

MINUTES

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

March 18, 2009
Room 143-N—Statehouse

Members Present

Representative Jo Ann Pottorff, Chairperson
Senator Dwayne Umbarger, Vice-Chairperson
Senator Pat Apple
Senator Jay Emler
Senator Laura Kelly
Representative Steve Brunk
Representative Bill Feuerborn
Representative Mitch Holmes

Members Absent

Senator Marci Francisco
Representative Bob Grant

Staff Present

Audrey Dunkel, Kansas Legislative Research Department
Jonathan Tang, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Cody Gorges, Kansas Legislative Research Department
Heather O'Hara, Kansas Legislative Research Department
Dylan Dear, Kansas Legislative Research Department
Mike Steiner, Kansas Legislative Research Department
Mike Corrigan, Office of the Revisor of Statutes
Gary Deeter, Committee Assistant

Conferees

Richard Gaito, Deputy Director, Division of Facilities Management, Kansas
Department of Administration

Others Attending

See attached list.

The meeting was called to order by Chairperson JoAnn Pottorff.

The Chairperson welcomed Richard Gaito, Deputy Director, Division of Facilities Management, Kansas Department of Administration, who reviewed proposed agency leases (Attachment 1). Regarding the proposed five-year lease (\$10.99 per square foot) for the Kansas State Fire Marshal, he said the increase of four FTEs (Full-Time Equivalent) resulted from adding four dedicated office spaces for some of the 28 field staff who must spend time in Topeka. He commented that energy improvements have been completed and an energy audit was underway. *A motion was made by Representative Feuerborn, seconded by Senator Emler, to recommend adoption of the lease. The motion passed.*

A proposed lease by the Kansas Department of Labor for its Workers Compensation office was reviewed by Mr. Gaito. He said that, out of four bids, the proposed lease is the lowest if the cost of moving (\$300,000) is factored into the total. The full-service, five-year lease includes three one-year renewals and parking. The reduction in square feet is a result of transferring some FTEs to another location. Energy-reduction measures include a new boiler, motion-activated lights, and replacing incandescent lights. *The proposed lease was approved by motion of Representative Feuerborn, seconded by Representative Holmes, and vote of the Committee.*

Mr. Gaito, reviewing a lease for the Kansas Department of Agriculture, said that the new laboratory lease at Forbes Field in Topeka combines two leases into one and is being proposed as a ten-year lease with two two-year renewals. It is a full-service lease (insurance, utilities, maintenance, and taxes included) costing \$15.61 per square foot, with two-year incremental increases to a ceiling of \$17.94 per square foot. He stated that the new lease includes a garage for the mobile lab and increased space for lab testing procedures. *A motion was made by Representative Brunk, seconded by Senator Kelly, to recommend approval of the lease. The motion passed.*

Mr. Gaito noted that three agencies in Liberal—the Kansas Department of Revenue (KDOR), Kansas Department of Social and Rehabilitation Services (SRS), and the State Board of Indigent's Defense Services—are co-locating under tripartite leases, utilizing the entire building under the current landlord. Noting the advantage of co-location, he said a 15-year lease seemed acceptable. He explained that KDOR needed extra space for driver's license exams, that energy-efficient lights were being installed by the landlord, and that a new heating, ventilation, and air conditioning system (HVAC) would be installed later. Answering a question, he said that originally SRS had sub-leased to the other agencies, but under the present arrangement, with the exception of a single contract for utilities and janitorial services, each agency will have a separate lease. *The Committee recommended adoption of the lease. (Motion by Senator Kelly, seconded by Representative Feuerborn)*

Mr. Gaito, in explaining the SRS lease in Fort Scott, said the agency is combining two offices in one new location. He said the agency received six proposals and five bids with a range from \$12.54 to \$22.00 per square foot; the agency chose a 15-year lease for \$12.75 per square foot, incrementally increasing to \$14.98 per square foot. He explained that the extended negotiations enabled the agency to obtain a first-floor office (rather than the original second-floor office) with a fixed-cost rate that included taxes, insurance, maintenance, and utilities. He noted that the increase in FTEs will enable some of the 40 travel staff to have office space, and he commented that the landlord will install a new HVAC system and a new roof.

Answering questions, Bobby Kosmala, Senior Operations Manager, SRS, replied that the Kansas Department of Aging and the Drug and Alcohol Counseling sometimes use the offices and compensate SRS with in-kind services or monetary payments. Mr. Gaito said that a one-time cost

for moving the agency from the second to the first floor is shown in the lease as a \$0.27 per-square-foot surcharge. Mr. Kosmala said presently the agency has 34 vacancies and may fill one of them with a second receptionist. Mr. Gaito further explained the \$0.27 figure, saying that the moving cost may come from federal funds, but that the agency wanted to show the moving cost as a separate item. *A motion was made by Representative Feuerborn, seconded by Senator Umbarger, to recommend adoption of the lease. The motion passed.*

The meeting was adjourned at 1:12 p.m. The next meeting is scheduled for April 29, 2009, the time and place to be announced later.

Prepared by Gary Deeter

Approved by Committee on:

March 23, 2009

(Date)

**Proposed Lease Comparison
Kansas State Fire Marshal**

A		B	C	D	E
GENERAL INFORMATION		Current Lease	Proposed Lease	Other State Leases	
1 Agency		State Fire Marshal	State Fire Marshal	Kansas State Gaming Commission	Kansas Highway Patrol
2 Address		700 SW Jackson Suite 600	700 SW Jackson Suite 600	420 SE 6th	611 Kansas Ave.
3 City Location (market)		Topeka	Topeka	Topeka	Topeka
4 Landlord		Jayhawk Tower Joint Venture	Jayhawk Tower Partners, LLC	Jefferson Street Hotel Partners, LLC	AEW AAF KPERS
5 Lease Space (sq. ft.)	Office Sq. Ft.	7,231	7,231	6,525	5,900
6	Storage Sq. Ft.	300	300		
7	Total Sq. Ft.	7,231	7,231	6,525	5,900
8 Full Time Equivalency (FTE) employees/workstations		26	30	30	23
9 Lease Begin Date (initial lease period)		9/1/2004	9/1/2009	12/1/2007	6/15/2001
10 Lease End Date		8/31/2009	8/31/2014	11/30/2010	6/14/2009
11 Years of Lease		5	5	3	7
12 Space Standards Check (sq. ft. per FTE/workstation)		278	241	218	257
LEASE COSTS - provided by 1st Party Landlord within the lease					
13 Base Lease Cost (annual per sq. ft.)		\$10.50	\$10.99	\$10.99	\$16.50
14 Storage					
15 Real Estate Taxes		in base w/stop	in base w/cap	inc. in base	inc. in baseii
16 Insurance		in base w/stop	in base w/cap	inc. in base	in base w/stop
17 Major Maintenance		inc. in base	inc. in base	inc. in base	inc. in baseii
18 Utilities - total					
19	Electricity	in base w/stop	in base w/cap	inc. in base	in base w/stop
20	Gas	in base w/stop	in base w/cap	inc. in base	in base w/stop
21	Water/Sewer/etc.	in base w/stop	in base w/cap	inc. in base	in base w/stop
22 Trash Pickup/Removal		in base w/stop	in base w/cap	inc. in base	in base w/stop
23 Custodial/Janitorial		in base w/stop	in base w/cap	inc. in base	in base w/stop
24 Pest Control		inc. in base	inc. in base	inc. in base	in base w/stop
25 Grounds Maintenance (inc. snow removal)		inc. in base	inc. in base	inc. in base	in base w/stop
26 Common Area		inc. in base	inc. in base	inc. in base	in base w/stop
27 Other Services - Bldg Operating Expense Stops		\$0.00	\$0.00	n/a	N/A
28 Parking		in base w/stop	in base w/cap	inc. in base	inc. in baseii
29	No. of Parking Spaces included	24	30	34	5
30 SUBTOTAL - Lease Costs w/o Additional Services		\$10.50	\$10.99	\$10.99	\$16.50
Additional Services					
31 Additional Services					
32 SUBTOTAL - Additional Services		\$0.00	\$0.00	\$0.00	\$0.00
OTHER BUILDING OCCUPANCY COSTS - funded by the State Agency separate from the lease					
33 Building Operating Cost (not inc. in base rent) (Real Estate Taxes & Ins.)		\$0.54			
34 Utilities - total (estimated)					
35	Electricity				
36	Gas	\$0.28			
37	Water/Sewer/etc.				
38 Trash Pickup/Removal					
39 Custodial/Janitorial					
40 Pest Control					
41 Grounds Maintenance (inc. snow removal)					
42 Parking					
43	No. of Parking Spaces included				
44 Other Services					\$0.33
45 Total Other Bldg Optg Costs (not included in lease)		\$0.82	\$0.00	\$0.00	\$0.33
IMPROVEMENTS					
46 Improvements (Cubical Repair \$1,350.00)		\$0.19	\$0.00	\$0.00	\$0.00
48 Annual Cost per Sq. Ft. (estimated)		\$11.51	\$10.99	\$10.99	\$16.83
49 Annual Cost (estimated)		\$83,204	\$79,469	\$71,710	\$99,297
50 Total Cost of Lease (estimated)		\$416,019	\$397,343	\$215,129	\$25,471,839

**Proposed Lease Comparison
DOL Workers Comp**

A	B	C	D	E
GENERAL INFORMATION	Current Leases	Proposed Lease	Other State Leases	
	Department of Labor Worker Comp	Department of Labor Worker Comp	Legislative Post Audit	Kansas Health Policy Authority
1 Agency	8th & Jackson Topeka	8th & Jackson Topeka	8th & Jackson Topeka	109 SW 9th Street Topeka
2 Address				
3 City Location (market)				
4 Landlord	HT Paul Properties	HT Paul Properties	8th & Jackson Investment Group II, L.L.C.	Mills Building, LLC
5 Lease Space (sq. ft.)	Office Sq. Ft. 32,835	17,408	6,127	12,310
6	Storage Sq. Ft. 195		195	
7	Conference Rm. Sq. Ft. 856		856	
8	Total Sq. Ft. 32,835	17,408	7,178	12,310
9 Full Time Equivalency (FTE) employees/workstations	120	68	26	50
10 Lease Begin Date	1/1/2005	1/1/2010	7/1/2006	8/1/2007
11 Lease End Date	12/31/2009	12/31/2014	6/30/2011	7/31/2009
12 Years of Lease	5	5	5	2
13 Space Standards Check (sq. ft. per FTE/workstation)	274	256	276	246
LEASE COSTS - provided by 1st Party Landlord within the lease				
14 Base Lease Cost (annual per sq. ft.)	\$14.50	\$14.50	\$14.75	\$14.00
15 Storage			\$0.06	
16 Conference Room			\$2.17	
17 Real Estate Taxes	inc. in base	in base w/stop	inc. in base	in base w/ stop
18 Insurance	inc. in base	in base w/stop	inc. in base	in base w/ stop
19 Major Maintenance	inc. in base	in base w/stop	inc. in base	in base w/ stop
20 Utilities - total				
21	Electricity	inc. in base	inc. in base	in base w/ stop
22	Gas	inc. in base	inc. in base	in base w/ stop
23	Water/Sewer/etc.	inc. in base	inc. in base	in base w/ stop
24 Trash Pickup/Removal	inc. in base	in base w/stop	inc. in base	in base w/ stop
25 Custodial/Janitorial	inc. in base	in base w/stop	inc. in base	in base w/ stop
26 Pest Control	not included	in base w/stop	inc. in base	in base w/ stop
27 Grounds Maintenance (inc. snow removal)	inc. in base	in inc. base	inc. in base	inc. in base
28 Common Area	inc. in base	inc. in base	inc. in base	inc. in base
29 Other Services - Bldg Operating Expense Stops				
30 Parking	Separate Contract	\$0.83	inc. in base	inc. in base
31	No. of Parking Spaces included	72	26	3
32 SUBTOTAL - Lease Costs w/o Additional Services	\$14.50	\$15.33	\$16.98	\$14.00
Additional Services				
33 n/a				
34 SUBTOTAL - Additional Services	\$0.00	\$0.00	\$0.00	\$0.00
OTHER BUILDING OCCUPANCY COSTS -				
35 Building Operating Cost (not included in base rent)				
36 Utilities - total (estimated)				
37	Electricity			
38	Gas			
39	Water/Sewer/etc.			
40 Trash Pickup/Removal	\$0.61			
41 Custodial/Janitorial	90			
42 Pest Control	\$0.20			
43 Grounds Maintenance (inc. snow removal)				
44 Parking				
45	No. of Parking Spaces included			
46 Other Services	\$0.81	\$0.00	\$0.00	\$0.00
47 Total Other Bldg Optg Costs (not included in lease)	\$0.81	\$0.00	\$0.05	\$0.00
48 Other Payments Total	\$0.00	\$0.00	\$0.05	\$0.00
49 Annual Cost per Sq. Ft. (estimated)	\$15.31	\$15.33	\$17.03	\$14.00
50 Annual Cost (estimated)	\$502,704	\$266,865	\$104,338	\$172,340
51 Total Cost of Lease (estimated)	\$2,513,519	\$1,334,323	\$521,688	\$344,680

**Proposed Lease Comparison
Department of Agriculture**

A		C	B	D
		Current Lease 1	Current Lease 2	Proposed Lease
GENERAL INFORMATION				
1 Agency		Kansas Department of Agriculture	Kansas Department of Agriculture	Kansas Department of Agriculture
2 Address		Forbes Field Building 282	Forbes Field Building 282	Forbes Field Building 282
3 City Location (market)		Topeka	Topeka	Topeka
4 Landlord		Grandmothers, Inc.	Grandmothers, Inc.	Grandmothers, Inc.
5 Lease Space (sq. ft.)	Office Sq. Ft.			9,037
6	Lab Sq. Ft.			19,163
7	Total Sq. Ft.	6,800	17,200	28,200
8 Full Time Equivalency (FTE) employees/workstations		7	28	35
9 Lease Begin Date		2/21/1998	6/1/1998	1/1/2010
10 Lease End Date		12/31/2009	12/31/2009	12/31/2019
11 Years of Lease		11.17	11.5	10
12 Space Standards Check (sq. ft. per FTE/workstation)		971	682	258
LEASE COSTS - provided by 1st Party Landlord within the lease				
13 Base Lease Cost (annual per sq. ft.)		\$14.90	\$14.90	\$15.61
14 Base Lease Average Cost				\$16.83
15 Storage				
16 Real Estate Taxes		inc. in base	inc. in base	inc. in base
17 Insurance		inc. in base	inc. in base	inc. in base
18 Major Maintenance		inc. in base	inc. in base	inc. in base
19 Utilities - total				
20	Electricity	inc. in base	inc. in base	inc. in base
21	Gas	inc. in base	inc. in base	inc. in base
22	Water/Sewer/etc.	inc. in base	inc. in base	inc. in base
23 Trash Pickup/Removal		inc. in base	inc. in base	inc. in base
24 Custodial/Janitorial		not included	not included	inc. in base
25 Pest Control		inc. in base	inc. in base	inc. in base
26 Grounds Maintenance (inc. snow removal)		inc. in base	inc. in base	inc. in base
27 Common Area		inc. in base	inc. in base	inc. in base
28 Other Services - Bldg Operating Expense Stops		\$0.00	\$0.00	\$0.00
29 Parking		inc. in base	inc. in base	inc. in base
30	No. of Parking Spaces included	20	40	60
31 SUBTOTAL - Lease Costs w/o Additional Services		\$14.90	\$14.90	\$15.61
Additional Services				
32 Additional Services				
33 SUBTOTAL - Additional Services		\$0.00	\$0.00	\$0.00
OTHER BUILDING OCCUPANCY COSTS - funded by the State Agency separate from the lease				
34 Building Operating Cost (not included in base rent)				
35 Utilities - total (estimated)				
36	Electricity			
37	Gas			
38	Water/Sewer/etc.			
39 Trash Pickup/Removal				
40 Custodial/Janitorial				
41 Pest Control				
42 Grounds Maintenance (inc. snow removal)				
43 Parking				
44	No. of Parking Spaces included			
45 Other Services				
46 Total Other Bldg Optg Costs (not included in lease)		\$0.00	\$0.00	\$0.00
IMPROVEMENTS				
47 Improvements		\$0.00	\$0.00	\$0.00
48 Annual Cost per Sq. Ft.		\$14.90	\$14.90	\$15.61
49 Annual Cost		\$101,320	\$256,280	\$440,202
Average Annual Cost				\$474,606
50 Total Cost of Lease		\$1,131,744	\$2,947,220	\$4,790,898

**Proposed Lease Comparison
Liberal Co-Locatiois**

A	B		C		D		E		F		G		H		I	
	Current Lease	Proposed Lease	Current Lease	Proposed Lease	Current Lease	Proposed Lease	Current Lease	Proposed Lease	Current Lease	Proposed Lease	Other State Leases		SRS	SRS		
GENERAL INFORMATION																
1 Agency	SRS	SRS	State Board of Indigent's Defense Services	State Board of Indigent's Defense Services	Revenue	Revenue	SRS	SRS								
2 Address	615 N Kansas	615 N Kansas	615 N Kansas	615 N Kansas	615 N Kansas	615 N Kansas	615 N Kansas	615 N Kansas	615 N Kansas	615 N Kansas	1710 Palace Drice	1509 Avenue P				
3 City Location (market)	Liberal	Liberal	Liberal	Liberal	Liberal	Liberal	Liberal	Liberal	Liberal	Liberal	Garden city	Dodge City				
4 Landlord	KANSA Development Gary Schoenrock	KANSA Development Gary Schoenrock	SRS	KANSA Development Gary Schoenrock	SRS	KANSA Development Gary Schoenrock	SRS	KANSA Development Gary Schoenrock	SRS	KANSA Development Gary Schoenrock	Palace Development, LLC Dwight Smith	Arbogast-Trull Partnership				
5 Lease Space (sq. ft.)	Office Sq. Ft. 12,691	12,691	1,015	1,015	240	240	240	240	240	240	27,825	15,840				
6	Other Sq. Ft. 824	824	210	210	745	745	745	745	745	745						
7	Total Sq. Ft. 13,515	13,515	1,225	1,225	985	985	985	985	985	985	27,825	15,840				
8 Full Time Equivalency (FTE) employees/workstations	41	43	4	4	3	3	3	3	3	3	116	56				
9 Lease Begin Date	7/1/2004	7/1/2009	7/1/2004	7/1/2009	7/1/2004	7/1/2009	7/1/2004	7/1/2009	7/1/2004	7/1/2009	3/1/1999	1/1/1999				
10 Lease End Date	6/30/2009	6/30/2024	6/30/2009	6/30/2024	6/30/2009	6/30/2024	6/30/2009	6/30/2024	6/30/2009	6/30/2024	2/28/2014	12/31/2013				
11 Years of Lease	5	15	5	15	5	15	5	15	5	15	15	15				
12 Space Standards Check (sq. ft. per FTE/workstation)	330	314	306	306	328	328	328	328	328	328	240	283				
LEASE COSTS - provided by 1st Party Landlord within the lease																
13 Base Lease Cost (annual per sq. ft.)	\$7.72	\$9.24	\$7.72	\$9.24	\$7.72	\$9.24	\$7.72	\$9.24	\$7.72	\$9.24	\$8.85	\$8.24				
14 Storage																
15 Real Estate Taxes	inc. in base	in base w/stop	pays SRS 8%	in base w/stop	pays SRS 6%	in base w/stop	pays SRS 6%	in base w/stop	in base w/stop	in base w/stop	in base w/ stop	in base w/stop				
16 Insurance	inc. in base	in base w/stop	pays SRS 8%	in base w/stop	pays SRS 6%	in base w/stop	pays SRS 6%	in base w/stop	inc. in base	inc. in base	in base w/ stop	in base w/stop				
17 Major Maintenance	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base				
18 Utilities - total																
19 Electricity	not included	not included	pays SRS 8%	not included	pays SRS 6%	not included	pays SRS 6%	not included	not included	not included	not included	not included				
20 Gas	not included	not included	pays SRS 8%	not included	pays SRS 6%	not included	pays SRS 6%	not included	not included	not included	not included	not included				
21 Water/Sewer/etc.	not included	not included	pays SRS 8%	not included	pays SRS 6%	not included	pays SRS 6%	not included	not included	not included	not included	not included				
22 Trash Pickup/Removal	not included	not included	pays SRS 8%	not included	pays SRS 6%	not included	pays SRS 6%	not included	not included	not included	not included	not included				
23 Custodial/Janitorial	not included	not included	pays SRS 8%	not included	pays SRS 6%	not included	pays SRS 6%	not included	not included	not included	not included	not included				
24 Pest Control	not included	not included	pays SRS 8%	not included	pays SRS 6%	not included	pays SRS 6%	not included	not included	not included	not included	not included				
25 Grounds Maintenance	inc. in base	inc. in base	pays SRS 8%	in base w/stop	pays SRS 6%	in base w/stop	pays SRS 6%	in base w/stop	inc. in base	inc. in base	inc. in base	inc. in base				
26 Common Area	inc. in base	inc. in base	pays SRS 8%	in base w/stop	pays SRS 6%	in base w/stop	pays SRS 6%	in base w/stop	not included	not included	not included	not included				
27 Other Services - Bldg Operating Expense Stops	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				
28 Parking	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base	inc. in base				
29 No. of Parking Spaces included	82	75	open lot	4	open lot	25	open lot	25	open lot	25	140	70				
30 SUBTOTAL - Lease Costs w/o Additional Services	\$7.72	\$9.24	\$7.72	\$9.24	\$7.72	\$9.24	\$7.72	\$9.24	\$7.72	\$9.24	\$8.85	\$8.24				
Additional Services																
31 Additional Services																
32 SUBTOTAL - Additional Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				
OTHER BUILDING OCCUPANCY COSTS - funded by the State Agency separate from the lease																
33 Building Operating Cost (not included in base rent)											\$1.11	\$0.20				
34 Utilities - total (estimated)																
35 Electricity	\$0.71	\$0.64	\$0.07	\$0.06	\$0.05	\$0.04	\$0.05	\$0.04	\$0.05	\$0.04	\$0.87	\$0.80				
36 Gas	\$0.31	\$0.30	\$0.03	\$0.03	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.09	\$0.26				
37 Water/Sewer/etc.	\$0.06	\$0.06	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.06	\$0.08				
38 Trash Pickup/Removal	\$0.03	\$0.03	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.03	\$0.11				
39 Custodial/Janitorial	\$1.07	\$1.07	\$0.10	\$0.10	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.64	\$2.58				
40 Pest Control	\$0.11	\$0.11	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.04	\$0.03				
41 Grounds Maintenance (inc. snow removal)																
42 Parking																
43 No. of Parking Spaces included																
44 Other Services																
45 Total Other Bldg Optg Costs (not included in lease)	\$2.29	\$2.21	\$0.23	\$0.22	\$0.17	\$0.16	\$0.17	\$0.16	\$0.17	\$0.16	\$2.84	\$4.06				
IMPROVEMENTS																
46 Improvements																
47 Subtotal - Improvements	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				
Annual Cost per Sq. Ft. (estimated)	\$10.01	\$11.45	\$7.95	\$9.46	\$7.89	\$9.40	\$7.89	\$9.40	\$7.89	\$9.40	\$11.69	\$12.30				
49 Annual Cost (estimated)	\$135,285	\$154,743	\$9,739	\$11,591	\$7,772	\$9,258	\$7,772	\$9,258	\$7,772	\$9,258	\$325,401	\$194,863				
50 Total Cost of Lease (estimated)	\$676,426	\$2,321,140	\$48,894	\$173,866	\$38,858	\$138,876	\$38,858	\$138,876	\$38,858	\$138,876	\$4,881,008	\$2,922,948				

1-4

**Proposed Lease Comparison
SRS - Ft. Scott**

A	B	C	D	E	F
	Current Lease	Current Lease	Proposed Lease	Other State Leases	
GENERAL INFORMATION					
1 Agency	SRS	SRS	SRS	SRS	SRS
2 Address	108 W 2nd St. Ft. Scott	123 Main Ft. Scott	710 W 8th Street Ft. Scott	300 N 17th St Parsons KANSAS Development Corp.	318 S Broadway Pittsburg Kansas Realty Group, LLC
3 City Location (market)	Corporate Ventures, LLC	Gary & Susan Hoffmeier	Midwestern Holdings, LLC		
4 Landlord					
5 Lease Space (sq. ft.)	Office Sq. Ft.				
6	Storage & Training/Conference Rm. Sq. Ft.				
7	Total Sq. Ft.				
8 Full Time Equivalency (FTE) employees/workstations	18	14	41	56	58
9 Lease Begin Date	7/1/2002	7/1/2002	8/1/2009	1/1/2006	12/1/2001
10 Lease End Date	6/30/2009	6/30/2009	7/31/2024	12/31/2015	11/30/2011
11 Years of Lease	7	5	15	10	10
12 Space Standards Check (sq. ft. per FTE/workstation)	269	286	252	263	337
LEASE COSTS - provided by 1st Party Landlord within the lease					
13 Base Lease Cost (annual per sq. ft.)	\$7.50	\$7.50	\$12.48	\$9.85	\$9.36
14 Base lease Average Cost per sq. ft.			\$13.89		
15 Storage	\$0.97				
16 Real Estate Taxes	in base w/stop	inc. in base	inc. in base	in base w/stop	inc. in base
17 Insurance	inc. in base	inc. in base	inc. in base	in base w/stop	inc. in base
18 Major Maintenance	inc. in base	inc. in base	inc. in base	in base w/stop	inc. in base
19 Utilities - total					
20	Electricity	not included	inc. in base	not included	not included
21	Gas	not included	inc. in base	not included	not included
22	Water/Sewer/etc.	not included	inc. in base	not included	not included
23 Trash Pickup/Removal	not included	not included	inc. in base	not included	not included
24 Custodial/Janitorial	not included	not included	inc. in base	not included	inc. in base
25 Pest Control	not included	not included	inc. in base	not included	not included
26 Grounds Maintenance (inc. snow removal)	not included	not included	inc. in base	inc. in base	inc. in base
27 Common Area	N/A	N/A	inc. in base	not included	inc. in base
28 Other Services - Bldg Operating Expense Stops					
29 Parking	N/A	N/A	inc. in base	inc. in base	inc. in base
30	No. of Parking Spaces included		57	74	84
31 SUBTOTAL - Lease Costs w/o Additional Services	\$8.47	\$7.50	\$12.48	\$9.85	\$9.36
Additional Services					
32 n/a					
33 SUBTOTAL - Additional Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
OTHER BUILDING OCCUPANCY COSTS -					
34 Building Operating Cost (not included in base rent)				\$1.52	
35 Utilities - total (estimated)					
36	Electricity	\$0.70	\$0.84	\$0.53	\$1.04
37	Gas	\$0.55	\$0.23	\$0.09	\$0.04
38	Water/Sewer/etc.	\$0.12	\$0.18	\$0.09	\$0.12
39 Trash Pickup/Removal		\$0.11	\$0.11	\$0.08	\$0.06
40 Custodial/Janitorial		\$0.89	\$1.29	\$0.67	
41 Pest Control		\$0.03	\$0.00	\$0.01	
42 Grounds Maintenance (inc. snow removal)		\$0.04	\$0.05	\$0.01	
43 Parking					
44	No. of Parking Spaces included				
45 Other Services					
46 Total Other Bldg Optg Costs (not included in lease)	\$2.44	\$2.70	\$0.00	\$3.01	\$1.26
IMPROVEMENTS					
47 Improvements			\$0.27		
48 Subtotal - Improvements	\$0.00	\$0.00	\$0.27	\$0.00	\$0.70
49 Annual Cost per Sq. Ft. (estimated)	\$10.91	\$10.20	\$12.75	\$12.86	\$11.32
50 Annual Cost (estimated)	\$62,960	\$40,796	\$131,793	\$189,100	\$221,675
51 Average Annual Cost (estimated)			\$146,367		
52 Total Cost of Lease (estimated)	\$440,719	\$203,979	\$2,167,330	\$1,890,997	\$2,215,745