

**MINUTES**

**JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION**

February 11, 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  
Jonathan Tang, Kansas Legislative Research Department  
Aaron Klaassen, Kansas Legislative Research Department  
Gary Deeter, Committee Secretary  
Florence Deeter, Assistant

**Conferees**

Janice Harper, Comptroller, Adjutant General's Office

**Other Attending**

See attached sheet.

The Chairperson called the meeting to order at 12:21 p.m. and thanked Florence Deeter for providing the gourmet lunch.

The Chairperson requested further discussion regarding the Adjutant General's FY 2010 and 2011 budget requests. Aaron Klaassen, Kansas Legislative Research Department, reviewed the capital improvements budget requests from the agency, specifically the National Guard Museum project (Attachments 1 and 2). He said the Legislature established a dedicated funding stream through FY 2009 session laws to appropriate 30 percent of the net profits from the Veterans Benefit Game Lottery tickets to fund construction of the museum, which, when coupled with the Governor's recommendation of \$270,000, would provide sufficient funds (\$459,357) to complete the project. He stated that, based on Lottery receipts, \$968,687 was transferred to the State General Fund, which was then to be appropriated for the museum project. However, due to the state's revenue shortfalls, the funds were diverted elsewhere. The agency's FY 2011 budget included a renewed request for \$488,687 to complete the project, which was not recommended by the Governor except for the \$270,000 previously transferred to the agency. Members discussed the issue, asking for input from Janice Harper, Comptroller for the Adjutant General's office. Ms. Harper said that the building is 50 percent complete but is not presently useable and further delay may jeopardize the project. She said the original cost estimate of \$1.2 million was reduced so that \$459,357 would be sufficient to complete the project.

During the discussion a question was raised about the new armory being built in Wichita. A Committee member suggested that, since the new armory is near the headquarters for Troop F of the Kansas Highway Patrol, co-location at the new armory might address the crowded conditions for Troop F. Ms. Harper said the new armory will replace other armories in Wichita.

Committee members further discussed how to respond effectively to the absence of funding for the National Guard Museum, considering several options for renewing funds to complete the Museum as promised. *A motion was made by Senator Francisco and seconded by Representative Brunk to approve the FY 2010 budget, which includes the Governor's recommendation for \$270,000 plus \$459,357 with the exception of \$157,283, Phase 4 of the project, which can be included in the FY 2011 budget request. The motion failed, 4-5.*

*A motion was made by Senator Kelly to place the full amount of \$459,937 in the FY 2010 budget. It was seconded by Senator Emler. The motion passed.*

*A motion was made by Representative Feuerborn, seconded by Senator Emler, and passed unanimously to approve the FY 2010 and the FY 2011 budgets as amended.*

Mr. Klaassen reported on the capital improvements budget requests by the Kansas Department of Transportation. He said that the agency's FY 2010 budget estimates of \$8.7 million, all from the State Highway Fund, includes \$4.3 million for projects and \$4.4 for rehabilitation and repair, amounts with which the Governor concurred. For 2011 the agency requests expenditures totaling \$7.4 million, all likewise from the State Highway Fund, an amount which includes \$3.9 million for projects and \$3.5 million for rehabilitation and repair. The Governor did not recommend certain projects totaling \$1.6 million. *A motion was made by Representative Feuerborn, seconded by Representative Pottorff, and passed unanimously to approve the report.*

The meeting was adjourned at 12:50 p.m. The next meeting is scheduled for Monday, February 15, at 12:00 noon in Room 144-S.

Prepared by Gary Deeter  
Edited by Audrey Dunkel

Approved by Committee on:

April 28, 2010

(Date)



## 35th Infantry Division Museum Expansion

2008 Session Laws: Chapter 184, Section 45 Provides for the Kansas Lottery to transfer to the Adjutant General's Department \$270,000 in proceeds from the state gaming revenues fund to the National Guard Museum Assistance Fund of the Adjutant General's Department

2009 Session Laws: Chapter 124, Section 84 provides for "No Limit" expenditure authority for the National Guard Museum Assistance Fund for FY 2010

2009 Session Laws: Chapter 156, Section 6 provides for 30% of net profits from the Veterans Benefit Game Lottery Tickets from July 1, 2008 to June 30, 2010 be appropriated for the 35th Infantry Division Museum expansion

### Expenditure Breakdown of \$270,000 National Guard Museum Assistance Fund

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Topeka Blue Print	Plan Reproductions	\$ 859.61
Kansas Building Systems	Project Construction Costs	<u>\$ 269,140.39</u>
	Total Expended	<u>\$ 270,000.00</u>

### Project Costs

Phase I: Site Work, Grading & Excavating & Concrete Work	\$ 239,857.00
Phase II: Building Shell	\$ 192,857.00
Phase III: Above Ground Plumbing, HVAC, Electrical & Telecom	\$ 139,360.00
Phase IV: General Building & Interior Finishes	<u>\$ 157,283.00</u>
	<u>\$ 729,357.00</u>
Less Funds Received:	<u>\$ 270,000.00</u>
Funds Needed to Complete Addition	<u>\$ 459,357.00</u>

**Kansas Lottery**  
 February 11, 2010  
Veterans Games Transfers

FY 2004	\$ 632,695	
FY 2005	701,164	
FY 2006	717,113	
FY 2007	913,138	
FY 2008	880,163	
FY 2009	1,628,958	
	<u>\$ 5,473,231</u>	total transferred for Veterans Games
FY 2009	\$ 1,628,958	
FY 2010	<u>1,600,000</u>	estimated
	\$ 3,228,958	projected transfers for FY2009 and FY2010

<b><u>30% of Transfers</u></b>		
FY 2009	\$ 488,687	
FY 2010	<u>480,000</u>	
	\$ 968,687	estimated total transfers under 2008 Senate Substitute for House Bill 2923

FY 2010	\$ 459,357	revised amount requested by agency to complete project
	968,687	total estimated transfers under bill
	<u>\$ (509,330)</u>	difference

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# Joint Committee on State Building Construction

Review of Capital Improvements Requests for:

Department of Transportation  
Adjutant General

February 11, 2010

Attachment 2  
JCSBC 2-11-10

**JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT**

**CAPITAL IMPROVEMENTS – BUILDING PROJECTS**

**Agency:** Kansas Department of Transportation

**Bill No.:** --

**Bill Sec.:** --

**Analyst:** Klaassen

**Analysis Pg. No.:** --

**Capital Budget Page No.:** 461

Project	Agency Estimate FY 2010	Gov. Rec. FY 2010	JCSBC Rec FY 2010
<b>Projects:</b>			
Reroof Buildings – Various Locations	\$ 613,620	\$ 613,620	\$ 0
Equipment Storage Sheds	827,680	827,680	0
Subarea Bay Extension	2,014,456	2,014,456	0
Remote Chemical Storage Bunkers	54,020	54,020	0
Purchase Land – Various Locations	230,050	230,050	0
Building Renovation for Subarea - Sublette	526,000	526,000	0
Rehabilitation and Repair	4,431,531	4,431,531	0
<b>TOTAL</b>	<b>\$ 8,697,357</b>	<b>\$ 8,697,357</b>	<b>\$ 0</b>
<b>Financing:</b>			
State Highway Fund	\$ 8,697,357	\$ 8,697,357	\$ 0
<b>TOTAL</b>	<b>\$ 8,697,357</b>	<b>\$ 8,697,357</b>	<b>\$ 0</b>

**Agency Estimate**

The **agency** estimates FY 2010 expenditures of \$8,697,357, all from the State Highway Fund, for building projects. Expenditures include \$4,265,826 for projects and \$4,431,531 for rehabilitation and repair.

**Governor's Recommendation**

The **Governor** concurs with the agency's request for FY 2010 building projects.



**JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT**

**CAPITAL IMPROVEMENTS – BUILDING PROJECTS**

**Agency:** Kansas Department of Transportation

**Bill No. --**

**Bill Sec. --**

**Analyst:** Klaassen

**Analysis Pg. No. --**

**Capital Budget Page No. 461**

Project	Agency Request FY 2011	Gov. Rec. FY 2011	JCSBC Rec FY 2011
<b>Projects:</b>			
Reroof Buildings – Various Locations	\$ 380,317	\$ 380,317	\$ 0
Subarea Bay Extension	1,672,013	1,672,013	0
Chemical Storage Facilities	198,089	198,089	0
Remote Chemical Storage Bunkers	121,872	121,872	0
Vehicle Wash Bays	300,329	0	0
Area Shop Renovation - Topeka	317,876	0	0
District Six Welding Shop Addition – Garden City	835,926	0	0
Purchase Land – Various Locations	120,000	0	0
Rehabilitation and Repair	3,454,139	3,454,139	0
<b>TOTAL</b>	<b>\$ 7,400,561</b>	<b>\$ 5,826,430</b>	<b>\$ 0</b>
<b>Financing:</b>			
State Highway Fund	\$ 7,400,561	\$ 5,826,430	\$ 0
<b>TOTAL</b>	<b>\$ 7,400,561</b>	<b>\$ 5,826,430</b>	<b>\$ 0</b>

**Agency Request**

The **agency** requests FY 2011 expenditures totaling \$7,400,561, all from the State Highway Fund, for building projects. Expenditures include \$3,946,422 for projects and \$3,454,139 for rehabilitation and repair.

**Governor's Recommendation**

The **Governor** recommends FY 2011 expenditures totaling \$5,826,430, all from the State Highway Fund, for building projects. Expenditures include \$2,372,291 for projects and \$3,454,139 for rehabilitation and repair. The Governor does not recommend \$1,574,131 in projects which include: the construction of one vehicle wash bay in Shawnee (\$300,329), Area Shop Renovation in Topeka (\$317,876), District Six Welding Shop Addition in Garden City (\$835,926), and the purchase of land in various locations (\$120,000).

# JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT

## CAPITAL IMPROVEMENTS

**Agency:** Adjutant General

**Bill No. --**

**Bill Sec. --**

**Analyst:** Klaassen

**Analysis Pg. No. --**

**Capital Budget Page No. --**

Project	Agency Estimate FY 2010	Gov. Rec. FY 2010	JCSBC Rec FY 2010
<b>Projects:</b>			
Debt Service Principal	\$ 300,000	\$ 300,000	\$ 0
Federal Match - Armories	1,000,000	1,000,000	0
Fusion Center Completion	810,309	810,309	0
Stimulus Funds	977,000	977,000	0
Field Maintenance Shop Wichita	2,790,235	2,790,235	0
National Guard Museum Expansion Fund	758,687	270,000	0
<b>TOTAL</b>	<b>\$ 6,636,231</b>	<b>\$ 6,147,544</b>	<b>\$ 0</b>
<b>Financing:</b>			
State General Fund	\$ 788,687	\$ 300,000	\$ 0
All Other Funds	5,847,544	5,847,544	0
<b>TOTAL</b>	<b>\$ 6,636,231</b>	<b>\$ 6,147,544</b>	<b>\$ 0</b>

### Agency Estimate

The **agency** estimates FY 2010 capital improvements expenditures totaling \$6,636,231. The estimate includes expenditures totaling \$788,687, all from the State General Fund. Expenditures include:

#### FY 2010 State General Fund (\$788,687):

- \$300,000 for debt service principal; and
- \$488,687 requested as a supplemental for the 35<sup>th</sup> Infantry Division addition to the Kansas National Guard Museum detailed later.

#### FY 2010 Fee Funds (\$1,080,309):

- \$270,000 in lottery proceeds already available within the no-limit National Guard Museum expansion fund; and
- \$810,309 for completion of the Fusion Center from the Adjutant General Expense Fund.

### **FY 2010 Federal Funds (\$4,767,235):**

- \$1.0 million in matching funds for the armory renovation program;
- \$2,790,235 in Architectural and Engineering costs associated with the new Field Maintenance Shop and the Armory in Wichita; and
- \$977,000 in federal stimulus funds. The projects supported by these funds are all validated energy projects which will reduce energy consumption. These projects include a new Training Site Headquarters building at Ft. Riley, seven upgrades to existing lighting, floor coatings for aviation maintenance facilities, an energy study for our military lodging facility in Salina, upgrades and replacement of two HVAC systems in Topeka and two office/bathroom remodels in Topeka. State matching share was required for lighting projects at the Manhattan Armory and Kansas City Armory. The state share for the armory projects will be financed with Armory Renovation Bond Funds.

### **Capital Improvements Supplementals and Enhancements Detail:**

**FY 2010 Armory Renovation Bond Authority.** The 2005 Legislature approved the issuance of \$9.0 million in bonds for armory renovation, with three bond issues of \$3.0 million each to be made in FY 2007, FY 2008, and FY 2009. The FY 2007 and FY 2008 bonds have been issued, however, the agency states that due to the increased work load relating to the Great Plains Training Center and continued deployments of the Director of Facilities Management's staff, the agency was not able to request approval to issue the third set of Armory Bonds before the 2009 Session closed. These bonds may also be approved by the State Finance Council, but due to budgetary and other reasons a meeting was not held in June 2009 and the authority to issue the remaining \$3.0 million in bonds must now be requested as a supplemental in FY 2010. If authority to issue the bonds is approved in FY 2010, the agency does not anticipate any debt service payments until after FY 2011 for this set of Armory Bonds.

The **Governor** supports the agency's request to seek Legislative approval of the last \$3.0 million bond issuance for armory renovation.

**FY 2010 and FY 2011 National Guard Museum Expansion Funds.** 2008 Senate Substitute for House Bill 2923, Section 6, provides an amount equal to 30.0 percent of net profits from the Veteran's Benefit Instant scratch-off tickets from July 1, 2008 to June 30, 2010 to fund the 35th Infantry Division Museum and museum education center, an expansion of the current Kansas National Guard Museum. The Language in the bill requires the Lottery Commission to transfer the proceeds from this game to the State General Fund. Once the funds have been transferred they are available but must be appropriated to the Adjutant General's Department for the museum expansion. \$488,687 is requested to be appropriated in FY 2010 and FY 2011 for this project. The FY 2010 amount includes \$270,000 in lottery proceeds already available within the expansion fund.

The **Governor** does not recommend the enhanced funding (\$488,687), but concurs with the agency's request to spend the existing balance in the museum expansion fund (\$270,000).

### **Governor's Recommendation**

The **Governor** recommends FY 2010 capital improvements expenditures totaling \$6,147,544, including \$300,000 from the State General Fund, for capital improvements. The

only change from the agency's FY 2010 request is due to a reduction of \$488,687, all from the State General Fund, which was requested for the National Guard Museum Expansion. The Governor concurs with the agency's request for debt service principal (\$300,000) and special revenue fund expenditures.

# JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT

## CAPITAL IMPROVEMENTS

**Agency:** Adjutant General

**Bill No. --**

**Bill Sec. --**

**Analyst:** Klaassen

**Analysis Pg. No. --**

**Capital Budget Page No. --**

Project	Agency Request FY 2011	Gov. Rec. FY 2011	JCSBC Rec FY 2011
<b>Projects:</b>			
Debt Service Principal	\$ 1,820,000	\$ 1,820,000	\$ 0
Federal Match - Armories	1,000,000	1,000,000	0
Field Maintenance Shop Wichita	64,333,235	64,333,235	0
National Guard Museum Expansion Fund	488,687	0	0
Liberal Motor Vehicle Storage	381,291	0	0
Great Plains Training Center Site No. 1	6,847,425	0	0
<b>TOTAL</b>	<b>\$ 74,870,638</b>	<b>\$ 67,153,235</b>	<b>\$ 0</b>
<b>Financing:</b>			
State General Fund	\$ 9,537,403	\$ 1,820,000	\$ 0
All Other Funds	65,333,235	65,333,235	0
<b>TOTAL</b>	<b>\$ 74,870,638</b>	<b>\$ 67,153,235</b>	<b>\$ 0</b>

### Agency Request

The **agency** requests FY 2011 capital improvements expenditures totaling \$74,870,638. The request includes expenditures totaling \$9,537,403 from the State General Fund. Expenditures include:

#### FY 2011 State General Fund (\$9,537,403):

- \$1,820,000 for debt service principal;
- \$7,717,403 in requested enhancements, which include:
  - \$488,687 for the 35<sup>th</sup> Infantry Division addition to the Kansas National Guard Museum;
  - \$6,847,425 for the creation of the Great Plains Regional Training Center Site 1; and
  - \$381,291 for the Liberal Motor Vehicle Storage.

#### FY 2011 Federal Funds (\$65,333,235):

- \$1.0 million in matching funds for the armory renovation program;

- \$2,790,235 in Architectural and Engineering costs associated with the new Field Maintenance Shop and the Armory in Wichita; and
- \$61,543,000 for the construction costs of the Wichita Field Maintenance Shop (\$22.8 million, 121,921 sq. ft.) and Armory (\$38.8 million, 209,000 sq. ft.).

The 100.0 percent federally funded Armory and Field Maintenance Shop in Wichita will house the 287<sup>th</sup> Sustainment Brigade. Both structures will be built in the same area with a common access point, and land for the project was obtained from the City of Wichita via a 99 year no-cost lease.

### **Capital Improvements Enhancements Detail:**

**FY 2010 and FY 2011 National Guard Museum Expansion Funds.** 2008 Senate Substitute for House Bill 2923, Section 6, provides an amount equal to 30.0 percent of net profits from the Veteran's Benefit Instant scratch-off tickets from July 1, 2008 to June 30, 2010 to fund the 35th Infantry Division Museum and museum education center, an expansion of the current Kansas National Guard Museum. The Language in the bill requires the Lottery Commission to transfer the proceeds from this game to the State General Fund. Once the funds have been transferred they are available but must be appropriated to the Adjutant General's Department for the museum expansion. \$488,687 is requested to be appropriated in FY 2010 and FY 2011 for this project. The FY 2010 amount includes \$270,000 in lottery proceeds already available within the expansion fund.

The **Governor** does not recommend the enhanced funding (\$488,687), but concurs with the agency's request to spend the existing balance in the museum expansion fund (\$270,000).

**FY 2011 Liberal Motor Vehicle Storage.** The agency requests \$381,291, all from the State General Fund, to expand the Motor Vehicle Storage Compound at the Liberal Army National Guard Armory. The agency reports that the armory supports two units which has increased the requirement for additional parking of military semi tractors and trailers. The agency states that the current fence is rusted beyond repair, and that the site requires regrading to channel water runoff away from the recently remodeled Armory. Funds would be used to excavate and grade 7,200 square yards and surface with crushed rock, and replace 1,075 lineal feet of substandard fencing.

The **Governor** does not recommend the enhancement.

**FY 2011 Great Plains Regional Training Center Spoke No. 1.** The agency requests \$6,847,425, all from the State General Fund, for a regional training site in conjunction with the newly developed Great Plains Regional Training Center. This regional training facility will facilitate public safety, with national guard members and first responders receiving training not otherwise available either financially or geographically, and allow for multi-use and multi-disciplinary training on various levels and provide a regional area for emergency response. It will also be used to provide Kansas National Guard members with a regional area to train tactical, strategic and homeland security and defense tasks.

The **Governor** does not recommend the enhancement.

### **Governor's Recommendation**

The **Governor** recommends FY 2011 capital improvements expenditures totaling \$67,153,235, including \$1,820,000 from the State General Fund, for capital improvements. The

difference when compared to the agency request is due to State General Fund reductions of \$7,717,403, due to not recommending any enhanced funding for capital improvements (projects not recommended include: National Guard Museum Expansion (\$488,687) Great Plains Regional Training Center Site 1 (\$6.8 million), and Liberal Motor Vehicle Storage (\$381,291)).

The **Governor** concurs with the agency's request for debt service principal (\$1.8 million) and special revenue funds expenditures.