

MINUTES

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

February 10, 2010
Room 144-S—Statehouse

Members Present

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

Member Absent

Representative Bob Grant

Staff

Audrey Dunkel, Kansas Legislative Research Department
Aaron Klaassen, Kansas Legislative Research Department
Reagan Cussimano, Kansas Legislative Research Department
Mike Steiner, Kansas Legislative Research Department
Dylan Dear, Kansas Legislative Research Department
Gary Deeter, Committee Secretary
Florence Deeter, Committee Assistant

Others Attending

See attached list.

The Chairperson called the meeting to order at 12:21 p.m., thanked Ron Hein and Associates for providing lunch, and announced the review of agency capital improvement requests for FY 2010 and FY 2011 (Attachment 1).

Mike Steiner, Kansas Legislative Research Department, commenting on the Kansas Department of Commerce capital improvements budget, said that the agency requested \$155,001 from special revenue funds in FY 2010, \$160,000 from special revenue funds in FY 2011, both amounts for rehabilitation, repair, and debt service. The Governor concurred with the agency requests in FY 2010 and FY 2011. *A motion was made by Representative Pottorff, seconded by Senator Emler, and passed unanimously approving the report.*

Dylan Dear, Kansas Legislative Research Department, reporting on the Kansas Insurance Department capital improvements budget, said that the FY 2010 budget of \$125,325 includes \$65,325 for debt service principal payment for replacing the heating/air conditioning/ventilation (HVAC) system and \$60,000 for rehabilitation and repair. The FY 2011 request of \$132,678, includes \$67,678 for debt service payment on the HVAC system and \$65,000 for rehabilitation and repair. The Governor concurred for both years. *Senator Emler moved; Senator Kelly seconded; the motion carried.*

Reagan Cussimano, Kansas Legislative Research Department, reviewed the Judicial Branch budget for capital improvements, stating that a hiatus occurred when the FY 2010 request of \$199,499 for construction of a new judicial suite for the 14th Court of Appeals was delayed by the 2009 Legislature passing SB 66, which halted implementation of the addition until January 2011. Because SB 66 effectively zeroed out the budget request, the *Committee did not concur with the agency request* (motion by Senator Emler and second by Senator Kelly).

Having no quorum for the Committee's February 4 meeting, Aaron Klaassen, Kansas Legislative Research Department, re-reported on the capital improvements budgets for the Kansas Highway Patrol. He said that the Governor concurred on the Patrol's FY 2010 expenditures of \$557,800, all from special revenue funds, an amount which includes \$290,000 for debt service on the Fleet Center and Vehicle Identification Number Facility. Regarding the FY 2011 budget request, Mr. Klaassen said that the \$1.2 million request, all from special revenue funds, was pared by the Governor to \$451,560, an amount which includes \$305,000 for debt service principal and transferring rehabilitation and replacement funds to the Operations Fund for salaries and wages. *The report was approved by the Committee* (motion by Senator Kelly and second by Senator Francisco).

Mr. Klaassen also reviewed the Adjutant General's budget requests for capital improvements, which he previously reported on February 4. He said that for FY 2010 the agency expenditure estimates totaled \$6.6 million, \$788,687 of that amount from the SGF for debt service and an addition to the Kansas National Guard Museum. Other funding sources for capital improvements totaled \$5.8 million, with a supplemental request for \$3 million in bonds for armory renovation. The Governor concurred on the agency request except for the \$488,687 enhancement for the National Guard Museum.

Committee members discussed the deleted funding for the National Guard Museum, since a dedicated funding stream had been established from the Kansas Lottery, funding which was diverted to the State General Fund except for \$270,000, a balance from a previous year. Members noted that the Lottery funds would sunset and expressed frustration that the Museum funds were swept from what was thought to be a protected source.

A motion and second to approve the report were withdrawn and a motion was made by Senator Emler, seconded by Senator Kelly, and passed approving the agency request regarding the National Guard Museum, recommending that the agency receive the Lottery funds as intended.

For FY 2011, the agency requested \$74.9 million, of which \$9.5 million from the SGF will fund debt service principal (1.8 million), and an addition to the Kansas National Guard Museum (\$459,357), and the creation of the Great Plains Regional Training Center Site (\$6.8 million). The

Governor did not recommend the enhancements, but did recommend a total of \$67 million for capital improvements, including \$1.8 million from the SGF for debt service. Members noted the continued request for an addition to the National Guard Museum. Mr. Klaassen replied to a question that the \$270,000 balance in the Museum fund had been encumbered and that the dedicated Lottery funding ends July 1, 2010. Members requested more information before making any recommendation regarding the FY 2011 budget request.

The meeting was adjourned at 12:45 p.m. The next meeting is scheduled for Thursday, February 11, 2010, at noon in Room 144-S.

Prepared by Gary Deeter
Edited by Audrey Dunkel

Approved by Committee on:

April 28, 2010

(Date)

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

GUEST LIST

DATE: FEBRUARY 10 2010

NAME	REPRESENTING
Dennis Okunli	Commerce
Sabrina Wells	Insurance Department
Kim Fowler	Judicial Branch

Joint Committee on State Building Construction

Review of Capital Improvements Requests for:

Department of Commerce
Kansas Insurance Department
Judicial Branch

February 10, 2010

Attachment 1
JCSBC 2-10-10

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT

CAPITAL IMPROVEMENTS

Agency: Commerce

Bill No. --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. -- Capital Budget Page No. Vol 1 - 221

Project	Agency Request FY 2010	Gov. Rec. FY 2010	JCSBC Rec FY 2010
Projects:			
Rehabilitation and Repair	\$ 75,001	\$ 75,001	\$
Debt Service Principal	80,000	80,000	
TOTAL	\$ 155,001	\$ 155,001	\$ 0
Financing:			
Wagner-Peyser Federal Fund	\$ 80,000	\$ 80,000	\$
Reimbursement and Recovery Fund	75,001	75,001	
TOTAL	\$ 155,001	\$ 155,001	\$ 0

Agency Request

The **agency** requests FY 2010 capital improvements to be \$155,001 from special revenue funds. The estimate includes \$75,001 for rehabilitation and repair on various buildings across the State and \$80,000 for debt service principal payments on the Topeka Workforce Development building. The Topeka Workforce Development building was transferred from the Department of Labor to the Department of Commerce in 2004.

Governor's Recommendation

The **Governor** concurs with the agency's estimate.

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT

CAPITAL IMPROVEMENTS

Agency: Department of Commerce

Bill No. --

Bill Sec. --

Analyst: Steiner

Analysis Pg. No. --

Capital Budget Page No. Vol I, 221

Project	Agency Estimate FY 2011	Gov. Rec. FY 2011	JCSBC Rec FY 2011
Projects:			
Rehabilitation and Repair	\$ 80,000	\$ 80,000	\$ 0
Debt Service Principal	80,000	80,000	0
TOTAL	\$ 0	\$ 0	\$ 0
Financing:			
Wagner-Peyser Federal Fund	\$ 80,000	\$ 80,000	\$ 0
Reimbursement and Recovery Fund	80,000	80,000	0
TOTAL	\$ 160,000	\$ 160,000	\$ 0

Agency Estimate

The agency estimates FY 2011 capital improvements to be \$160,000 from special revenue funds. The estimate includes \$80,000 for rehabilitation and repair on various buildings across the State and \$80,000 for debt service principal payments on the Topeka Workforce Development building. The Topeka Workforce Development building was transferred from the Department of Labor to the Department of Commerce in 2004.

Governor's Recommendation

The **Governor** concurs with the agency's estimate.

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT

CAPITAL IMPROVEMENTS

Agency: Insurance Department

Bill No. --

Bill Sec. --

Analyst: Dear

Analysis Pg. No. --

Capital Budget Page No. Vol. 2, 128

Project	Agency Est. FY 2010	Gov. Rec. FY 2010	JCSBC Rec. FY 2010
Projects:			
Rehabilitation & Repair	\$ 60,000	\$ 60,000	\$ 0
Principal Payment - HVAC	65,325	65,325	0
TOTAL	\$ 125,325	\$ 125,325	\$ 0
Financing:			
State General Fund	\$ 0	\$ 0	\$ 0
All Other Funds	125,325	125,325	0
TOTAL	\$ 125,325	\$ 125,325	\$ 0

Agency Estimate

The agency estimates current year capital improvement expenditures of \$125,325. This estimate includes \$65,325 for the debt service principal payment for the HVAC replacement project. The remaining \$60,000 will be used for rehabilitation and repair of the Kansas Insurance Building.

Governor's Recommendation

The Governor concurs with the agency estimate.

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT

CAPITAL IMPROVEMENTS

Agency: Insurance Department

Bill No. --

Bill Sec. --

Analyst: Dear

Analysis Pg. No. --

Capital Budget Page No. Vol. 2, 128

<u>Project</u>	<u>Agency Req. FY 2011</u>	<u>Gov. Rec. FY 2011</u>	<u>JCSBC Rec. FY 2011</u>
Projects:			
Rehabilitation & Repair	\$ 65,000	\$ 65,000	\$ 0
Principal Payment - HVAC	67,678	67,678	0
TOTAL	<u>\$ 132,678</u>	<u>\$ 132,678</u>	<u>\$ 0</u>
Financing:			
State General Fund	\$ 0	\$ 0	\$ 0
All Other Fund	125,325	125,325	0
TOTAL	<u>\$ 125,325</u>	<u>\$ 125,325</u>	<u>\$ 0</u>

Agency Request

The agency requests FY 2011 capital improvement expenditures of \$132,678. This estimate includes \$67,678 for the debt service principal payment for the HVAC replacement project. The remaining \$65,000 will be used for rehabilitation and repair of the Kansas Insurance Building.

Governor's Recommendation

The Governor concurs with the agency request.

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT

CAPITAL IMPROVEMENTS

Agency: Judicial Branch

Bill No. - -

Bill Sec. - -

Analyst: Cussimano

Analysis Pg. No. - -

Capital Budget Page No. Vol. I - 222

<u>Project</u>	<u>Agency Req. FY 2011</u>	<u>Gov. Rec. FY 2011</u>	<u>JCSBC Rec FY 2011</u>
Projects:			
14 th Court of Appeals Judge's Suite	\$ 199,499	\$ 199,499	\$ 0
TOTAL	<u>\$ 199,499</u>	<u>\$ 199,499</u>	<u>\$ 0</u>
Financing:			
State General Fund	\$ 199,499	\$ 199,499	\$ 0
TOTAL	<u>\$ 199,499</u>	<u>\$ 199,499</u>	<u>\$ 0</u>

Agency Request

The agency requests \$199,499, all from the State General Fund, for the construction of a new judicial suite for the 14th Court of Appeals judge and staff. During the 2009 legislative session, 2009 SB 66 was passed which delayed the implementation of the position until January 2011. Funding would allow the Judicial Branch to construct the space in anticipation of filling the position.

Governor's Recommendation

The Governor concurs with the agency request.