

Approved: 5-31-91
Date

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson George Teagarden at 1:00 p.m. on April 11, 1991 in room 514-S of the Capitol.

All members were present except: All present.

Committee staff present:

Ellen Piekalkiewicz, Legislative Research Department
Debra Duncan, Legislative Research Department
Jim Wilson, Revisor of Statutes
Susan Miller, Administrative Aide
Sue Krische, Committee Secretary

Conferees appearing before the committee:

Lieutenant Timothy Lockett, Capitol Area Security Patrol
Dr. Stanley Koplik, Executive Director, Kansas Board of Regents
Warren Corman, Director of Facilities, Kansas Board of Regents
Tim Rogers, Executive Director, Salina Airport Authority
Major Henry Martin, Kansas National Guard
Jim Coffman, Provost, Kansas State University
Don Rathbone, Dean of College of Engineering, KSU

Others attending: see attached list.

SB 429 - Authority of Capitol Area Security Patrol on state leased or rented property.

Lieutenant Timothy Lockett, Capitol Area Security Patrol, appeared in support of SB 429 which would authorize the Capitol Area Security Patrol (CASP) to provide security services to leased and rented properties or buildings (Attachment 1). Current law limits the provision of such services to state-owned buildings.

Staff requested a technical amendment to reconcile the amended section in this bill with another amendment to the same section in another bill. Representative Chronister moved to amend SB 429 with the technical amendment requested and to recommend SB 429, as amended, favorably for passage. Representative Wisdom seconded. Motion carried.

SB 22 - Kansas college of technology, merger with Kansas state university.

Dr. Stanley Koplik, Executive Director, Kansas Board of Regents, appeared in support of SB 22 (Attachment 2). Dr. Koplik summarized seven reasons outlined in his written testimony that the merger of KCT and KSU is of benefit to the state of Kansas. He emphasized this merger will make the two institutions stronger. It is anticipated that enrollment will grow at the Salina campus from 500 to 800 students. In response to a question, Dr. Koplik stated seven options were considered in making the decision to merge KCT and KSU. The two final options the Board voted on were to merge KCT with KSU or Pittsburg State.

There are currently 7 faculty members in engineering technology in Manhattan. Those faculty will be reassigned to the electrical and mechanical engineering disciplines. This reallocation will bolster those programs making them much stronger.

Warren Corman, Director of Facilities, Board of Regents, summarized the sources of funds for this project and the proposed expenditure of the funds (Attachment 3). His testimony included the existing site plan for the campus at Salina and the future plan when capital improvements are completed. The plan includes razing five buildings and consolidating the campus on one site. The Board of Regents is asking the state to fund the new Aeronautical Center at \$1,590,000. Three new buildings and two additions are planned in this project.

Tim Rogers, Executive Director, Salina Airport Authority, explained a proposal whereby the Salina Airport Authority would lease to the state of Kansas an aeronautical center consisting of a 14,300 sq.ft. existing classroom building and a 15,048 sq.ft. laboratory addition. This would be a 20-year lease purchase program. He noted the Joint Committee on State Building Construction has recommended this plan and made a strong recommendation that if the money can be found in the Educational Building Fund within the 20-year term, the lease should be paid off early to save the taxpayers money. Mr. Rogers distributed a booklet of letters of support for the merger of KCT and KSU (on file in the House Appropriations Committee office).

(Attachment 4)

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, room 514-S Statehouse, at
1:00 p.m. on April 11, 1991.

Major Henry Martin, Kansas National Guard, testified in support of SB 22 and provided written testimony (Attachment 5). The Kansas National Guard has an aviation battalion located in Salina and the merger of KCT and KSU would greatly enhance the training capability of the National Guard Military Academy at Salina.

Jim Coffman, Provost, Kansas State University, addressed the leveraging of resources and enhancing of academic programs through the merger of the two institutions (Attachment 6).

Donald E. Rathbone, Dean, College of Engineering, Kansas State University, stated the merger would offer the opportunity for a "spread out" curriculum in which the technology courses would be offered throughout the four-year curriculum with very careful selection of the Engineering Technology courses in the first two years that permit them to be both building blocks for the next two years and yet strong enough for a two-year graduate to be effective in industry (Attachment 7).

Representative Turnquist moved that SB 22 be recommended favorably for passage. Representative Heinemann seconded. Motion carried.

Chairman Teagarden advised that staff has called to his attention a possible flaw in HB 2626 which the committee reported favorably at yesterday's meeting. Representative Adam moved to reconsider Committee action on HB 2626. Representative Wisdom seconded. Motion carried. Staff distributed a proposed amendment which would specify that the "Chancellor must make a finding" on the necessity of unclassifying specific job classes (Attachment 8). Representative Chronister made a substitute motion to amend HB 2626 adding the proposed amendment. Representative Wisdom seconded. Motion carried. Representative Wisdom moved that HB 2626, as amended, be recommended favorably for passage. Representative Solbach seconded. Motion carried.

Regarding SB 122 which was referred to the Committee from General Orders on April 5, 1991, Representative Chronister moved that SB 122 be reported without recommendation from the Committee. Representative Wisdom seconded. Motion carried.

The meeting was adjourned at 2:45 p.m. The next meeting is scheduled for Friday, April 12 at 8:00 a.m. in 514-S.

GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: 4-11-91

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Stacy Z. Kuhn	Topeka	RENTS
Colonia Timmer	Topeka	JOB
Susan Peterson	MANHATTAN	KANSAS STATE
Timothy Poger	Salina	Salina Airport Authority
TED D. AYRES	TOPEKA	KS BOARD OF REGENTS
WARREN CORMAN	TOPEKA	" " "
Jim Hoffman	Manhattan	KSU
Bab Ott	Salina	Salina Airport Authority
Norm Wilks	Topeka	KASB
Gerald Cook	Salina	Salina Area Chamber of Com
HENRY TX. MARTIN	Topeka / Manhattan	US ARMY National Guard
Jim Kent	Topeka	KDOC
Dan Rathbun	Manhattan	KSU
Ed McKechnie	Fitchburg	Horse
Eloise Lynch	Salina	Houses
Michelle Puster	Topeka	Capital Area Security
Larry Henry	Topeka	capital area security
Tim Lockett	Topeka	Ks Highway Patrol
Larry Panting	Salina	Kansas College of Technology
Jerry Coe	SALINA	KCT
Neil Summers	Lenoxboro KS	KCT
Mike Resk	SALINA	KCT
Tom Cornelius	Salina	KCT
KEN BARNARD	SALINA	KCT
ALLAN WHITE	Salina	Legislature

SUMMARY OF TESTIMONY

Before the House Appropriations Committee

Presented by - Timothy Lockett

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Good afternoon Mr. Chairman and members of this committee. My name is Timothy Lockett. I am the assistant Troop Commander of the Capitol Area Security Patrol. I appear before you today on behalf of the Superintendent of the Kansas Highway Patrol and the members of the Capitol Area Security Patrol in support of SB 429.

As written, Senate Bill 429 addresses a very important issue regarding the authority of officers of the Capitol Area Security Patrol to provide police services in buildings occupied by state agencies. Since July of 1976, CASP police officers had the authority of peace, police and law enforcement officers on or about state owned property as defined in K.S.A. 75-4503. It was presumed that this authority also extended to buildings or property leased or rented by the state. Initially, CASP officers were responsible for only buildings within the capitol complex. Recently, some agencies have out of necessity, relocated away from the capitol complex and into buildings leased or rented. The Capitol Area Security Patrol continued to provide police patrols and other services to these agencies.

However, a 1990 opinion by the Kansas Attorney General, No. 90-24 clearly established the scope of authority of CASP police officers as being limited to ..."on or about any state owned property". This opinion greatly restricted the ability of the Capitol Area Security Patrol to continue to provide police services to many agencies which had previously been provided these services. As a result of the attorney general opinion, research was made of all state properties for which police services had been previously provided to determine which were state owned. The results of that survey revealed twelve (12) locations for which we have no police authority, one of which includes the headquarters of the Kansas Highway Patrol. (Please see Items #1 and #2 attached - listing of state owned properties and those not owned by the state.)

HA
4-11-91
Attachment 1

Summary of Testimony
Senate Bill 429

Hopefully, the provisions of SB 429 will provide police officers of the Capitol Area Security Patrol the powers and authority of peace, police and law enforcement officers on state owned, leased or rented property. We propose no increase in the level of personnel as we are already providing police patrol and services to these agencies. However, we do so without the lawful authority to act as police officers should the need arise.

The safety and welfare of state employees and property of the State of Kansas is our primary concern. We believe that SB 429 will provide the Capitol Area Security Patrol a means to continue to render police services in a professional and lawful manner.

We therefore urge the members of this committee to implement the provisions of Senate Bill 429.

ITEM # 1

Following are properties owned by the State of Kansas as verified by research conducted at the Shawnee County Appraiser's office:

<u>ZONE</u>	<u>NAME</u>	<u>ADDRESS</u>
1	Docking State Office Building	915 Harrison
2	Judicial Center	301 W. 10th
3	Statehouse	9th and Harrison
4	Kansas State Historical Society Research Center	120 W. 10th
5	Division of Printing	201 N.W. MacVicar
6	Kansas Highway Patrol, Troop B	220 Gage
7	Department of Transportation	101 Gage
11	Cedar Crest	1 Cedar Crest Road
12	Department of Health and Environment	Forbes Building #740
13	Department of Human Resources	1309 Topeka
14	Landon State Office Building	900 Jackson
15	Warehouse (Revenue)	3440 S.E. 10th
16	Surplus Property	3400 S.E. 10th
19	State Parking Lot #1	Judicial Center
20	State Parking Lot #2	1000 Block of S. Harrison
21	State Parking Lot #4	1100 Block of S. Harrison
23	801 Parking Lot	801 Harrison
24	Department of Transportation	121 W. 21st
25	Department of Transportation	2141 S. Kansas
26	Department of Transportation	2300 Van Buren
27	Department of Transportation	2230 Lakewood Drive
28	Motor Pool	400 S. Van Buren
30	Kansas Bureau of Investigation	1620 S. Tyler
33	Division of Human Resources	401 S. Topeka
34	Division of Human Resources	427 S. Topeka
35	Division of Human Resources	433 S. Topeka
39	Kansas Museum of History	6425 SW 6th

ITEM # 2

Following are properties that are privately owned, but leased by the State of Kansas:

<u>ZONE</u>	<u>NAME</u>	<u>ADDRESS</u>
8	Kansas Lottery	128 N. Kansas
9	Alcohol Beverage Control/Human Resources	512 W. 6th
10	Warehouse (Revenue/Secretary of State)	1016 N. Kansas
17	Department of Transportation	4th and Monroe
18	Board of Healing Arts	235 S. Topeka
22	State Parking Lot #6	1st and Van Buren
29	Department of Education	120 S.E. 10th
32	Grain Inspection	1208 N. Kansas
36	Social and Rehabilitation Services	235 S. Kansas
37	Insurance Department	420 W. 9th
38	Kansas Highway Patrol General Headquarters	122 W. 7th
40	Kansas Corporation Commission	1500 Arrowhead

**Testimony on Senate Bill 22 to House Appropriations Committee
April 11, 1991**

**Stanley Z. Koplik, Executive Director
Kansas Board of Regents**

Benefits of KSU - KCT Merger to the State of Kansas

1. The merger will result in improved cost efficiency on the Salina campus through:
 - a. increasing enrollments made possible by the increased prestige and name recognition of a major university.
 - b. reorganizing the administration of the Salina campus producing a reduction of administrative positions and an increase in faculty positions.
2. The reconfigured institution will cultivate the level of alumni and business support necessary to fulfill the training and retraining needs of the State.
3. The mesh of both baccalaureate and associate degree programs in engineering technology will enable the Regents system to respond more effectively to the industrial and student demands for technology education in Kansas.
4. The Regents Educational Communications Center will facilitate outreach programs in engineering technology to supplement KSU's statewide presence, i.e., engineering technology programs can be delivered to Wichita and Kansas City via telecommunications.
5. Makes two institutions stronger through the reallocation of funds and additionally provides \$4.5 million from the City of Salina to improve facilities and \$2.0 million from the KSU Foundation for student scholarships. These are dollars that will enhance opportunities from sources other than the State General Fund.
6. Provides an associate degree from Kansas State University, a nationally recognized institution. The prestige of such a degree will greatly enhance enrollments and service to Kansas industry.
7. Demonstration of legislative commitment to an improvement and enhancement of institutional missions and educational services to the State of Kansas through reallocation of resources and reduction of administration.

HA
4-11-91
Attachment 2

MARCH
29
1991

KANSAS STATE UNIVERSITY - SALINA
COLLEGE OF TECHNOLOGY

SUMMARY

PURPOSE

In October, 1989, the Kansas Board of Regents established a task force to study and make recommendations regarding the future of Kansas College of Technology. On May 30, 1990, the task force recommended a merger of Kansas College of Technology with Kansas State University, with the new name of "Kansas State University - Salina, College of Technology". The task force believes that a merger of Kansas College of Technology into Kansas State University will strengthen both institutions and provide significant benefits.

FUNDING

The total cost of the merger is \$10.44 million. It will be raised by the following sources:

<u>Funding Source</u>	<u>Amount</u>	<u>Purpose</u>
KSU Foundation	\$2.00 Million	Scholarships
Revenue Bonds/Dorm Fees	\$1.35 Million	Residence Hall
State of Kansas	\$1.59 Million	Aeronautical Center Ad. (20 year pay back to the Salina Airport Authority)
Sale of south KCT campus	\$1.00 Million	Capitol Improvements, Equipment & Scholarships
Salina sales tax proceeds	* <u>\$4.50 Million</u>	Capital Improvements
Total	\$10.44 Million	

* Includes \$400,000 for Residence Hall Construction.

CAPITAL IMPROVEMENTS

There is adequate space for most of the academic and administrative activities of the two and four year programs, without additional construction. However, there are several areas that need to be addressed: 1) better quality and additional laboratories for the expanding aeronautical program and the mechanical/manufacturing curriculum, 2) library space for stacks and study, 3) housing and related facilities on campus, 4) large lecture hall for academic and other college activities, 5) centrally located student services that are convenient and convey a positive image.

Plans are to sell the south campus and to vacate/remove as many sub-standard buildings as possible. These measures should provide revenues for other needs, reduce utilities and maintenance costs and improve the appearance of the main campus. The following diagram summarizes the capital improvement projects:

HA
4-11-91
Attachment 3

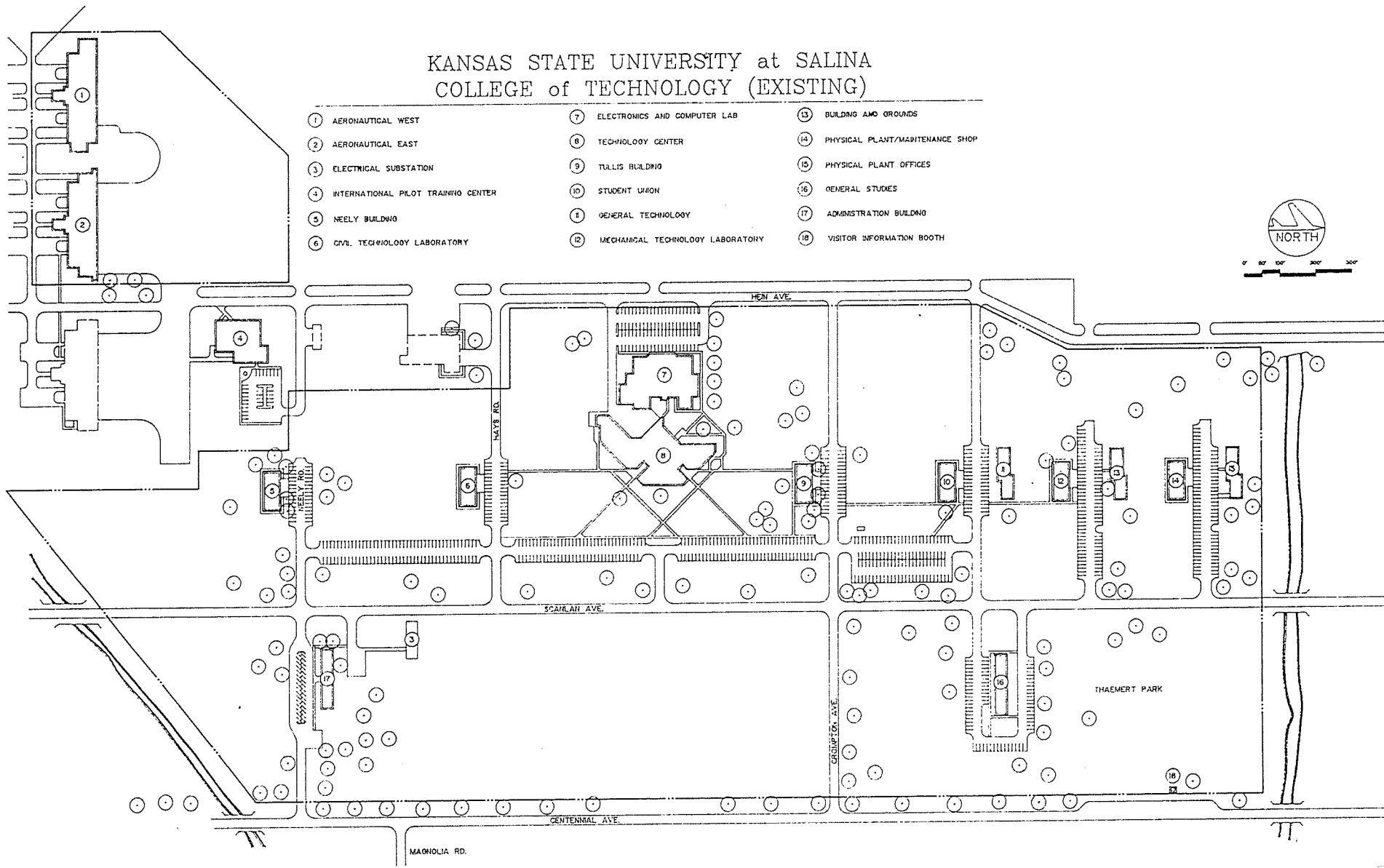
PROJECT	APPROX. GSF	BUDGET	COMPLETION	REPLACES
Aeronautical Center Ad. (labs, offices, class rooms, support space)	30,248	\$1,590,000	Aug '92	Neely Building Aero East Aero West
College Center (cafeteria, student union, bookstore, administrative/ student service offices, 300 seat lecture room support space)	18,915	\$2,400,000 ^S	Dec '93	Cafeteria on South Campus Student Union Tullis Building Admin. Building
Residence Hall (resident rooms for 200 students, lobby, individual bath rooms, support space)	19,305	* \$1,750,000 (400,000) ^S	Jul '93	Residence Hall on South Campus
Technology Center Addition (Library stack/study space, mechanical lab space, support space)	6,500	\$700,000 ^S	Apr '94	Civil Lab Building
North Boundary Road		\$250,000 ^S	Apr '92	
South Boundary Road		\$60,000 ^S	Feb '94	
Campus Entrance Road		\$75,000 ^S	Oct '91	
Infrastructure/Equipment		\$615,000 ^S	Jan '94	
Subtotal	74,908	\$7,440,000		
KSU Foundation		\$2,000,000		
Sale of South Campus		\$1,000,000		
TOTAL	74,968	\$10,440,000		

S = \$4.5 M. SALINA
SALES TAX

*\$1,350,000 from Revenue Bonds/Dorm Fees & \$400,000 from Salina Sales Tax Proceeds.

KANSAS STATE UNIVERSITY at SALINA COLLEGE of TECHNOLOGY (EXISTING)

- | | | |
|---------------------------------------|------------------------------------|-----------------------------------|
| ① AERONAUTICAL WEST | ⑦ ELECTRONICS AND COMPUTER LAB | ⑬ BUILDING AND GROUNDS |
| ② AERONAUTICAL EAST | ⑧ TECHNOLOGY CENTER | ⑭ PHYSICAL PLANT/MAINTENANCE SHOP |
| ③ ELECTRICAL SUBSTATION | ⑨ TULLIS BUILDING | ⑮ PHYSICAL PLANT OFFICES |
| ④ INTERNATIONAL PILOT TRAINING CENTER | ⑩ STUDENT UNION | ⑯ GENERAL STUDIES |
| ⑤ NEELY BUILDING | ⑪ GENERAL TECHNOLOGY | ⑰ ADMINISTRATION BUILDING |
| ⑥ CIVIL TECHNOLOGY LABORATORY | ⑫ MECHANICAL TECHNOLOGY LABORATORY | ⑱ VISITOR INFORMATION BOOTH |



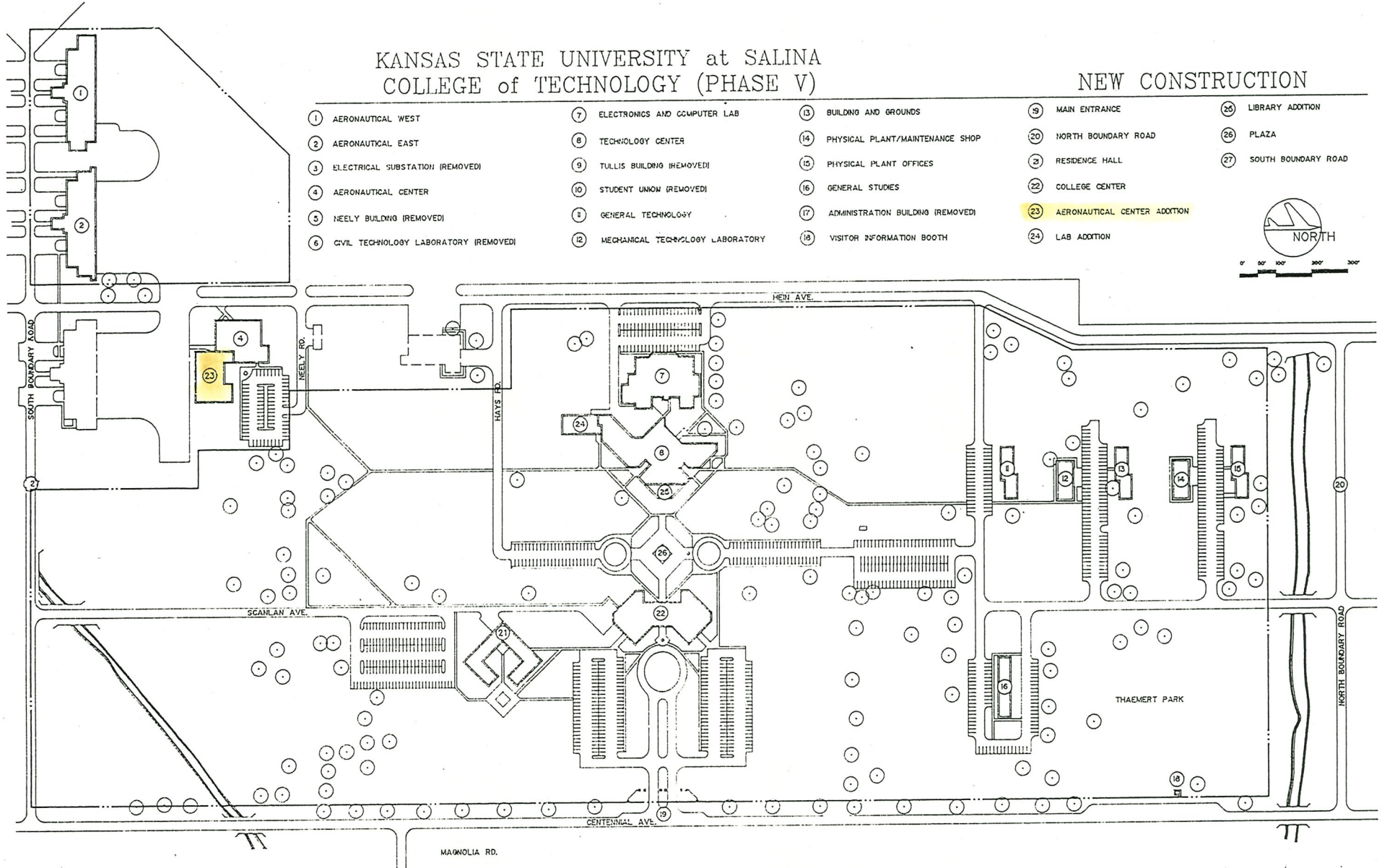
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3-3

KANSAS STATE UNIVERSITY at SALINA COLLEGE of TECHNOLOGY (PHASE V)

NEW CONSTRUCTION

- | | | | | |
|---|------------------------------------|-------------------------------------|--------------------------------|-----------------------|
| ① AERONAUTICAL WEST | ⑦ ELECTRONICS AND COMPUTER LAB | ⑬ BUILDING AND GROUNDS | ⑲ MAIN ENTRANCE | ⑳ LIBRARY ADDITION |
| ② AERONAUTICAL EAST | ⑧ TECHNOLOGY CENTER | ⑭ PHYSICAL PLANT/MAINTENANCE SHOP | ⑳ NORTH BOUNDARY ROAD | ㉑ PLAZA |
| ③ ELECTRICAL SUBSTATION (REMOVED) | ⑨ TULLIS BUILDING (REMOVED) | ⑮ PHYSICAL PLANT OFFICES | ㉒ RESIDENCE HALL | ㉒ SOUTH BOUNDARY ROAD |
| ④ AERONAUTICAL CENTER | ⑩ STUDENT UNION (REMOVED) | ⑯ GENERAL STUDIES | ㉓ COLLEGE CENTER | |
| ⑤ NEELY BUILDING (REMOVED) | ⑪ GENERAL TECHNOLOGY | ⑰ ADMINISTRATION BUILDING (REMOVED) | ㉔ AERONAUTICAL CENTER ADDITION | |
| ⑥ CIVIL TECHNOLOGY LABORATORY (REMOVED) | ⑫ MECHANICAL TECHNOLOGY LABORATORY | ⑱ VISITOR INFORMATION BOOTH | ㉕ LAB ADDITION | |



3-4

Testimony Before the Kansas House
Appropriations Committee
The Honorable George Teagarden, Chairman

Senate Bill 22

Kansas College of Technology/
Kansas State University Merger

April 11, 1991

By:

Timothy F. Rogers, Executive Director
Salina Airport Authority



HA
4-11-91
Attachment 4

The Salina Airport Authority has been asked to provide an aeronautical classroom building and a new aeronautical laboratory building for the future Kansas State University's Salina College of Technology.

The Joint Committee for State Building Construction has recommended that the State lease from the Salina Airport Authority, the existing 14,300 sq. ft. aeronautical classroom building with a 15,048 aeronautical laboratory addition constructed by the Salina Airport Authority for use by the Kansas State University-Salina aeronautical department. The classroom building will accommodate the aeronautical department's need for improved office and classroom space. The 15,048 sq. ft. addition to the existing classroom building will accommodate the requirement for new aviation technology laboratories. The costs to lease the aeronautical center with the option to purchase the facility are summarized as follows:

	Monthly	Annual
	<u>Rental</u>	<u>Rental</u>
<u>K-State Salina Aeronautical Center</u>		
14,300 sq. ft. Existing Classroom Bldg. (\$737,168 project costs)	\$8,250	\$99,000
15,048 sq. ft. Laboratory Addition (\$852,900 project costs)	<u>7,537</u>	<u>90,446</u>
TOTAL RENTAL	\$15,787	\$189,446
(Total Project cost of \$1,590,068)		

The new aeronautical center and associated equipment purchases



are needed in order to enable the KSU, Salina College of Technology to train more individuals to be employed in the State's diverse aviation industry. Kansas aircraft manufacturers alone employ over 37,500 people. Boeing, Beech, Cessna, Learjet and Piaggio require more of the well-trained aviation technologists that an improved KSU, Salina aeronautical department can produce.

Current enrollment in the aeronautical department is:

65 Professional pilot students
70 Airframe and powerplant mechanic students
0 Avionics and flight instrumentation students

With the proposed building improvements and the purchase of new avionics technology equipment with cost savings which result from the merger, the aeronautical department's enrollments would increase as follows:

125 Professional pilot students
200 Airframe and powerplant mechanic students
75 Avionics and flight instrumentation students

Please consider the following benefits of an upgraded K-State, Salina aeronautical department:

* Kansas aviation-related industries can continue to grow if these industries can employ increased numbers of graduates



Salina Airport Authority
SALINA MUNICIPAL AIRPORT / INDUSTRIAL CENTER

from the K-State, Salina aeronautical department. Continued growth of our existing aviation industry benefits all Kansans.

* Kansas can recruit additional aviation-related industries if these industries can rely on increased numbers of graduates from the K-State, Salina aeronautical department. Additional high-paying jobs will benefit all Kansans.

* An upgraded K-State, Salina aeronautical department will attract young Kansans who would not otherwise attend any other school of higher education. Encouraging young Kansans to continue on to higher education benefits all Kansans.

The merger that you are considering benefits all of Kansas, because it results in a better trained work force. The availability of additional and better trained aviation technologists enables the State of Kansas to be more competitive in retaining aviation-related jobs, and in creating new aviation-related jobs. In addition to aviation technologists, the K-State, Salina College of Technology will produce more and better trained engineering technologists in the fields of electrical, mechanical, civil and chemical engineering. These graduates will be employed throughout the State at businesses requiring their skills. This better trained labor pool will help the State to retain jobs and attract new industry that will create new jobs.

By approving the merger, you will enable the State of Kansas

to provide industry with better trained aviation and engineering technologists which benefits all Kansans.

The Salina Airport Authority respectfully requests your approval of Senate Bill 22.

LEASE AGREEMENT

This Lease Agreement, made and entered into this _____ day of _____, 1991, by and between the SALINA AIRPORT AUTHORITY of Salina, Saline County, Kansas, herein the "Authority or "Lessor", and KANSAS BOARD OF REGENTS, 400 S.W. 8th, Suite 609, Capitol Tower, Topeka, Kansas 66603, herein "Board", and KANSAS STATE UNIVERSITY, 110 Anderson Hall, Manhattan, Kansas 67502, herein "KSU", herein collectively referred to as the "Lessee", WITNESSETH:

WHEREAS, KSU is in need of a facility for use in aeronautical education at its Salina campus; and,

WHEREAS, the Authority is willing to lease an existing building located at 2425 Hein Avenue, Salina, Kansas (referred to as the "Classroom Building") and to construct an addition to the Classroom Building (referred to as the "Laboratory Addition") and to lease the Classroom Building and the Laboratory Addition (collectively referred to as the "Premises Improvements") to KSU on the terms and conditions herein outlined.

NOW, THEREFORE, the Authority, in consideration of the rents, covenants, agreements and conditions hereinafter stipulated to be paid and performed by the Lessee, does hereby let and lease unto said Lessee the following described premises, to wit:

The Classroom Building and Laboratory Addition [as described in Section (6)] located on a tract of land located in the Northeast Quarter (NE $\frac{1}{4}$) of Section Thirty-Four (34), Township Fourteen South (14S), Range Three West (3W) of the Sixth Principal Meridian in Block 16 of the Schilling Subdivision of the City of Salina, Saline County Kansas, Being more particularly described as follows: Commencing at an iron bar marking the northeast corner of the Northeast Quarter (NE $\frac{1}{4}$) of said Section Thirty-Four (34); Thence N 89° 46' 23" W on an assumed bearing along the north line of the Northeast Quarter (NE $\frac{1}{4}$) of said Section Thirty-Four (34) a distance of 1444.00 feet to a point 50.00 feet west of the centerline of Scanlan Avenue; Thence S 0° 06' 24" E a distance of 508.18 feet along the east line of Block Sixteen (16) of Schilling Subdivision; Thence S 89° 53' 36" W a distance of 395.00 feet to the (POINT OF BEGINNING); Thence S 89° 53' 36" W a distance of 410.00 feet to the east line of Hein Avenue; Thence N 00° 06' 24" W along the east line of Hein Avenue a distance of 264.38 feet; Thence N 89° 53' 36" E a distance of 410.00 feet; Thence S 00° 06' 24" E a distance of 264.38 feet to the POINT OF BEGINNING.

together with the appurtenances thereunto belonging, hereinafter referred to as the "Premises."

(1). Term of Lease. To have and to hold the Premises for a term of twenty years commencing on the 1st day of July, 1992, and expiring on the 31st day of June, 2012, subject to the provisions for termination and purchase hereinafter set forth. Upon expiration of the lease term, the Authority will convey the Premises, by general warranty deed, to the Kansas Board of Regents on behalf of the State of Kansas.

(2). Basic Rentals.

2.1 Classroom Building. Lessee agrees to pay the Authority a basic rental for the leasing of the Classroom Building the sum of One Million Nine Hundred Eighty Thousand Dollars and No/100 (\$1,980,000.00) for the term of said lease, which sum shall be payable monthly in two hundred forty (240) installments of Eight Thousand Two Hundred Fifty Dollars (\$8,250.00) each, the first of which shall be due on July 1, 1992, and a like sum on the 1st day of each month thereafter during the term of this lease.

2.2 Laboratory Addition. Lessee agrees to pay the Authority a basic rental for the leasing of the Laboratory Addition the sum of One Million Eight Hundred Eight Thousand Nine Hundred Twenty Dollars and 80/100 (\$1,808,920.80) for the term of said lease, which sum shall be payable monthly in two hundred forty (240) installments of Seven Thousand Five Hundred Thirty Seven Dollars and 17/100 (\$7,537.17) each, the first of which shall be due on July 1, 1992, and a like sum on the 1st day of each month thereafter during the term of this lease. This rental is subject to adjustment as set forth in paragraph 6.3.

(3). Fire and Extended Insurance Coverage. The Authority shall maintain fire and extended coverage insurance on the Premises with limits sufficient to cover the replacement value of the Premises Improvements, and to have same further endorsed to provide that said policy of insurance will not be cancelled or altered until after then (10) days written notice to the Board and KSU. The Authority shall provide the Board and KSU with a "certificate of insurance" evidencing said endorsement. The cost of such insurance shall be additional rental payable annually by the Lessee. Lessee agrees that it will reimburse the Authority for the cost of such insurance within thirty (30) calendar days of receipt of invoice from the Authority.

(4). Liability Insurance. The Authority shall provide liability insurance coverage on the Premises with limits of not

less than the maximum liability for claims which could be asserted against the Authority for any number of claims arising out of a single occurrence or accident under the Kansas Tort Claims Act, as it now exists and may hereafter be amended. The Authority will name the Board and KSU as named insureds and will have said policy endorsed to provide that Authority's liability insurance policy will not be cancelled or altered until after ten (10) days written notice to the Board and KSU. The Authority shall provide the Board and KSU with a "certificate of insurance" evidencing said endorsement. The Lessee agrees to reimburse the Authority for the actual cost of such insurance coverage, but not to exceed the sum of Five Thousand Dollars (\$5,000.00) annually. In the event the annual premium for such liability insurance exceeds \$5,000.00, the additional amount will be paid by the Authority. Lessee agrees that it will reimburse the Authority for its share of the cost of such insurance within thirty (30) calendar days of receipt of invoice from the Authority.

(5). Use of Premises. Lessee agrees to use the Premises for the sole purpose of educational classrooms and/or other activities normally associated with aeronautical education or the operation of a college of technology.

Lessee agrees that Premises shall not be used or occupied for any purpose that constitutes a nuisance or may be objectionable to the current uses of the adjacent property. Authority agrees that normal operation of aircraft, aircraft engines, or testing equipment shall not constitute a nuisance. Lessee agrees not to allow the escape from said Premises: any fumes, odors, smoke, obnoxious gas or substances, excessive noise, vibrations, or electromagnetic emissions other than those normally associated with the study, operation, testing, and maintenance of aircraft.

(6). Construction of Laboratory Addition. Authority agrees that it will construct a Laboratory Addition and associated auto parking on the Premises in accordance with plans and specifications mutually acceptable to and agreed upon by Authority and Lessee, said plans and specifications being specifically incorporated in and made a part of this lease by reference. The total project cost for the improvements shall not exceed Eight Hundred Fifty Two Thousand Nine Hundred Dollars (\$852,900.00).

6.1 Completion Date. Authority agrees to complete the Laboratory Addition prior to the commencement date of the lease term so that Lessee can secure a timely Certificate of Occupancy for use of the Laboratory Addition as of July 1, 1992.

6.2 Project Costs. The Authority's cost of construction for these improvements shall include the following:

- A. Contract price for work specified in plans and specifications.
- B. Any change orders approved by the Lessee and the Authority.
- C. Cost of builder's risk insurance, performance and statutory bonds.
- D. Architect's and engineer's fees for preparation of plans and specifications and inspections.
- E. Interest at the rate of 8.75% on money paid by Authority to the contractor for construction from date of payment to July 1, 1992.
- F. All expenses incurred by the Authority in connection with its interim financing for the Project.
- G. All expenses incurred by the Authority in connection with the issuance of bonds for the permanent financing of the Project.
- H. All other actual and necessary expenses incurred by Lessor arising out of and directly related to the work involved.

6.3 Rental Adjustment. The rental specified in Section 2.2 is based upon a project cost of \$852,900.00 for the Laboratory Addition specified in Section (6). In the event the project costs are less than \$852,900.00, the basic rental specified in Section 2.2 shall be reduced accordingly. The basic monthly rental specified in Section 2.2 is the amount necessary to amortize \$852,900.00 at 8.75% interest over a period of 20 years. In the event the project costs as defined in Section 6.2 are less than \$852,900.00, then the basic monthly rental shall be the reduced project cost amortized over 20 years at 8.75% interest.

(7). Destruction of Premises Improvements. In the event the Premises Improvements are totally destroyed by fire, wind, explosion or other casualties, not caused by Lessee's negligence, then this lease may be terminated at the option of either the Authority or Lessee by giving to the other party written notice

within thirty (30) days after such destruction. In the even of termination, any unearned rent paid in advance by Lessee shall be apportioned and refunded.

Should the Premises Improvements be partially destroyed or rendered untenable by fire, windstorm or other casualty not caused by the negligence of the Lessee, the rental shall abate in the proportion which the injured part bears to the whole leased Premises and such part so injured shall be restored by the Authority as soon as possible after which the full rental shall recommence and the lease continue according to its terms.

In the event of a partial destruction of the Premises Improvements by fire, windstorm or other casualty, parties agree that prior to commencement of said repairs that the parties shall mutually agree as to the manner in which the repairs and restoration of the Premises Improvements shall be accomplished.

(8). Repairs to Premises Improvements. The Authority agrees to maintain in a good repair the exterior walls and windows, roof, structural floors, elevators, and furnish repairs to heating, air conditioning, plumbing and electrical system. Interior repairs and decoration shall be the responsibility of the Lessee. If the interior of the Premises Improvements is damaged as a result of failure to the roof, plumbing, or other utilities or items under the control of the Authority, the Authority agrees to make resulting repairs to the interior.

Authority warrants that all repairs shall be done in a timely manner and to the extent reasonably possible schedule to avoid disruption of Lessee's use of the Premises Improvements.

The parties agree that on or about the 1st day of July, 1997, or any subsequent annual anniversary thereafter, the Authority may request that representatives of Lessee meet with representatives of the Authority to discuss maintenance and repair issues and whether the cost of maintenance and repair to the Authority warrants a mutually agreeable increase in the basic rental payable under Section (2) of this Lease Agreement.

(8a). Maintenance Reserve Fund. The Authority agrees that it will establish and maintain a Maintenance Reserve Fund for future repairs and maintenance of the Classroom Building and Laboratory Addition. Authority agrees to annually deposit on the anniversary date of this lease the sum of Six Thousand Five Hundred Dollars (\$6,500.00) to be used exclusively for the maintenance and repair of the Classroom Building and Laboratory Addition. The first deposit to said fund shall be made on July 1, 1993.

The Authority may use as much of said fund as may be necessary for the purpose of making the repairs and maintaining the improvements required of it under Section 8 of this lease.

In the event the Lessee elects to exercise its option to purchase the Classroom Building and Laboratory Addition under the provisions of this Agreement, then the Authority agrees to grant to Lessee a credit on said purchase price which shall be equal to fifty-five percent (55%) of the then remaining balance in the Maintenance Reserve Fund.

(9). Improvements of Lease Premises. Lessee may, with the written consent of the Authority, at its own expense, enlarge, improve or remodel the Premises Improvements, or may build and construct additional buildings on the Premises; provided, however, that prior to commencement of any such work the Lessee shall submit detailed construction and site plans thereof to the Authority for its approval.

In the event that Lessee desires that the Authority enlarge, improve or remodel the Premises Improvements or to construct additional buildings thereon, Lessee shall notify the Authority of such desires and the Authority and Lessee shall negotiate and mutually agree upon the construction of such improvements and the additional rentals to be paid in connection therewith. Such additional rentals shall be subject to the approval of the Secretary of Administration.

(10). Ownership of Fixtures. It is understood and agreed by and between the parties hereto that any additions, improvements or fixtures attached to the Premises or placed on or about said Premises by Lessee shall be considered as personal property and shall remain the property of Lessee, who shall have the right to remove the same from the Premises upon the termination or expiration of this lease so long as such removal does not impair the structural feature of the improvements presently on the leased premises and Lessee restores the Premises to the conditions existing at the commencement of the lease.

(11). Removal of Fixtures. On or before the date of any expiration or termination of this lease, the Lessee shall vacate the demised premises, remove its property therefrom and restore the Premises to as good order and condition as that existing upon the commencement of the term of this lease, damages beyond the control of the Lessee and due to normal wear and tear excepted. If, however, the lease is revoked as a result of a breach thereof by the Lessee, then, unless said property is removed by lessee within thirty (30) days from date of revocation, then at the option of the Authority, the said property shall either become the property of the Authority without compensation therefor, or the Authority may cause it to be removed and the Premises to be restored at the expense of the Lessee and no claims for damages

against the Authority shall be created or made on account of such removal and restoration work.

(12). Waiver. Waiver by either party of any breach of this lease shall not be construed as a continuing waiver of a subsequent breach nor imply further indulgence.

(13). Breach of lease. In the event either party shall fail to comply with any substantial term, condition or covenant of this lease within thirty (30) days after written notice so to do has been mailed to it by the other party, such lack of compliance shall be considered an immediate breach and forfeiture of this lease. In the event said Lessee abandons said Premises before the end of the term, or in the event said Lessee is adjudged bankrupt or insolvent or makes and assignment for the benefit of creditors or commits any act of bankruptcy, any of such events shall be deemed an immediate breach and forfeiture of this lease and all unpaid installments of rent and other expenses herein provided for shall immediately become due and payable.

(14). Termination of Lease by Lessee. The Lessee shall have the option to terminate this lease without penalty to it or the State of Kansas for the following reasons:

14.1 Fiscal Necessity. Notwithstanding any other provision of this lease, if funds anticipated for the continued fulfillment of this lease agreement are at any time not forthcoming, either through failure of the legislature to appropriate funds or the discontinuance or material alteration of the program under which funds were provided, then Lessee shall have the right to terminate this lease by giving Authority a reasonable notice for such necessary termination.

(15). Utilities. Lessee shall pay for all electricity, water, gas, sewer use fees, or other utilities used by it during the term of this lease or any extensions thereof.

(16). Liens. Lessee shall pay, satisfy and discharge all liens and obligations of any nature and kind whatsoever created by or the obligations of the Lessee which shall attach to or be imposed upon said Premises.

(17). Assignment of Lease. Neither party shall assign this lease or any interest therein. Lease shall not sublet the Premises or any part thereof, or allow any person to occupy or use said Premises or any portion thereof, without the prior written consent of the other party. A consent to one assignment or subletting for use by any other person shall not be deemed to be a consent to any subsequent assignment.

(18). Notices. All notices to be given pursuant to this lease shall be addressed to the Salina Airport Authority, 3237 Arnold, Salina, Kansas 67401, and to the Lessee at 400 S.W. 8th, Suite 609, Capitol Tower, Topeka, Kansas 66603, ATTENTION: General Counsel, and to President, Kansas State University, 110 Anderson Hall, Manhattan, Kansas 67502, or as may from time to time be directed by the parties. Notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper addressed as aforesaid and mailed by registered or certified mail with postage prepaid.

(19). Option to Purchase. If the Lessee is not in default of any of the terms of this lease, then the Authority grants the Lessee the option to purchase the leased Premises on any annual anniversary date of this Lease Agreement. The option price shall be negotiated by and between the parties; provided, however, that the purchase price shall in no event be more than the unamortized balance of the Project costs on the date of election to purchase as shown on Schedule "A" attached hereto.

The option prices indicated on Schedule "A" are based upon a project cost of \$852,900.00 for the Laboratory Addition specified in Section (6). In the event the project costs are less than \$852,900.00, then the option price shall be reduced accordingly.

If the Lessee elects to exercise its option to purchase hereunder, it shall notify the Authority thereof at least six months prior to the election date.

(20). General Clauses.

(a). Both parties agree to comply with all applicable laws, ordinances, rules and regulations of the federal, state, county and municipality wherein the demised premises are located, including compliance with future laws and regulations, i.e., those passed after the date of this agreement; provided, however, if future amendment to current laws pose a compliance burden for either party, either party may cancel this lease.

(b). Lessee shall pay to the proper governmental agencies and as they become due and payable all fees, assessments, licenses and similar charges which at any time during the term of this lease may be assessed or imposed upon the Lessee with respect to the leased premises except those which the Authority has in this lease agreed to pay.

(c). Any property of the Authority damaged or destroyed by the Lessee, incident to the Lessee's use and occupation of said Premises, shall be promptly

repaired or replaced by the Lessee to the satisfaction of said Authority or in lieu of said repair or replacement, the Lessee shall, if so required by the said Authority, pay to the Authority money in an amount sufficient to compensation for the loss sustained by the authority by reason of damage or destruction of said property.

(d). Lessee shall not use, or permit to be used, any portion of this property under its control for signs, billboards or displays, other than those connected with its own operations thereon. Advertising signs must be located on the buildings on the premises and shall not contain more than 120 square feet in area. Flashing illuminated signs in which the light is not maintained constant and stationary in intensity and color shall be prohibited.

(e). Lessee shall not be the agent of the Authority in making repairs or other improvements to the above Premises and no mechanics liens or claims thereunder shall be valid against the Authority or against the interest of the Authority in said property.

(f). No materials, supplies or equipment (excluding aircraft) shall be stored or be permitted to remain on any part of the property outside of the buildings constructed thereon, unless such storage shall be sight-screened from the street. Such storage shall be confined to the rear and sides of the buildings and in no instance be permitted on that side of the buildings paralleling an existing or proposed street.

(g). The Lessee must at all times keep the Premises and buildings in a safe, clean, wholesome condition and comply in all respects to all applicable government, health and police requirements and the Lessee will remove at its own expense any rubbish which may accumulate on said property.

(h). Lessee shall keep grass and landscaping reasonably mowed and trimmed.

(i). Authority shall maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport, consistent with FAA standards.

(j). Authority reserved the right further to develop or improve the landing area and all publicly owned air navigation facilities of the airport as it

sees fit, regardless of the desires or view of Lessee, and without interference or hindrance.

(k). Authority reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the airport which in the opinion of the authority would limit the usefulness of the airport or constitute a hazard to aircraft.

(l). It is understood and agreed that the rights granted by this agreement will not be exercised in such a way to interfere with or adversely affect the use, operation, maintenance or development of the airport.

(m). There is hereby reserved to the Salina Airport Authority, its successors and assigns, for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the premises herein conveyed, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace or landing at, taking off from, or operating on or about the airport.

(n.) This lease shall become subordinate to provisions of any existing or future agreement between the Authority and the United States of America or any agency thereof relative to the operation, development or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the airport.

(o). Lessee may terminate this agreement if any actions taken by Authority pursuant to subsections (j), (k), or (n) adversely affect the use of the Premises for classroom purposes; provided, however, that prior to any termination hereunder Lessee shall give the Authority written notice of the condition or conditions which it fees adversely affect the use of the Premises for classroom purposes and the Authority shall have a reasonable time thereafter in which to correct any such conditions.

(21). Nondiscrimination Assurances.

(a). The Lessee, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained or otherwise operated on the said property described in this lease, for a purpose for which Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said regulations may be amended.

(b). The Lessee, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (i) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (ii) that in construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (iii) that the Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to 49 CFR, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said regulations may be amended.

(c). The Lessee assures that it will undertake an affirmative action program as required by 14 CFR, Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin or sex be excluded from participating in any employment activities covered in 14 CFR, Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered suborganizations provide assurances to the Lessee that they similarly will undertake affirmative action programs and that they

will require assurances from their suborganizations, as required by 14 CFR, Part 152, Subpart E, to the same effect.

(d). It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958.

(22). Each individual executing this Agreement does hereby represent and warrant to each other so signing (and each other entity for which another person may be so signing) that he has been duly authorized to deliver this Agreement in the capacity and for the entity set forth where he signs.

(23). In the event that any condition, covenant or other provision herein contained is held to be invalid or void by any court or competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect any other conditions, covenant or other provision herein contained. If such condition, covenant or other provision shall be deemed invalid due to its scope or breadth, such condition, covenant or other provision shall be deemed valid to the extent of the scope or breadth permitted by law.

(24). This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof, and supersedes all prior agreements and understandings pertaining thereto, whether written or oral. No covenant, representation or condition not expressed in this Agreement shall affect or be deemed to interpret, change or restrict the express provisions hereof.

(25). No member, individual or collectively, or officer of the Board of Regents incurs or assumes any individual or personal liability for the execution of this contract or by reason of default of KSU in the performance of any of the terms hereof. All such liability of members or officers of the Board of Regents, as such, is hereby released by the Authority as a condition of and in consideration of the execution of this contract.

(26). The provisions found in Contractual Provision 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.

(27. Binding Effect. This agreement shall be binding upon the successors and assigns of the respective parties to this agreement.

IN WITNESS WHEREOF, the respective parties have hereunto caused this instrument to be executed on its behalf by its duly authorized officers all on the date and year first above mentioned.

SALINA AIRPORT AUTHORITY

By _____
Chairman of Board of Directors -
"Authority"

ATTEST:

Timothy F. Rogers
Executive Director

KANSAS BOARD OF REGENTS

By _____
Chairman of Board of Regents -
"Board"

ATTEST:

Stanley Z. Koplik
Executive Director

Approved:

Jon Wefald, President
Kansas State University
"KSU"

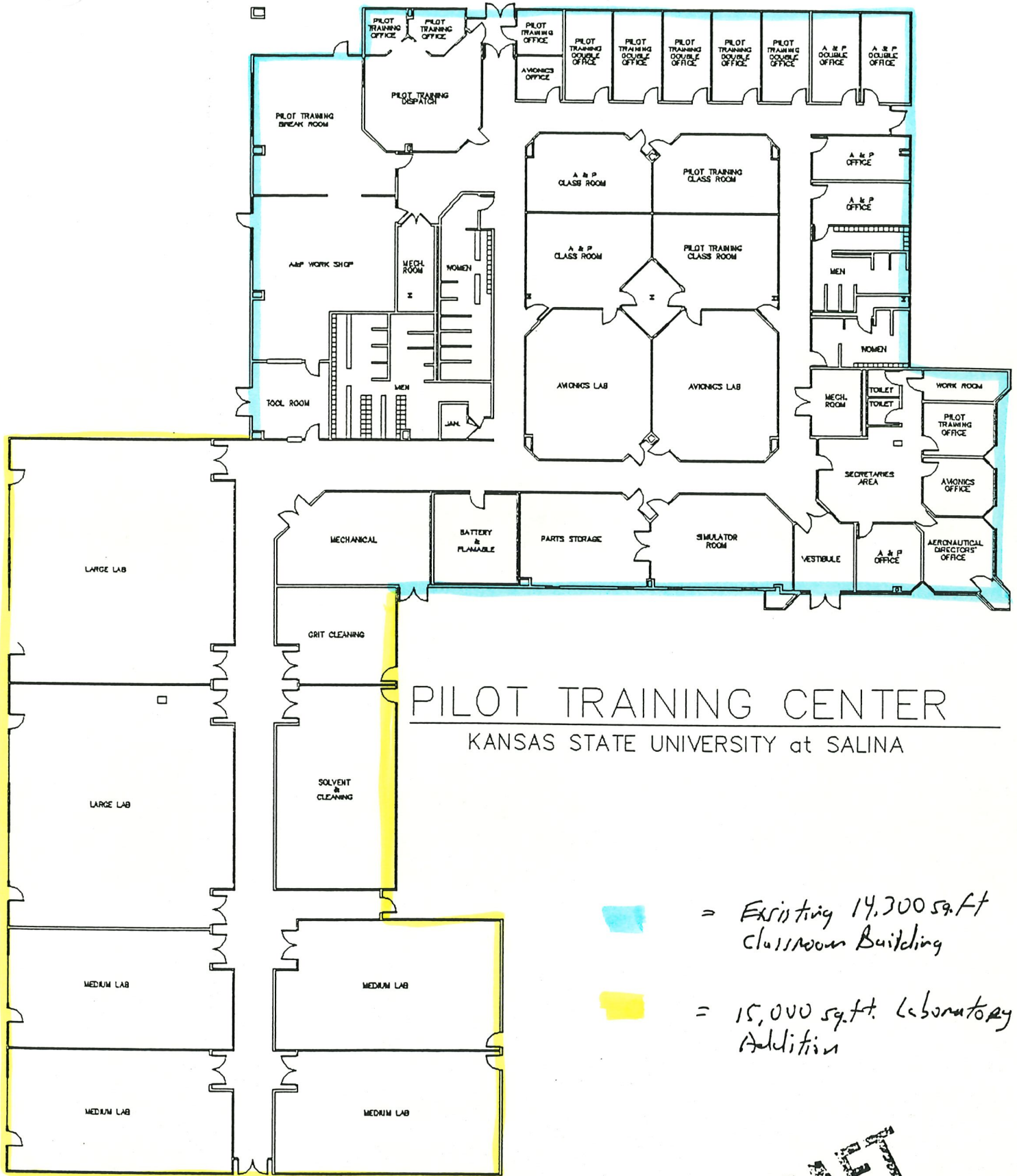
Approved as to Legal Form:

Ted Ayres, General Counsel
Kansas Board of Regents

K-STATE AERONAUTICAL CENTER LEASE AGREEMENT
14,300 Sq. Ft. Existing Classroom Building
15,048 Sq. Ft. Lab Addition
Schedule A
Option Prices

<u>Option Date</u>	<u>Option Price</u>
7-01-92	\$1,590,068
7-01-93	1,553,558
7-01-94	1,513,981
7-01-95	1,471,080
7-01-96	1,424,572
7-01-97	1,374,152
7-01-98	1,319,491
7-01-99	1,260,228
7-01-00	1,195,973
7-01-01	1,126,305
7-01-02	1,050,764
7-01-03	968,853
7-01-04	880,030
7-01-05	783,710
7-01-06	679,257
7-01-07	565,978
7-01-08	443,123
7-01-09	309,881
7-01-10	165,396
7-01-11	86,300
7-01-12	0

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PILOT TRAINING CENTER
 KANSAS STATE UNIVERSITY at SALINA

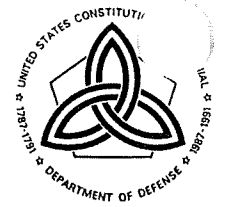
- = Existing 14,300 sq. ft. Classroom Building
- = 15,000 sq. ft. Laboratory Addition

DRAFT



REPLY TO
ATTENTION OF

DEPARTMENTS OF THE ARMY AND AIR FORCE
NATIONAL GUARD OF KANSAS
ADJUTANT GENERAL OF KANSAS
P.O. BOX C-300
TOPEKA, KANSAS 66601-0300



PRESENTATION
FOR
HOUSE APPROPRIATIONS COMMITTEE
SENATE BILL NO. 22
THURSDAY, APRIL 11, 1991

MISTER CHAIRMAN AND MEMBERS OF THE COMMITTEE:

GOOD MORNING. MY NAME IS MAJOR HENRY MARTIN. I AM THE EDUCATION SERVICES OFFICER FOR THE ADJUTANT GENERAL'S DEPARTMENT. I HAVE COME BEFORE YOU TODAY TO TESTIFY ON BEHALF OF SENATE BILL 22 CONCERNING THE MERGING OF KANSAS COLLEGE OF TECHNOLOGY WITH KANSAS STATE UNIVERSITY.

CURRENTLY, KANSAS NATIONAL GUARD SOLDIERS RECEIVE TRAINING THROUGH THE KANSAS MILITARY ACADEMY LOCATED IN SALINA. THIS TRAINING INCLUDES MILITARY OCCUPATIONAL COURSES AND SPECIALIZED COURSES SUCH AS ENABLE COMPUTER TRAINING. MOST OF THESE COURSES ARE CONTRACTED THROUGH THE KANSAS COLLEGE OF TECHNOLOGY.

THE QUALITY OF OUR TRAINING FOR OUR SOLDIERS AT THE KANSAS MILITARY ACADEMY HAS BEEN SUPERIOR; HOWEVER, THIS MERGER COULD ONLY SERVE TO ENHANCE THE TRAINING CAPABILITY OF THE MILITARY ACADEMY.

BECAUSE AVIATION PROGRAMS ARE OFFERED AT KANSAS COLLEGE OF TECHNOLOGY, THE ARMY AVIATION FLIGHT FACILITY, ALSO LOCATED IN SALINA, BENEFITS FROM THE TRAINING AND EDUCATIONAL OPPORTUNITIES THAT ARE AVAILABLE. THE KANSAS NATIONAL GUARD HAS INVESTED TWO MILLION DOLLARS IN NEW FACILITIES TO TAKE ADVANTAGE OF TRAINING

-MORE-

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OFFERED AT THE KANSAS COLLEGE OF TECHNOLOGY.

THE MERGER ALSO ALLOWS SALINA AREA RESIDENTS THE OPPORTUNITY TO PURSUE A TRADITIONAL DEGREE THROUGH KANSAS STATE UNIVERSITY CURRICULUM WITHOUT HAVING TO LEAVE SALINA OR CENTRAL KANSAS.

I BELIEVE THE MERGER OF THE KANSAS COLLEGE OF TECHNOLOGY AND KANSAS STATE UNIVERSITY WOULD SERVE TO INCREASE OPPORTUNITIES FOR THE CITY OF SALINA, CENTRAL KANSAS, THE KANSAS NATIONAL GUARD AND THE STATE AS A WHOLE.

FOR THESE REASONS, I STRONGLY URGE YOU TO RECOMMEND PASSAGE OF SENATE BILL 22.

THANK YOU FOR YOUR TIME AND ATTENTION.

Office of the Provost

Anderson Hall
Manhattan, Kansas 66506
913-532-6224



April 11, 1991

TO: House Appropriations Committee
FROM: James R. Coffman, Provost *James R. Coffman*
RE: Merger of Kansas College of Technology with Kansas State University

**Leveraging Resources and Enhancing
Academic Programs**

K-State appreciates the opportunity to address the committee on this matter; I will summarize briefly the means by which resources will be better utilized and academic programs improved at the same time.

As the committee is aware, this is a unique undertaking - and an excellent example - involving the collaboration of the Board of Regents, a progressive municipality, state government and two Regents institutions.

The five basic objectives of the merger are:

- (1) Consolidate the campus and provide at least \$9.1 million in capital improvements.
- (2) Increase F.T.E. enrollment from 400 to 800 students by 1995.
- (3) Develop the private capacity to award at least \$200,000 per year in scholarships by 1995.
- (4) Identify at least \$450,000 from existing budget to augment funding for equipment and library.
- (5) Continue to emphasize two-year technology programs and develop a four-year degree program in engineering technology, funding necessary for new faculty positions from existing resources.

From a programmatic point of view, the project is predicated on several facts:

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- (1) The technology programs at the Kansas College of Technology (KCT) are seriously undersubscribed with at least 100% capacity above current enrollments. This relates, in part, to the cost of student recruitment.
- (2) The program as it now exists at KCT is not sustainable due to unacceptable quality and distribution of physical facilities and equipment - the worst of which is student housing.
- (3) In attempting to fulfill the role of a free-standing campus, KCT is heavily over-administrated.
- (4) K-State has an excellent Engineering program, which includes a four year degree in Engineering Technology with options in electronics and mechanical. The sustainability of quality engineering programs at K-State is threatened due to lack of funding. Specific deficiencies include low faculty salaries, an inadequate number of graduate teaching assistants and inadequate replacement and maintenance of equipment.
- (5) K-State also has a proven track record in administrative areas where KCT needs support. For example, when recruitment of students into the very excellent opportunities provided by KCT's technology programs is incorporated into K-State's existing pre-admission program the per student cost is vastly reduced.

These problems and opportunities will be addressed through a strategy which:

- (1) Addresses the deficiencies in KCT's physical plant and equipment through municipal funding, revenue bonds and \$2M in state funds for the aeronautical building approved several years ago by the Board of Regents.
- (2) Markedly reduces administrative costs at KCT.
- (3) Reduces administration and released funds will be used to address equipment shortfalls and to hire teaching faculty in place of administrators.
- (4) The four year Engineering Technology program at K-State in Manhattan will be phased out over four years. The resources in this program will remain in the College of

Engineering at K-State-Manhattan, to address existing shortfalls, primarily in electrical and mechanical engineering.

- (5) A 2+2 (four year) Engineering Technology degree will be established at KSU-Salina, using current existing capacity and new faculty paid for with funds currently spent on administration.

These events will result in a high quality technology program - emphasizing areas of key importance to the diversification of the Kansas economy, which will be adequately housed. It will do as originally intended; enhance a well trained technology work force, based first and foremost on two year degree programs, enhanced by a 2+2 bachelor's program. At the same time, existing engineering programs at K-State will be enhanced.

TESTIMONY BEFORE THE HOUSE APPROPRIATIONS COMMITTEE
APRIL 11, 1991
DONALD E. RATHBONE, DEAN
COLLEGE OF ENGINEERING, KANSAS STATE UNIVERSITY

I first want to thank the committee for providing me the opportunity to testify on the need for the four year engineering program at the proposed KSU-Salina College of Technology. The concept that evolved out of the proposed transfer of the above program from Manhattan to Salina was to structure the program in Salina in a rather unique way that would allow the Salina campus to be a state-wide coordinating program in Engineering Technology (ET). Most ET programs in the country today would be classified as engineering look-alike programs, that is, programs that have the basic courses in the freshman and sophomore years, such as mathematics, english, chemistry, and the majority of the ET programs in the junior and senior years. The major difference between the ET programs and engineering are the math and science levels, the practical applications and the lack of a major design component in the ET programs. The ET programs had their major beginnings in the late 60's and early 70's when the engineering graduate had become more scientific-oriented with less concern of hands-on applications as opposed to basic designs. They have filled a void in the country and have grown tremendously over the last twenty years.

The concept that KSU and KCT developed for the proposed ET program in Salina is similar to what I will call a "spread out" curriculum which would permit a 2 plus 2 program and would allow students from the other 30 plus two year technology programs in the state to transfer to Salina and complete a four year program there, if desired. What I mean by the spread out concept is one in which the technology courses would be offered throughout the four year curriculum with very careful selection of the ET courses in the first two years that permit them to be both building blocks for the next two years and yet strong enough for a two year graduate to be effective in industry. Pennsylvania State University has offered just such a program in Pennsylvania at over twelve locations with their coordinating program located in Harrisburg and called the Capital Campus. Our approach would be similar to this and thus would provide, in my opinion, a very significant contribution to the State of Kansas in terms of industrial and economic development.

KCT programs in its Aeronautics Division are very unique to the state and have considerable potential for us.

When we were in the planning stages for the transfer of our four year program in ET to Salina, Provost Coffman and I made a trip to Wichita to talk with Boeing, NCR, Beech and Koch Industries to ascertain their interests in this program and their opinion of the present graduates of the two year programs. In all cases, we met with groups of managers from throughout the company. At Boeing, we had a group of 8 or so key individuals in the various areas related to the disciplines that we offer in ET at Manhattan and at Salina. All were very complimentary of the two year graduates that they had been receiving from KCT and of the four year graduates from Manhattan.

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I also talked two weeks ago with some of my four-year ET graduates who worked for Exxon. The College has also had some interaction with local companies. All of the above groups were very positive about engineering technology. It is my opinion that the proposed program at Salina has considerable potential if it receives the proper leadership. It would be a strong state-wide coordinating program, as I mentioned above, and would certainly also help the state in terms of economic development for the future. I feel that these kinds of graduates can be very helpful to the small company in the state as well as the large, although we did not survey them to get their inputs directly.

It might be helpful to have a point of reference on the equipment costs of engineering education. I feel the costs for ET would be very comparable to that for an engineering graduate since ET is so laboratory-intensive. A recent study was done by the National Society of Professional Engineers (NSPE) in 1989 entitled, Engineering Education Problems: Laboratory and Computer Problems. In that document, in the Executive Summary, they mentioned that the average dollars per B.S. graduates in engineering spent for equipment in 1989 was \$3,524.00. This number represents an on-going program which has already been established and thus includes primarily updating the equipment, replacing the equipment or, as appropriate, adding new equipment in emerging fields. A program that averages over 60 graduates per year would thus cost over \$200,000 to maintain, not including start-up costs.

In summary, the need for this program can only be justified based on the goals and aspirations of the state. If we want to provide support to our industries and economic development while simultaneously providing career opportunities for our young people, I consider it an excellent investment. I do feel that this program has special factors that make it unique and thus hopefully a major plus for the State.

Key Factors on the Salina Merger

DER-4

1. History of the Engineering Technology Program at Kansas State University, Manhattan

▶ The Engineering Technology Department was formally established in the College of Engineering at KSU in 1975 without any special or additionally appropriated funds. The faculty positions and OOE for the department were taken from the other units in the college with the expectation that, with enrollment increases, enrollment adjustment monies would be forthcoming to compensate those units that lost positions and OOE to Engineering Technology. This never happened. ▶ The College has tremendous growth during the late 70's and never did even come close to re-establishing its student faculty ratios of the early 70's. ▶ Note the following example.

▶ Example--College of Engineering, KSU

	<u>1--UG Students</u>	<u>2--Grad. Students</u>	<u>1+2</u>	<u>3--Full-time Faculty</u>	<u>1 + 2 / 3 Gross Student/ Faculty</u>
1973	950	~ 135	1085	85	12.8
1990	2613	~ 262	2875	114	25.2

▶ As is obvious from the above example, the student-faculty ratios have more than doubled in the past two decades. The College's student-faculty ratio is very high. As was stated in the electrical engineering department's accreditation visit of 1987, relative to faculty positions, "Currently there are twenty faculty members with thirty percent more students. This is still significantly short of what is needed."

2. Present Status of the Engineering Technology Program

The Engineering Technology program is presently nationally accredited by ABET with the following positions and budget from state monies for FY 91:

7 Full-time Tenured Faculty	\$318,407
Fringe Benefits	<u>75,605</u>
Total	\$394,012
1 Secretary	\$ 17,896
Fringe Benefits	<u>4,094</u>
Total	\$ 21,990
OOE	\$ 20,122
Student Help	<u>4,737</u>
Total	\$477,981

Note that all faculty are tenured and that over 82% of the monies are in faculty salaries. Over 87% of the budget is in total salaries.

3. Original Proposed Phase Out Plan, at KSU, Manhattan, 1991-94

Engineering Technology requires 126 hours for graduation, 64 hours of core courses and 62 hours of area specialization courses.

Year One

170-180 students, 7 faculty (including DH)

Year Two

~ 125 students, 6 faculty (including DH)

Year Three

~ 70 students, 4 faculty

The proposed merger plan would eventually (1) transfer the four electronic engineering technology professors to electrical engineering and to computer engineering and (2) the three mechanical engineering technology professors to mechanical engineering. This would be done over a four year period and would be an effective and efficient match that would help reduce the large student/faculty ratios in these departments.

Also, the secretary would be reassigned to mechanical engineering, and the OOE and Student Help funds would be divided between the departments, 40% to mechanical engineering and 60% to electrical and computer engineering.

4. Past Precedence

It should be noted that Wichita State University closed out their engineering technology program and used that departments resources to strengthen their appropriate engineering programs. They were applauded for this consolidation.

Emporia State University is phasing out a small program in Family Science.

Kansas State University is doing a similar thing as the above schools, only keeping the ET program alive by transferring it to Salina and utilizing administrative overhead there to provide the necessary funds to support the program. KSU would pick up some of the administrative costs at Salina at no cost to the state.

PROPOSED AMENDMENT TO HB 2626

Be amended:

On page 2, in line 5, before the semicolon, by inserting the following: "and who are medical technicians or technologists or respiratory therapists, who are licensed professional nurses or licensed practical nurses, or who are in job classes which are designated for this purpose by the chancellor of the university of Kansas upon a finding by the chancellor that such designation is required for the university of Kansas medical center to recruit or retain personnel for positions in the designated job classes"

And the bill be passed as amended.

HA
4-11-91
Attachment 8