

Approved: 3/13/98 _____
Date

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on February 27, 1998 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Legislative Research Department
Russell Mills, Legislative Research Department
April Holman, Legislative Research Department
Norman Furse, Revisor of Statutes
Michael Corrigan, Revisor of Statutes
Judy Bromich, Administrative Assistant
Ann Deitcher, Committee Secretary

Conferees appearing before the committee: Dan Stanley, Secretary of Department of Administration
Jim Reardon, Director of Department of Administration

Others attending: See attached list

The meeting was called to order and the Subcommittee Report on Kansas Guardianship was read by Senator Kerr. (Attachment 1).

The Subcommittee concurred with the Governor's recommendation for Fiscal Year 1998.

For the Fiscal Year 1999, the Subcommittee concurred with the Governor's recommendation with the only exception being the deletion of the 4.0 percent unclassified merit pool (\$9,569).

Senator Morris moved and Senator Lawrence seconded the motion to adopt the Subcommittee Report on Kansas Guardianship. The motion carried on a voice vote.

Dan Stanley, Secretary of the Department of Administration spoke on the Downtown Consolidation Initiative. (Attachments 2 and 3).

Senator Kerr asked the Secretary what he saw as the step authorizing progress on this project.

Secretary Stanley said that he would be happy to provide information.

Senator Kerr asked if the Downtown Consolidation Initiative tied in with the Topeka State Hospital grounds.

Secretary Stanley said that it has been. He believed that the city's concern was that the state would vacate the downtown and construct an office complex out at the old hospital grounds. There was a cost analysis to do that and it proved to be expensive and it further fragmented the governmental presence in Topeka.

Jim Reardon, Director of the Department of Administration spoke in regard to Memorial Hall. (Attachments 4 and 5).

Gary Hibbs, the architect in charge of the Memorial Hall renovation, explained to the Committee the plans for occupancy by the offices of the Secretary of State and the Attorney General.

Chuck Knapp, Director of Communications for the Secretary of State, spoke in regard to the lack of space in the Agency offices. (Attachment 6).

Neil Woerman, representing the Attorney General, talked to the Committee of the proposed growth in their agency and explained that this current pattern convinced them that this growth would more than likely continue. He noted the need for additional space is imminent.

The Chairman adjourned the meeting at 12:55 p.m.

The next meeting is scheduled for March 4, 1998.

SUBCOMMITTEE REPORT

Agency: Kansas Guardianship Program

Bill No. 642

Bill Sec. 60

Analyst: Nichols

Analysis Pg. No. 725

Budget Page No. 202

Expenditure	Agency Estimate FY 98	Gov. Rec. FY 98	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 1,101,927	\$ 1,101,927	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	\$ 1,101,927	\$ 1,101,927	\$ 0
State General Fund:			
State Operations	\$ 1,101,927	\$ 1,101,927	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	\$ 1,101,927	\$ 1,101,927	\$ 0
Other Funds:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	\$ 0	\$ 0	\$ 0
 Employee Positions	 12.0	 12.0	 0.0

Agency Estimate/Governor's Recommendation

The agency estimates FY 1998 expenditures to be \$1,101,927 which is the same as the budget approved by the 1997 Legislature. The requested funding maintains current service levels.

The Governor recommends FY 1998 operating expenditures of \$1,101,927, the same as the agency estimate and the approved budget.

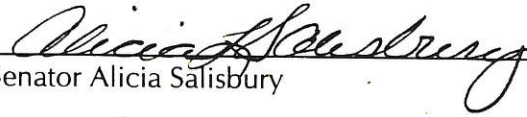
Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation for FY 1998.

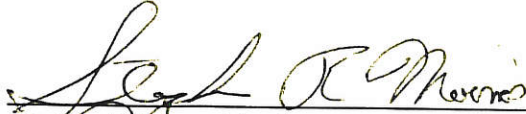
*S W+M
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Attachment 1-1*



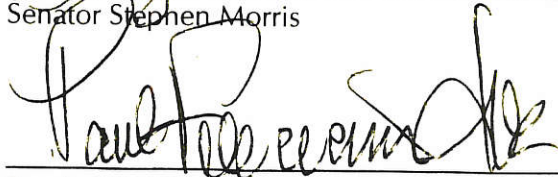
Senator Dave Kerr, Chairperson



Senator Alicia Salisbury



Senator Stephen Morris



Senator Paul Feleciano, Jr.



Senator Marge Petty

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SUBCOMMITTEE REPORT

Agency: Kansas Guardianship Program

Bill No. 642

Bill Sec. 60

Analyst: Nichols

Analysis Pg. No. 725

Budget Page No. 202

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 1,187,456	\$ 1,122,677	\$ (9,569)*
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 1,187,456</u>	<u>\$ 1,122,677</u>	<u>\$ (9,569)</u>
State General Fund:			
State Operations	\$ 1,187,456	\$ 1,122,677	\$ (9,569)*
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 1,187,456</u>	<u>\$ 1,122,677</u>	<u>\$ (9,569)</u>
Other Funds:			
State Operations	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 Employee Positions	 14.0	 12.0	 0.0

* Includes a reduction of \$27,007 from the State General Fund for the Governor's employee salary adjustments.

Agency Request/Governor's Recommendation

For FY 1999, the Guardianship Program requests \$1,187,456 in State General Fund expenditures, an increase of \$85,529, or 7.8 percent, about the FY 1998 estimate. The request includes an enhancement package of \$70,379. The package includes \$55,579 in salaries and wages, \$7,800 in contractual services, and \$7,000 in capital outlay. The enhancements would fund the salaries and associated expenses of one additional Recruiter/Facilitator and one additional Business Assistant. According to the agency, these positions are needed to help relieve overload placed on the current staff and to make the agency's unique fiscal tracking system more efficient and reliable.

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Attachment 1-3

The Governor recommends FY 1999 operating expenditures of \$1,122,677, a decrease of \$64,779, or 5.5 percent, below the agency request. The Governor does not recommend the enhancement package requested by the agency. Salaries and wages are decreased by \$55,579, which was the amount requested to fund two additional FTE positions including a Facilitator/Recruiter and a Business Assistant.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation, with the following exception:

1. Delete \$9,569 from the State General Fund, based on the recommendation to delete funding for the 4.0 percent unclassified merit pool (\$9,569).

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Attachment 1-4



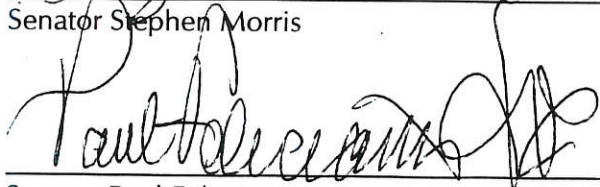
Senator Dave Kerr, Chairperson



Senator Alicia Salisbury



Senator Stephen Morris



Senator Paul Feleciano, Jr.



Senator Marge Petty

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Attachment 1-5

TESTIMONY TO THE SENATE WAYS AND MEANS COMMITTEE

by

DAN STANLEY

SECRETARY OF ADMINISTRATION

February 27, 1998

Downtown Consolidation Initiative

I. RENOVATION OF MEMORIAL HALL

(10/27/95)

D of A presented a preliminary program statement on Memorial Hall to the Joint Committee on State Building Construction. Comments from Secretary of State Ron Thornburgh were received by the committee.

(11/21/95)

The Consolidation Study verified the feasibility of relocating the Office of the Attorney General and the Office of the Secretary of State to Memorial Hall.

(11/22/95)

Prepared a report to Joint Committee on State Building Construction on relocation of the Secretary of State to Memorial Hall.

(12/12/95)

Final Program Statement for Memorial Hall presented to LCC.

(12/16/95)

Report to Joint Committee on State Building Construction on final program statement for Memorial Hall.

(1/8/96)

Began the first of several meetings with the Special Committee on Space in the Capitol.

(1/10/97)

State Finance Council approves issuance of bonds for Memorial Hall renovation.

(begin date 6/30/97 - end date 8/29/97)

Final program review by DFM.

(begin date 7/28/97 - end date 9/26/97)

Schematic Design. Initial work includes preliminary building circulation, service core location, and building code requirements.

(begin date 9/2/97 - end date 9/12/97)

Program Review by on-call architects and consultants.

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2/27/98*

Attachment 2-1

(begin date 9/29/97 - end date 10/10/97)
Review of schematic design by DFM.

(begin date 10/13/97 - end date 12/5/97)
Design development and review.

(begin date 12/8/97 - end date 3/13/98)
Construction document development.

(begin date 3/16/98 - end date 4/3/98)
Construction document review and final corrections.

(begin date 4/6/98 - end date 5/18/98)
Bid preparation time including advertising, printing, distribution, bid time.

(5/19/98)
Bids opened and reviewed by Selection Committee.

(begin date 6/8/98 - end date 6/5/98)
Contractor is selected and contract is prepared.

(begin date 6/8/98 - end date 8/6/99)
Construction phase from Notice to Proceed through Substantial Completion.

(begin date 8/9/99 - end date 9/17/99)
Project closeout includes general contractor correcting construction deficiencies and submitting administration items.

(begin date 9/20/99 - end date 10/15/99)
Owner occupancy and scheduled move-in.

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Attachment 2-2

TOPEKA CONSOLIDATION STUDY

The 1994 Legislature provided \$75,000 for a study to assist policy makers in determining the feasibility of consolidating office space in the City of Topeka. This study was funded on the basis of the successful consolidation of office space in the City of Wichita. As envisioned, the study would be in two phases. The first phase would: analyze existing state-owned and state-leased office and storage space; interview state agencies to identify those which have potential for consolidation; review the planned size of agencies in segments of 5, 10, 15, and 20 years. Under Phase II, a Request for Proposals (RFP) would be prepared by the consultant regarding agencies identified to be co-located.

Thus, at the end of the process: agency space needs would be identified; recommendations would be developed regarding those agencies which should be consolidated; and, costs would be developed regarding state built facilities, leased facilities, and purchased facilities.

The Topeka Consolidation Study was contracted between the Secretary of Administration and Ekdahl, Davis, Depew, and Persson Architects, P.A. (EDDP) with Calcara Duffendack Foss Manlove Inc., serving as consulting architects. The study was commissioned to identify a five-year and ten-year strategic facility co-location plan for state offices in Shawnee County. The study identified opportunities for co-location in leased, purchased, state construction, and state-owned facilities.

II. DOWNTOWN CONSOLIDATION

(9/18/95)

Working draft of Topeka Consolidation Study presented to Governor and cabinet members. Phase I completed.

(10/25/95)

Decision to close Topeka State Hospital announced.

(10/18/96)

Department of Administration begins meeting with the Kansas Department of Transportation to develop a Consolidation Options Planning Study (COPS).

(1/20/97)

Executive Summary of Topeka Consolidation Study presented to Department of Administration.

(1/21/97)

Joint Committee on State Building Construction approves lease of office space in New England Building for Department on Aging.

(2/12/97)

Joint Committee on State Building Construction directed Secretary of Administration to send Request for Proposals (RFP) to all stakeholders in downtown area, including private developers, the City of Topeka, downtown property owners, and those who currently lease space to the state in the Capitol Area Plaza.

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(Spring 1997)

Governor Graves publicly declares his preference to co-locate agencies in downtown area.

(4/23/97)

Presentation to Joint Committee on State Building Construction and approval of H.T. Paul Air Rights and Grounds Lease (7th & VanBuren), state to receive \$15,908 yearly for 40 years.

(4/25/97)

TSH Evaluation and Analysis Committee recommended that it should be a priority of both the City and the State to retain State employees in the downtown/State Capitol corridor and that those agencies that are located in other areas of Topeka should look at consolidating closer to the Capitol as space becomes available.

(5/15/97)

Department of Transportation COPS selection criteria approved.

(5/15/97)

Department of Transportation COPS adopts scoring matrix for grading status quo options for Docking and Thacher Buildings developed.

(5/21/97)

Over 300 Request for Proposals (RFP) mailed out to developers, Realtors, and contractors.

RFP #32516 issued for Capitol Plaza Area Development Plan.

(5/27/97)

H.T. Paul Air Rights and Grounds lease approved and signed.

(5/29/97)

RFP #32524 issued for Department on Aging.

(6/19/97)

Consolidation Option Plan completed for Department of Transportation.

(7/1/97)

RFP #32516, Phase I submittal deadline (24 proposers).

(7/1/97)

Topeka State Hospital transferred to the Department of Administration under legislative proviso.

(8/8/97)

RFP #32516, Phase II submittal deadline (11 proposers).

(8/15/97)

Dialogue develops with Department of Agriculture in regard to space needs and negotiation of current lease.

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(8/21/97)

Department on Aging contract revised by Joint Committee on State Building Construction to 30,336 square feet @ \$9.45 per square foot of office space and adjoining common area, 108 parking spaces. Eskie, Dunn, and Myriad proposals approved to proceed to Phase II.

(8/22/97)

SRS Space Consolidation Team meets with Department of Administration to develop a plan to vacate the Topeka State Hospital Campus by January 1, 1998, for the purpose of relocating individuals to the Docking State Office Building, 1301 Topeka, and Credit Union 1.

(8/27/97)

Special request for proposals solicited for Department of Agriculture.

(11/12/97)

Request for Proposals for Capitol Plaza Area Development Plan and Master Lease Agreement presented to Joint Committee on State Building Construction by proposers. Myriad Development proposal approved to proceed to Phase III.

(11/12/97)

Joint Committee on State Building Construction approves Division of Architectural Services to lease space at Bible Supply Building, 1020 Kansas Avenue, RFP #32516.

(11/12/97)

Joint Committee on State Building Construction approves SRS to lease space at New England Building, 503 Kansas Avenue, RFP #32516.

(12/17/97)

Finance Council authorizes the Secretary of Administration to negotiate with the City of Topeka for possible transfer of TSH to the City in exchange for acceptable parking downtown. Any agreement reached would be subject to the approval of the State Committee on State Building and Construction and the Finance Council.

(12/19/97)

Governor Graves and Mayor Wagon announce their intent to seek a partnership to address mutual needs in the downtown area. Governor states the requirement for the City of Topeka's participation in any proposal recommended by the state.

(1/14/98)

Concept specs developed for SRS Topeka Area Office (Myriad proposal).

(2/3/98)

Secretary of Administration testifies before the full House Appropriations Committee regarding the downtown consolidation project and disposition of the former Topeka State Hospital Grounds.

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Attachment 2-5

(2/11/98)

Secretary of Administration briefs Joint Committee on State Building Construction on phase II analysis of 10th & Jackson and 10th & Harrison proposals. The Joint Committee votes approval to forward the 10th & Jackson (Eskie/Peters) proposal to the City of Topeka for final negotiation of terms. Additionally, the Secretary of Administration requests and receives a recommendation to proceed with negotiations of a master lease agreement for space in the Security Benefit building.

(Currently)

Department of Administration has been in contact with parties expressing interest in TSH and continues to negotiate with the City of Topeka regarding possible transfer of the property.

(3/98)

Department on Aging scheduled to move to New England Building.

(7/98)

SRS component scheduled to move to New England Building.

(7/98)

Division of Architectural Services scheduled to move to Bible Supply Building.

(4/99)

Anticipated date that SRS moves to new location.

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2/27/98
Attachment 2-6

*TESTIMONY BY DAN STANLEY
SECRETARY OF ADMINISTRATION
BEFORE
SENATE WAYS & MEANS COMMITTEE
February 27, 1998*

Mr. Chairman, members of the committee:

At the direction of the Joint Committee on State Building construction, the Department of Administration has engaged in an initiative with the goal of consolidating state agencies into a more orderly and customer-oriented fashion. Governor Graves' vision is that we reverse the fragmentation and out-migration of state agencies from the Capitol Area Complex, pull agencies together and provide our customers with more efficient access to state government. Because of the presence of the Capitol, Landon, and Docking State office buildings, the Capitol Area Complex is the logical place to focus this consolidation.

This effort should also be put into a broader context. Without question, the roles and responsibilities of all state governments are growing and changing rapidly. "Devolution" as it is sometimes referred to is reshaping the face of state governments everywhere. Billions of dollars of program responsibility is being shifted to us by the federal government. The responsibilities and accountability long sought by the states is at last coming our way. This must change dramatically the way we do business and will challenge all aspects of state government -- our technology, the kinds and quality of the people we must attract and retain, and the kind of infrastructure required to deliver on these new responsibilities. To be successful, there can be no "business as usual." In my view, the initiative before this committee is an integral part of these changing times. Our past practices of facilities management must change just as most other business practices in order for us to meet the new challenges.

Kansas, like every other state is in a fierce competition to attract and retain businesses and industry. Foreign trade is vital to our manufacturing as well as our agriculture industry. The competition is global. I submit that the image that we project to those who come to Topeka to discuss relocating to Kansas or to those considering the purchase of Kansas products is a critical and often overlooked component in our ability to compete. Just this past year we hosted 140 trade missions from 33 countries. This is on top of hundreds of domestic economic development missions to our Capitol City. We must look like the aggressive, forward leaning, world class competitor that we are if we are to continue to win in this global market place into the 21st century. Today, times are good. Our economy is robust and unemployment is at an 18 year low. How we will fare in the more difficult times will be decided, in part by the decisions we make today. The image we project matters. That image has value.

Last Spring, the Department of Administration issued an RFP designed to bring all stakeholders to the table; the City of Topeka, developers, agencies, and the state. The idea was to have the professionals show us how to address our facility and space needs and to seek a partnership with the City of Topeka. We received 28 responses to our RFP and began the task of analyzing these proposals. We called this process phase I.

S W+M
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Attachment 3-1

In consultation with the Joint Building Committee, we selected 11 proposals to move forward to phase II, where we gathered more detailed cost and design figures. From there we brought forward four proposals which we felt best addressed our needs. These included a proposal for the SRS Topeka Area Office at 5th & Van Buren, the Security Benefit Building, a proposal for 10th & Jackson, and a proposal for building on state ground at 10th & Harrison. The Joint Building Committee recommended that we move forward to phase III on the 5th & Van Buren proposal which is underway at this time and accepted our recommendations to further analyze the three remaining proposals for a new state office building.

On February 11th, I briefed the Joint Building Committee on our analysis of the Jackson Street and Harrison Street proposals. The committee voted to have the Department of Administration forward the Jackson Street proposal to the City of Topeka for further negotiations and to detail the City's participation in this proposal. In addition, the Committee recommended that the DoA enter into negotiations of a master lease arrangement for space in the Security Benefit Building.

As I understand Mayor Wagnon's approach, the City would form a public building commission with representatives of both the City and the State. The commission would issue bonds, oversee construction, and lease the building to the State for a period of 30 years. At the end of the lease the State would receive title to the building. The associated parking lot for this building would remain the property of the City.

The attached time line represents a chronology of the actions taken with regard to Memorial Hall and the consolidation initiative. I am pleased to stand for questions.

S Wagnon
2/27/98
Attachment 3-2

SENATE WAYS & MEANS COMMITTEE
February 27, 1998
Statehouse, Room 123-S

Jim Reardon, Director

Department of Administration
Division of Facilities Management

Senator David Kerr, Chairman

Subject: Memorial Hall Funding

For a variety of reasons, Memorial Hall renovation costs have been revised upward by Division of Facilities Management Design Supervisor, Gary Hibbs, and consultants. Increases in agency personnel, circulation design improvements, building inefficiencies, a covered walkway to the Landon State Office Building and other design considerations, improvements, and enhancements have all contributed to the increased costs. We hope you will find merit in funding the additional \$700,600. We are suggesting 3 possible funding choices for your consideration.

1. **A State General Fund appropriation for FY 1999.**
2. **An appropriation from the State Buildings Operating Fund (#6148) during FY 1999.** Monies collect into this fund from agency rent payments on existing state office buildings. Debt service payments for the Landon Building and Docking Building are wrapped into rent costs. Rent payments for the Forbes complex, Wichita State Office Building and operating, maintenance, and housekeeping costs for all these buildings are paid from this fund which is required to maintain a minimum balance of \$2 million.

Capital Improvements for these buildings are financed with a transfer from this fund into the depreciation account. According to our current estimate, the fund will have a sufficient balance to finance the additional Memorial Hall renovation. **However**, a larger than currently anticipated increase in office rent for all buildings would be needed in order to maintain the required balance during FY 2001.

3. **An increase in bonding authorized for this project.** The additional cost amortized over 20 years would be relatively small since interest rates are at a record market low. Since the initial bonds have not been issued, a single issuance could still occur.

G:\DFM\DIRECTOR\STANLEY.DIW&M.SEN

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2/27/98

Attachment 4-1

MEMORIAL HALL

SUMMARY OF PROBABLE RENOVATION COSTS

As of December 9, 1997

COST ITEM		<u>1995 Program</u>	<u>1997 Program</u>	<u>Difference</u>
Construction (less Contingency)	Base Constr.	\$ 4,129,278	\$ 4,119,039	(\$ 10,239)
	Alternates	<u>0</u>	<u>433,133</u>	<u>433,133</u>
	Subtotal	4,129,278	4,552,172	422,894
Architect/Engineer's Fee	Base Constr.	412,928	476,175	63,247
	Alternates	<u>0</u>	<u>54,645</u>	<u>54,645</u>
	Subtotal	412,928	530,820	117,892
Movable Equipment		120,000	120,000	0
Project Contingency	Base Constr.	254,894	358,177	103,283
	Alternates	<u>0</u>	<u>56,531</u>	<u>56,531</u>
	Subtotal	254,894	414,708	159,814
Miscellaneous Costs		17,300	17,300	0
TOTAL PROBABLE RENOVATION COSTS		<u>\$ 4,934,400</u>	<u>\$ 5,635,000</u>	<u>\$ 700,600</u>

SUMMARY OF FUNDING

Total Probable Renovation Costs	\$ 4,934,400	<u>\$ 5,635,000</u>	\$ 700,600
Appropriation - State General Fund	(104,400)	(104,400)	0
BONDS ISSUED BY KDFA	<u>\$ 4,830,000</u>	<u>\$ 5,530,600</u>	<u>\$ 700,600</u>

ANALYSIS:

We have held the probable costs for the basic construction work within the 1995 Program amount. The following line items have increased from the original calculation of costs for the 1995 Program.

- Alternates: Scope of the project increased, primarily for the construction in the basement.
- A/E Fees: Original costs were based on a 10% fee. Actual negotiations were for 11.5% +/-.
The total fee will increase based on the design & construction of the Alternates.
- Contingency: Original costs were based on a 7.5% contingency. Current costs are based on a 10% factor for the base construction and 15% for the Alternates. These increases are appropriate based on the current issues and complexity of the building identified in the preliminary design.

MEMORIAL HALL

SUMMARY OF PROBABLE ALTERNATE CONSTRUCTION COSTS

As of December 9, 1997

ALTERNATE	<u>Construction</u>	<u>Contingency</u>	<u>A/E Fee</u>	<u>Totals</u>
No. 1 - Lower Level Offices	\$ 185,188	\$ 24,170	\$ 23,645	\$ 233,003
No. 2 - LL Brk/Tng/Conf Rooms	\$ 76,680	\$ 10,008	\$ 8,550	\$ 95,238
No. 3 - Lower Level Toilets	\$ 38,200	\$ 4,986	\$ 4,260	\$ 47,446
No. 4 - Connecting Link	\$ 86,720	\$ 11,318	\$ 12,900	\$ 110,938
No. 5 - Smoking Plaza	\$ 46,345	\$ 6,049	\$ 5,290	\$ 57,684
TOTALS	\$ 433,133	\$ 56,531	\$ 54,645	\$ 544,309

MEMORIAL HALL RENOVATION
Tenant Space Requirements

*SWM
2/27/98
Attachment 5*

Agency	Existing Area (s.f.)			1995 Request (s.f.)			1997 Request (s.f.)			Changes (.s.f.)						Changes (%)					
	Office	Storage	Total	Office	Storage	Total	Office	Storage	Total	Office		Storage		Total		Office		Storage		Total	
										Exis/'95	'95/'97	Exis/'95	'95/'97	Exis/'95	'95/'97	Exis/'95	'95/'97	Exis/'95	'95/'97	Exis/'95	'95/'97
ATTY GEN	22,344	1,400	23,744	24,632	1,500	26,132	27,100	1,500	28,600	+2,288	+2,468	+ 100	+ 0	+2,388	+2,468	+10%	+10%	+ 7%	+ 0%	+10%	+ 9%
SEC ST	6,862	4,660	11,522	9,646	4,294	13,940	15,935	4,320	20,255	+2,784	+6,289	- 366	+26	+2,418	+6,315	+41%	+65%	- 8%	+ 0%	+21%	+45%
TOTAL	<u>29,206</u>	<u>6,060</u>	<u>35,266</u>	<u>34,278</u>	<u>5,794</u>	<u>40,072</u>	<u>43,035</u>	<u>5,820</u>	<u>48,855</u>	<u>+5,072</u>	<u>+8,757</u>	<u>- 266</u>	<u>+26</u>	<u>+4,806</u>	<u>+8,783</u>	<u>+17%</u>	<u>+26%</u>	<u>- 4%</u>	<u>+ 0%</u>	<u>+14%</u>	<u>+22%</u>

NOTES:

- Secretary of State's "storage " area does not include warehouse storage at a remote site.
- Secretary of State's existing "office" area does not include the current Ceremonial office. Space is included in the requested "office" area for the administrative personnel now in the current Ceremonial office.
- "Storage" is primarily for archived files, some requiring regular retrieval. Secretary of State has files used daily that will be in area allocated to "storage".
- The increase in the area for the Secretary of State offices can be attributed to the desired improvement of the individual space needs and the circulation improvement from the current environment.
- The increase in the area for the Attorney General offices can be attributed partly to an improvement of some current environment (as stated above for the Sec. of State) and partly to an increase in personnel.
- The office space requests for both agencies include a 30% "circulation" factor. This includes hallways between work stations and work areas, partitions and other space not useable for office/work area. Note: Preliminary office layouts show the 30% is not the actual amount that will occur in Memorial Hall due to the multiple building compartments (wings) and the other inefficiencies inherent with the building column spacing, window locations and other similar factors. Therefore, the space requested will be less than the building space occupied.

Testimony presented to the

Senate Ways and Means Committee

Dave Kerr, Chairman

from

Secretary of State Ron Thornburgh

regarding the

Memorial Hall Renovation

February 27, 1998

S W+M
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Attachment 6-1

Mr. Chairman and members of the committee:

I appreciate this opportunity to provide the committee with information about the secretary of state's current space limitations in the Capitol and explain our request for space in the Memorial Building.

I believe the Capitol is the best location for our customers to do business. In fact, shortly after taking office in 1995, we moved our Uniform Commercial Code Division from the Commerce Bank back into the Capitol. Customer service took priority over adequate office space, which we did not have even prior to the move.

Inadequate is probably being generous in describing our current office space. We have made sacrifices to continue doing business in the Capitol. Our employees have minimal work space. Most of our clerks must stack important documents on keyboards, monitors and file cabinets while processing the filings. Many employees are not fortunate enough to have their own files located next to their desks. Thus, they must walk to another area of the room to file or retrieve documents. Walking across the room is better than walking across the building, however. Some of our employees must walk to another part of the building to collect documents they have printed because we do not have enough room to locate the printer in the same area as the employee.

The secretary of state's office does not have a conference room, nor does the agency have a large multi-purpose work room for large mailings, special projects, summer interns or training. We currently have access to a hearing room in the Capitol when the Legislature is not in session. We also are able to use the Lt. Governor's conference room when it is available. However, we will lose access to both of those rooms when we leave the Capitol.

Our management staff has no privacy. When a personnel matter or any other sensitive issue must be discussed, we actually go to a bench in the rotunda because it is more private than our current desk areas.

Agency divisions have very little storage space and employees have even less. We have boxes setting under desks and tables because we do not have adequate storage within the divisions. Some of our employees must keep their purses on their desks because there is nowhere else to store personal items.

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Attachment 6-2

To give you a better idea of how we use our space, we thought it would be helpful to profile some of our employees.

The secretary of state is one of four constitutional executive officers. In addition to my official duties, the secretary of state has numerous ceremonial responsibilities.

The assistant secretary of state is responsible for the day-to-day operation of the agency. Janet Chubb directs the agency budget process and legislative agenda each session.

Members of the management team are responsible for running their division or department, developing their budget, preparing legislative testimony, coordinating special projects and dealing with personnel issues within the division.

Administrative assistants and supervisors serve in a variety of capacities within the agency, but all of them are support staff for a member of the management team. Teresa Keating is administrative assistant for the assistant secretary of state. In addition to her duties associated with supporting the assistant secretary of state, Teresa is responsible for numerous filings, including government appointments, watershed district and charter ordinances.

The clerks in our agency are our customer service specialists. They file documents, fill search requests and answer customer questions. Each and every day, they are inundated with a massive amount of paper.

Part-time employees and interns serve in various support roles throughout the agency. During the summer, students are primarily used to process corporate annual reports.

Employees of the secretary of state's office are dedicated, hard working and committed to our mission of being the "least complicated, most accessible agency in state government."

After we received the invitation to leave the Capitol, our employees offered numerous suggestions for improving work space, common areas and customer access. In addition to this input, we examined our current space; estimated future need; and analyzed comparable state agencies, including the attorney general's office. This resulted in our current space request of 16,271 square feet which includes the circulation factor.

This request is accountable and appropriate. All formulas and types of space are consistent with those used in the Department of Administration's

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Attachment 6-3

1995 consolidation study and Memorial Hall Renovation Final Program Statement. For example: the consolidation study questionnaire presents 11 standard office layout options. For our clerks we selected option G, which is the 3rd smallest option available.

I would also like to clarify that the numbers reflected for our office in the 1995 Final Program Statement indicate our current space at that time rather than our future assessed needs. The numbers for the attorney general's office in the same program statement were future assessed needs. I point this out to the committee because there has been some confusion about the difference between our 1995 numbers and our 1997 request. Our request in 1997 was the first opportunity to inform the Legislature of our future space needs.

Can we get by with less? We have proven that we can. However, just as legislators once were able to work from their desks on the chamber floor, it is definitely not the best situation.

Our request includes reasonable work areas, better customer access and offices that are conducive to managing an agency.

This additional space will mean our agency can hold a staff meeting on our schedule, rather than legislative services or the Lt. Governor's.

It means Ken Cochran will have enough room on his desk to actually put his work on it and still have room for a picture of his family.

It means Delmar Moore will not have to walk across the room every time he needs to retrieve or file the documents he processes.

Georgia Lott will no longer walk across the building to collect notary documents she prints several times a day.

Nancy Reddy will actually have a secure place to store her purse.

And Brad Bryant will no longer conduct employee evaluations with Martin Hawver at the rotunda rail.

The secretary of state's office has a tradition of fiscal integrity, responsibility and above all, outstanding customer service. Our space request is consistent with that philosophy.

Again, I appreciate the opportunity to present this information to the committee. I would be happy to respond to any question you may have.

S w m

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Attachment 6-4