,800	95,700	143,550	191,400	239,250	8,384	129,952	138,336	207,504	276,672	345,840
Fort Scott	2,452	38,006	40,458	60,667	80,916	101,145	2,452	38,006	40,458	60,687	80,916	101,145
Garden City	6,678	103,509	110,187	165,281	220,374	275,468	7,420	115,010	122,430	183,645	244,860	306,075
Highland	2,406	37,293	39,699	59,549	79,398	99,248	2,418	37,479	39,897	59,846	79,794	99,743
Hutchinson	7,205	111,678	118,883	178,324	237,765	297,266	8,215	127,333	135,548	203,321	271,095	338,869
Independence	2,698	41,819	44,517	66,775	89,034	111,292	2,698	41,819	44,517	66,776	89,034	111,293
Johnson County	16,296	252,538	268,884	403,326	537,768	672,210	18,831	291,881	310,712	466,067	621,423	776,779
Kansas City	10,231	158,581	168,812	253,217	337,623	422,029	14,755	223,703	243,458	365,186	486,915	608,644
Labette County	3,807	59,009	62,816	94,223	125,631	157,039	4,519	70,045	74,564	111,845	149,127	186,409
Neosho County	2,808	43,524	46,332	69,498	92,664	115,830	2,829	43,850	46,679	70,018	93,357	116,696
Pratt	2,225	34,503	36,729	55,094	73,458	91,823	3,618	56,079	59,697	89,546	119,394	149,243
Seward County	1,186	18,383	19,589	29,354	39,138	48,923	1,252	19,406	20,658	30,987	41,316	51,645
TOTAL	89,745	\$1,391,050	\$1,480,795	\$2,221,192	\$2,961,585	\$3,701,985	108,136	\$1,676,112	\$1,784,248	\$2,676,388	\$3,568,488	\$ 4,460,614

- 1) Credit hours based on 64-hour limitation (K.S.A. 1976 Supp. 71-601). Barton, Butler, Dodge City and Garden City are estimated from FY 1976 data, the remainder are actual FY 1977 data.
- 2) Rate in effect in FY 1977.
- 3) Rate in effect for FY 1978 (L. 1977, Ch. 233).

SOURCE: Kansas State Department of Education

TABLE II

FY 1977 COMBINED PART B AND PART F
FEDERAL AND STATE CATEGORICAL AID FOR
COMMUNITY JUNIOR COLLEGE PROGRAMS

<u>Community Junior College</u>	<u>Categorical Aid</u>		<u>Total</u>
	<u>Federal</u>	<u>State</u>	
Allen County	\$ 3,811	\$ 8,573	\$ 12,384
Barton County	18,197	40,591	58,788
Butler County	18,595	41,009	59,604
Cloud County	3,861	8,500	12,361
Coffeyville	(1)	(1)	(1)
Colby	15,698	36,059	51,757
Cowley County	(2)	(2)	(2)
Dodge City	(1)	(1)	(1)
Fort Scott	(1)	(1)	(1)
Garden City	21,763	50,131	71,894
Highland	1,866	4,153	6,019
Hutchinson	(1)	(1)	(1)
Independence	6,912	16,036	22,948
Johnson County	29,969	69,171	99,140
Kansas City	22,212	50,735	72,947
Labette County	12,067	27,924	39,991
Neosho County	6,573	15,031	21,604
Pratt	13,066	27,659	40,725
Seward	1,618	3,178	4,796
TOTAL	<u>\$176,208</u>	<u>\$398,750</u>	<u>\$574,958</u>

1 Federal and state categorical aids for programs offered at these institutions are provided pursuant to agreements or relationships with area vocational schools.

2 In Cowley County, the community junior college board of trustees acts as the board of control of the area school. Approved vocational programs receive categorical aid on the same basis as other area vocational school programs. Credit hour state aid is generated by such programs on the same basis as for the academic programs of the institutions.

SOURCE: State Department of Education

12 387
652
2300
15620
338
32700

TABLE III

FY 1977 COMBINED PART B AND PART F
 FEDERAL AND STATE CATEGORICAL AID PAYMENTS
 TO FUND APPROVED VOCATIONAL PROGRAMS AT
 COMMUNITY JUNIOR COLLEGES THROUGH AGREEMENTS
 WITH AREA VOCATIONAL SCHOOLS

<u>Community Junior College</u>	<u>Categorical Aid</u>		<u>Total</u>
	<u>Federal</u>	<u>State</u>	
Coffeyville	\$ 22,796	\$ 42,242	\$ 65,038
Cowley County*	75,939	139,031	215,020
Dodge City	42,909	79,856	122,765
Fort Scott	24,365	45,177	69,542
Hutchinson	86,969	172,106	259,075
TOTAL	<u>\$252,978</u>	<u>\$478,462</u>	<u>\$731,440</u>

* Not a contract. The community junior college board of trustees serves as the board of control of the area vocational school. All approved vocational programs receive state and federal categorical aid for vocational education under the aid program for area vocational schools.

SOURCE: State Department of Education