

## MINUTES

### JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

February 17, 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 Bob Grant  
Representative Mitch Holmes

#### Staff

Audrey Dunkel, Kansas Legislative Research Department  
Jonathan Tang, Kansas Legislative Research Department  
Matt Sterling, Office of the Revisor of Statutes  
Gary Deeter, Committee Secretary  
Florence Deeter, Committee Assistant

#### Conferees

Richard Koerth, Assistant Secretary, Kansas Department of Wildlife and Parks

#### Other Attending

See attached list.

The Vice-chairperson called the meeting to order at 12:15 p.m., thanked Sue Peterson and Kansas State University for providing lunch, and asked Audrey Dunkel, Kansas Legislative Research Department, to complete the review of capital improvements budgets for the Regents universities (Attachment 1).

Ms. Dunkel referenced a previous meeting (February 15) to note the omission of figures showing deferred maintenance for Fort Hays State University in FY 2011; the corrected copy includes \$635,100 for deferred maintenance.

*A motion was made by Representative Feuerborn, seconded by Representative Grant, and passed to approve all Regents capital improvements budgets reported on Monday, February 15.*

Ms. Dunkel continued the review of the Regents capital improvements budgets for Wichita State University, the University of Kansas, the University of Kansas Medical Center, and Kansas State University, the last which includes KSU Veterinary Medicine and the Extension Systems and Agriculture Research Programs (ESARP). Ms. Dunkel said the FY 2010 estimates of \$134.7 million include \$1.4 million from the State General Fund (SGF), \$51.3 million for rehabilitation and repair, \$46.2 million for deferred maintenance, and debt service principal payments of \$37.1 million. The Governor concurred with these estimates, except for the funding for the Postsecondary Education Infrastructure (PEI) bonds. He recommended \$5 million, all from the SGF rather than from special revenue funds.

Regarding FY 2011 capital improvements budgets for the Regents, Ms. Dunkel stated that the request of \$103.6 million included \$33.9 million from the SGF, \$39.3 million for rehabilitation and repair, \$5.7 million for deferred maintenance, and debt service principal payments of \$43.6 million. The Governor reduced the request to \$71 million (\$8.7 million SGF), a reduction of \$32.6 million from all funds and \$25.1 million from the SGF. Again, the Governor recommended PEI bond debt service payments from SGF rather than from special revenue funds. The Governor recommended a hiatus on any further bond issuance, a savings of \$2.5 million.

*Representative Feuerborn made a motion, seconded by Representative Brunk, to approve the Wichita State University report. The motion passed.*

*A motion was made by Representative Feuerborn, seconded by Senator Francisco, and passed to approve the report for the University of Kansas.*

*By motion of Senator Kelly and second of Senator Francisco the report for the University of Kansas Medical Center was approved.*

*The budget report for Kansas State University, the Veterinary Medical School, and KSU/ESARP was approved. The motion was by Representative Feuerborn and seconded by Representative Holmes.*

Ms. Dunkel gave an abbreviated version of an earlier review (February 4) of the capital improvements budget for the Kansas Department of Wildlife and Parks. She said the FY 2010 agency estimate totaling \$14.5 million (\$461,049 SGF) was revised upward \$6.5 million due to carry-over funds. The Governor recommended expenditures totaling \$14.5 million, including \$461,049 from the SGF, but concurred with the revised estimate. For FY 2011 the agency requested expenditures of \$8.9 million, a decrease of \$5.7 million from the FY 2010 estimate because some multi-year projects are being completed in FY 2010; the request includes a \$1.5-million enhancement. The Governor recommended an expenditure decrease of 47.3 percent from the FY 2010 total; he did not recommend the \$1.5 million enhancement. He recommended suspension of a transfer from the State Highway Fund, but did recommend an addition of \$125,000 from federal funds for state park facilities.

Dick Koerth, Assistant Secretary, Kansas Department of Wildlife and Parks, reviewed previous testimony (February 4), adding that cuts in the road maintenance fund will require adjusting from scheduled maintenance to emergency repairs (Attachment 2). He commented on the success of the cabin-building program and noted that purchase of 3,000 acres from the federal Parsons Ammunition Plant is nearly finalized. A member questioned using Land and Water Conservation Fund monies for park maintenance. Mr. Koerth replied that a federal agency must approve the shift in funding before money can be diverted.

*A motion was made by Representative Feuerborn, seconded by Representative Holmes, and passed (9-1) to approve the report.*

The meeting was adjourned at 12:41 p.m. The next meeting is scheduled for Wednesday, February 24, 2010, in Room 144-S of the Capitol.

Prepared by Gary Deeter  
Edited by Audrey Dunkel

Approved by Committee on:

April 28, 2010

(Date)

# Joint Committee on State Building Construction

Review of Capital Improvements Requests for:

University of Kansas  
University of Kansas Medical Center  
Kansas State University  
Wildlife and Parks

February 17, 2010

Attachment 1  
JCSBC 2-17-10



Project	Agency Estimate FY 2010	Gov. Rec. FY 2010	JCSBC Rec FY 2010
<b>University of Kansas Medical Center</b>			
Rehabilitation and Repair	\$ 3,690,373	\$ 3,690,373	\$ 0
Deferred Maintenance	3,426,205	3,426,205	0
Debt Service Principal	917,687	917,687	0
Subtotal	\$ 8,034,265	\$ 8,034,265	\$ 0
<b>Kansas State University</b>			
Rehabilitation and Repair	\$ 12,427,984	\$ 12,427,984	\$ 0
Deferred Maintenance	17,906,430	17,906,430	0
Debt Service Principal	4,314,557	4,314,557	0
Subtotal	\$ 34,648,971	\$ 34,648,971	\$ 0
<b>KSU - ESARP</b>			
Rehabilitation and Repair	\$ 504,800	\$ 504,800	\$ 0
<b>TOTAL</b>	<b>\$ 134,689,945</b>	<b>\$ 134,689,945</b>	<b>\$ 0</b>
<b>Financing:</b>			
State General Fund	\$ 1,448,168	\$ 6,448,168	\$ 0
General Fees Fund	10,302,601	10,302,601	0
Deferred Maintenance Support Fund	12,808,589	12,808,589	0
Infrastructure Maintenance Fund	7,120,426	7,120,426	0
Federal American Recovery and Reinvestment Act Fund	26,311,614	26,311,614	0
Educational Building Fund	49,847,051	49,847,051	0
All Other Funds	26,851,496	21,851,496	0
<b>TOTAL</b>	<b>\$ 134,689,945</b>	<b>\$ 134,689,945</b>	<b>\$ 0</b>

## Agency Estimate

The **agency** estimates FY 2010 systemwide capital improvements expenditures of \$134.7 million, including \$1.4 million from the State General Fund. The estimate includes \$51.3 million for rehabilitation and repair projects, \$46.2 million for deferred maintenance, and debt service principle payments of \$37.1 million.

## Governor's Recommendation

The **Governor** concurs with the systemwide request for FY 2010 with the exception of funding for the Postsecondary Education Infrastructure (PEI) bonds. The Governor recommends \$5.0 million, all from the State General Fund, for bond principal payments. The Board of Regents had requested the payments from special revenue funds, collected from the institutions accessing funding through the PEI bond program for the principal payments. Interest payments for the program are paid by the State.

**JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT**

**CAPITAL IMPROVEMENTS**

**Agency: Postsecondary Education  
Systemwide**

**Bill No. --**

**Bill Sec. --**

**Analyst: Dunkel**

**Analysis Pg. No. --**

**Capital Budget Page No. Various**

Project	Agency Estimate FY 2011	Gov. Rec. FY 2011	JCSBC Rec FY 2011
<b>Projects:</b>			
<b>Board of Regents</b>			
Transfers to Universities	\$ 15,000,000	\$ 15,000,000	\$ 0
Debt Service Principal – Crumbling Classrooms	13,985,000	13,985,000	0
Debt Service Principal – Postsecondary Education Infrastructure (PEI) Grants	7,500,000	5,000,000	0
Debt Service Principal – Research Bonds	5,225,000	5,225,000	0
Subtotal	\$ 41,710,000	\$ 39,210,000	\$ 0
<b>Emporia State University</b>			
Rehabilitation and Repair	\$ 1,016,215	\$ 1,016,215	\$ 0
Deferred Maintenance	370,000	370,000	0
Debt Service Principal	510,000	510,000	0
Subtotal	\$ 1,896,215	\$ 1,896,215	\$ 0
<b>Pittsburg State University</b>			
Rehabilitation and Repair	\$ 900,000	\$ 900,000	\$ 0
Deferred Maintenance	375,000	375,000	0
Debt Service Principal	1,449,918	1,449,918	0
Subtotal	\$ 2,724,918	\$ 2,724,918	\$ 0
<b>Fort Hays State University</b>			
Rehabilitation and Repair	\$ 400,000	\$ 400,000	\$ 0
Deferred Maintenance	0	0	0
Debt Service Principal	615,944	615,944	0
Subtotal	\$ 1,015,944	\$ 1,015,944	\$ 0
<b>Wichita State University</b>			
Rehabilitation and Repair	\$ 340,000	\$ 340,000	\$ 0
Deferred Maintenance	935,544	935,544	0
Debt Service Principal	3,057,306	3,057,306	0
Subtotal	\$ 4,332,850	\$ 4,332,850	\$ 0

**University of Kansas**

Rehabilitation and Repair	\$ 24,349,500	\$ 3,200,000	\$ 0
Deferred Maintenance	1,950,000	1,950,000	0
Debt Service Principal	5,761,870	5,761,870	0
Subtotal	<u>\$ 32,061,370</u>	<u>\$ 10,911,870</u>	<u>\$ 0</u>

**University of Kansas Medical Center**

Rehabilitation and Repair	\$ 9,481,500	\$ 500,000	\$ 0
Deferred Maintenance	276,000	276,000	0
Debt Service Principal	962,687	962,687	0
Subtotal	<u>\$ 10,720,187</u>	<u>\$ 1,738,687</u>	<u>\$ 0</u>

**Kansas State University**

Rehabilitation and Repair	\$ 765,396	\$ 765,396	\$ 0
Deferred Maintenance	1,800,000	1,800,000	0
Debt Service Principal	4,508,937	4,508,937	0
Subtotal	<u>\$ 7,074,333</u>	<u>\$ 7,074,333</u>	<u>\$ 0</u>

**KSU - ESARP**

Rehabilitation and Repair	\$ 1,000,000	\$ 1,000,000	\$ 0
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**KSU – Veterinary Medical Center**

	\$ 1,092,660	\$ 1,092,660	\$ 0
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**TOTAL**

	<u>\$ 103,628,477</u>	<u>\$ 70,997,477</u>	<u>\$ 0</u>
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**Financing:**

State General Fund	\$ 33,858,264	\$ 8,727,264	\$ 0
General Fees Fund	1,914,407	1,914,407	0
Deferred Maintenance Support Fund	5,706,544	5,706,544	0
Infrastructure Maintenance Fund	0	0	0
Federal American Recovery and Reinvestment Act Fund	0	0	0
Educational Building Fund	28,985,000	28,985,000	0
All Other Funds	33,164,262	25,664,262	0
<b>TOTAL</b>	<u>\$ 103,628,477</u>	<u>\$ 70,997,477</u>	<u>\$ 0</u>

**Agency Requests**

The agency requests FY 2011 capital improvements expenditures of \$103.6 million, including \$33.9 million from the State General Fund. The estimate includes \$39.3 million for rehabilitation and repair projects, \$5.7 million for deferred maintenance, and debt service principle payments of \$43.6 million.



## Governor's Recommendation

The **Governor** recommends FY 2011 capital improvements expenditures of \$71.0 million, including \$8.7 million from the State General Fund. The recommendation is a reduction of \$32.6 million, or 31.5 percent, all funds and \$25.1 million, or 74.2 percent, State General Fund below the agency request. The reduction reflects unfulfilled enhancement requests for deferred maintenance funding of \$21.1 million, all from the State General Fund, for the University of Kansas and \$9.0 million, all from the State General Fund, for the University of Kansas Medical Center. In addition, the Governor recommends the payment of Postsecondary Education Infrastructure (PEI) bond debt service from the State General Fund instead of special revenue funds collected from the institutions for debt service principal payments, and recommends that no additional bonds be issued for a savings of \$2.5 million, all from special revenue funds.

**JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT**

**CAPITAL IMPROVEMENTS**

**Agency: Department of Wildlife and Parks Bill No. xxx**

**Bill Sec. xxx**

**Analyst: O'Hara**

**Analysis Pg. No. xxx**

**Capital Budget Page No. 233**

Project	Agency Estimate FY 2010	Gov. Rec. FY 2010	JCSBC Rec FY 2010
<b>Projects:</b>			
Parks Major Maintenance	\$ 2,087,147	\$ 2,087,147	\$ 0
Land Acquisition	1,153,670	1,153,670	0
Cabin Site Preparation	300,000	250,000	0
Wetlands	266,800	266,800	0
Public Lands Major Maintenance	2,493,839	2,493,839	0
River Access	80,115	80,115	0
Boating Access	346,210	346,210	0
Dam Repair	850,000	850,000	0
Trails Development	421,000	421,000	0
Road Maintenance	3,318,936	3,318,936	0
Bridge Maintenance	387,021	387,021	0
Federally Mandated Boating Access	2,270,362	2,270,362	0
Storage Building	40,000	40,000	0
Other Facilities Maintenance	318,949	318,949	0
Special Assessment – Kaw River State Park	186,846	186,846	0
<b>TOTAL</b>	<b>\$ 14,520,895</b>	<b>\$ 14,470,895</b>	<b>\$ 0</b>
<b>Financing:</b>			
State General Fund	\$ 461,049	\$ 461,049	\$ 0
Special Revenue Funds	9,313,468	8,996,418	0
Federal Funds	4,746,378	5,013,428	0
<b>TOTAL</b>	<b>\$ 14,520,895</b>	<b>\$ 14,470,895</b>	<b>\$ 0</b>

**Agency Estimate**

The agency estimates FY 2010 expenditures totaling \$14.5 million, including \$461,049 from the State General Fund. The State General Fund revised FY 2010 estimate includes a State General Fund reduction of \$116,794 from the state parks capital improvements budget as a result of the Governor's July 2009 State General Fund allotments. The revised FY 2010 estimate is an increase of \$6.5 million, or 80.7 percent, above the agency's FY 2009 actual expenditures. The increase above the agency's FY 2009 actual expenditures is attributed to reappropriated funding that carried forward from FY 2009 to FY 2010. The agency states it is not unusual for projects to be approved in one fiscal year, begun the next fiscal year, and finished the fiscal year after that. Many projects take place on federally-owned land and must

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be submitted for approval through the Army Corps of Engineers or the Bureau of Reclamation, and other delays are sometimes the result of regular waiting periods for engineering plans, bidding for projects, and seasonal weather issues.

The revised FY 2010 estimate also includes a supplemental request of \$50,000, all from the Cabin Revenue Fund, to increase expenditures in the Cabin Site Preparation Program for site preparation for up to three additional cabin sites. The funds are used to prepare foundations and provide infrastructure needs such as water, electrical, and sewer services.

### **Governor's Recommendation**

The **Governor** recommends FY 2010 expenditures totaling \$14.5 million, including \$461,049 from the State General Fund. The Governor concurs with the agency's State General Fund revised FY 2010 estimate. The Governor's recommendation is a decrease of \$50,000, or 0.3 percent, below the agency's revised FY 2010 estimate. The Governor does not recommend the agency's supplemental request, which totals \$50,000, all from the Cabin Revenue Fund.

# JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION REPORT

## CAPITAL IMPROVEMENTS

Agency: Department of Wildlife and Parks    Bill No. xxx    Bill Sec. xxx

Analyst: O'Hara    Analysis Pg. No. xxx    Capital Budget Page No. 233

Project	Agency Request FY 2011	Gov. Rec. FY 2011	JCSBC Rec FY 2011
<b>Projects:</b>			
Parks Major Maintenance	\$ 1,875,000	\$ 500,000	\$ 0
Land Acquisition	2,100,000	2,100,000	0
Cabin Site Preparation	300,000	300,000	0
Wetlands	400,000	400,000	0
Public Lands Major Maintenance	392,500	392,500	0
River Access	150,000	150,000	0
Trail Development	585,000	585,000	0
Road Maintenance	1,681,000	637,472	0
Bridge Maintenance	200,000	200,000	0
Federally Mandated Boating Access	1,140,000	1,140,000	0
Debt Service Principal	45,000	45,000	0
<b>TOTAL</b>	<b>\$ 8,868,500</b>	<b>\$ 6,449,972</b>	<b>\$ 0</b>
<b>Financing:</b>			
State General Fund	\$ 1,506,300	\$ 6,300	\$ 0
Special Revenue Funds	5,177,200	4,033,672	0
Federal Funds	2,185,000	2,410,000	0
<b>TOTAL</b>	<b>\$ 8,868,500</b>	<b>\$ 6,449,972</b>	<b>\$ 0</b>

### Agency Request

The agency requests expenditures totaling \$8.9 million, including \$1.5 million from the State General Fund. The request is a decrease of \$5.7 million, or 38.9 percent, below the agency's revised FY 2010 estimate. The request includes an enhancement request of \$1.5 million, all from the State General Fund. Absent the enhancement request, the agency's State General Fund request for capital improvements totals \$6,300, which is attributed to debt service principal payments. The remainder of the decrease is due to capital improvement projects that are anticipated to conclude in FY 2010 and reappropriated funding that was carried forward from FY 2009 to FY 2010 that is budgeted to be spent in FY 2010. The agency requests increases in several of the programs to reflect anticipated payments, maintenance, and construction.

### Governor's Recommendation

The Governor recommends expenditures totaling \$6.4 million, including \$6,300 from the State General Fund. The recommendation is a decrease of \$2.4 million, or 27.3 percent, below

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the agency's FY 2010 request, and a decrease of \$8.0 million, or 55.4 percent, below the Governor's FY 2010 recommendation. The Governor does not recommend the agency's enhancement request, which totals \$1.5 million, all from the State General Fund. The Governor also recommends suspending a transfer from the State Highway Fund to the agency's Department Access Roads Fund in FY 2011 totaling \$1,043,528. In addition, the Governor recommends an addition of \$125,000, all from federal funds, for facilities at the State Parks.



DEPARTMENT OF WILDLIFE AND PARKS

Mark Parkinson, Governor  
J. Michael Hayden, Secretary

www.kdwp.state.ks.us

February 2, 2010

Senator Dwayne Umbarger, Chairperson  
Joint Committee on State Building Construction  
State Capitol Building Room 144-S  
Topeka, KS 66612

Dear Senator Umbarger:

The FY 2011 Governor's Budget Report (GBR), has recommended for the Kansas Department of Wildlife and Parks (KDWP) a FY 2011 capital improvements budget that totals \$6,554,972. The recommendations do not include any capital improvement expenditures recommended from the State General Fund. Attached is a table with the FY 2011 GBR capital improvement recommendations.

For FY 2011, KDWP is recommended an amount of \$500,000 from the Federal Land and Water Conservation Fund (LWCF) for Parks Major Maintenance. The need for funding to maintain the state parks is ongoing. The best solution for the long-term maintenance needs of the parks would be a dedicated funding source; however, given the current state fiscal condition no request is included at this time.

The FY 2011 GBR recommendation includes funding for a maintenance building at the Kaw River State Park which will also serve the Kaw River Wildlife Areas. The cost of the new building is estimated at \$500,000 and is divided between Parks Major Maintenance (LWCF funding) and Public Lands Major Maintenance (Wildlife Fee Fund).

The remaining items in the FY 2011 capital improvement GBR recommendation are continuing programs and include \$400,000 for wetlands acquisition and development, \$2,100,000 for land acquisition, \$542,500 for public lands maintenance, \$200,000 for bridge maintenance, \$300,000 for cabin site preparation, \$150,000 for river access projects, \$1,140,000 for federally mandated boating access projects, and \$585,000 for trails development. It should be noted that the amount of State Highways funds transferred to KDWP for Parks Road Maintenance has been reduced from \$1,617,470 in FY 2010 to \$637,472 for FY 2011. An amount of \$1,012,347 from the State Highway Fund transfer is being used to support state parks operations.

In addition to the FY 2011 GBR capital improvements recommendations, I would like to take the opportunity to update the Committee on two other issues. KDWP is continuing with the existing program to provide public use cabins at state parks and public land areas. This program has been well received by the public and the Department now provides 75 cabins located in 16 state parks and four public land areas.

OFFICE OF THE SECRETARY

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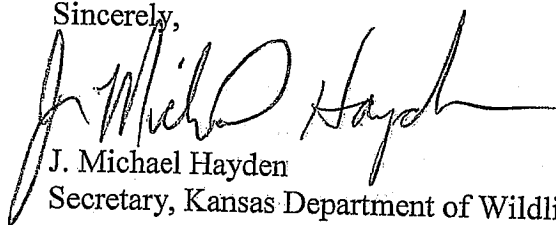
Attachment 2  
JCSBC 2-17-10

The construction of the cabins is financed by a non-profit support organization for the Department (WILDSCAPE), constructed by inmates at three State Department of Corrections facilities, and construction supervision and training is provided by the Greenbush Education consortium. In addition, KDWP has recently engaged the Skyline Manufactured Housing Company of Arkansas City to also construct cabins. This company has completed two cabins in a very satisfactory manner and the KDWP is considering a contract for the construct of five more cabins.

The second issue is the acquisition of 3,000 acres of land by KDWP in Labette County. This land was formerly the Parsons Army Ammunition Plant and KDWP is "close" to the acquisition of 1,000 acres from the U.S. Department of Defense and 2,000 acres from the Great Plains Development Authority. This acquisition has been on-going for several years and KDWP is optimistic that it will be completed soon.

If you or your staff has any questions, please advise. Thank you for your consideration of this request.

Sincerely,



J. Michael Hayden  
Secretary, Kansas Department of Wildlife and Parks

Attachments(1)

FY 2011 Gov Rec

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Priority		SGF	BFF	BF-Fed	Mig Wtfwl	Cabins	WFF	WF -F	Nongm - Fed	LWCF	(a)		Total
											Other Funds	Roads Fund	
1	River Access												\$ 150,000
2	Parks Maj Maint	\$ -	\$ 150,000										\$ 150,000
3	Land Acquisition												\$ 500,000
4	Cabin Site Prep						\$ 1,000,000	\$ 1,000,000	\$ 100,000	\$ 500,000			\$ 500,000
5	Wetlands Acquisition/Development					\$ 300,000							\$ 2,100,000
6	Public Lands Major Maintenance				\$ 200,000			\$ 200,000					\$ 300,000
7	Road Maint		\$ 25,000				\$ 367,500						\$ 400,000
8	Bridge Maint										\$ 150,000		\$ 542,500
9	Federally Mandated Boating Access											\$ 637,472	\$ 637,472
10	Trails Development						\$ 1,140,000				\$ 200,000		\$ 200,000
											\$ 585,000		\$ 585,000
													\$ -
		\$ -	\$ 150,000	\$ 25,000	\$ 200,000	\$ 300,000	\$ 2,507,500	\$ 1,200,000	\$ 100,000	\$ 500,000	\$ 935,000	\$ 637,472	\$ 6,554,972

a) \$200,000 for bridge maint from Bridge Repair Fund; \$150,000 - Fed Lic WA Fund