

MINUTES

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

February 13, 2007
Room 526-S—Statehouse

Members Present

Representative Joe Humerickhouse, Chairman
Senator Dwayne Umbarger, Vice-Chairman
Senator Greta Goodwin
Senator Laura Kelly
Senator Stephen Morris
Representative Steve Brunk
Representative Bill Feuerborn
Representative Bob Grant
Representative Jo Ann Pottorff

Member Absent

Senator Pat Apple

Staff Present

Audrey Dunkel, Kansas Legislative Research Department
Reagan Cussimano, Kansas Legislative Research Department
Heather O'Hara, Kansas Legislative Research Department
Matt Spurgin, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Michele Alishahi, Kansas Legislative Research Department
Mike Corrigan, Revisor of Statutes Office
Helen Abramson, Committee Secretary

Conferees

Richard Gaito, Department of Administration
Robert Tomlinson, Insurance Department
Marilyn L. Jacobson, Department of Administration
Dennis Casarona, Juvenile Justice Authority

Others Attending

See attached list.

The meeting was called to order by Chairperson Joe Humerickhouse at 12:15 p.m. in Room 526-S of the Capitol on February 13, 2007.

Chairman Humerickhouse called the meeting to order and recognized Richard Gaito, Deputy Director, Department of Administration, who presented a proposed five-year lease for the Veterans' Affairs Office in Topeka which combined two current leases ([Attachment 1](#)). Comparable lease cost data also was given. The five-year lease cost is \$11.76 per square foot with an additional one lump sum payment of \$5,737.20 for carpet, which increases the cost per square foot to \$12.18. According to the Department of Administration, the lease is acceptable.

Senator Goodwin moved for Committee's recommendation to approve the five-year lease for the Veterans' Affairs Office at 700 SW Jackson, Topeka. Representative Pottorff seconded. Motion carried.

Director Gaito presented a proposed amendment (No. 7) to the current lease for the Department on Aging, at 503 South Kansas Avenue, Topeka ([Attachment 2](#)). The amendment is for an additional air-conditioning unit and realigned space for the server room. Also included in the lease are expenses not in the original lease.

Representative Feuerborn moved for the Committee's recommendation to approve the amendments to the current lease for the Department on Aging. Representative Grant seconded. Motion carried.

Staff reviewed the Insurance Department's capital improvement projects for FY 2007 and FY 2008 ([Attachment 3](#)). The agency requested FY 2007 expenditures of \$118,745 and the Governor concurred with the agency's FY 2007 request. The agency requests FY 2008 capital improvement expenditures of \$120,861. The request includes \$60,861 for debt service principal payment, \$30,000 for the ongoing replacement of carpet and flooring in the Insurance Department building, and \$30,000 to allow the agency to address unexpected rehabilitation and repair projects without delay. The Governor concurred with the agency's FY 2008 request.

Senator Barone moved for the Committee's recommendation to approve the Governor's recommendations for the agency's request for FY 2008. Representative Pottorff seconded. Motion carried.

Bob Tomlinson, Assistant Insurance Commissioner, provided testimony regarding the future of the Dillon House ([Attachment 4](#)). Mr. Tomlinson stated that the Department of Insurance stands ready to partner with the Legislature on the Dillon property. Changes in the conducting of insurance regulations may require more space in the next decade, requiring more desk space and a place for electronic hardware. In order to meet consumer needs in the global market place, the Department will need more office space. Also, it is in the best interest of the state to move to expand the number of domestic carriers. For these reasons, the Insurance Department would like to explore the possibility of office space on the second and third floors of the Dillon House.

The Insurance Department believes that the first floor should remain under its current use and does not request controlling the scheduling of the first floor. Repair and redecoration of the Dillon House should not be confined to the second and third floors, as the first floor could use some work.

The parking spaces on the Dillon property must go to the Insurance Department, and the Department will not accept the Dillon House without the parking.

In addition, efforts should be made for the city to vacate the alley between the Dillon House and the current Insurance Department offices. Repair and resurfacing of this alley should be part of any project. The Department believes sufficient resources can be obtained for this project.

Discussion followed concerning:

- Installation of an elevator and restrooms under ADA requirements;
- That some accommodations should be made for caterer parking for first floor affairs;
- Time frame for renovation of the building;
- Increasing and exploring a method of restructuring fees to collect more of the fund-raising fees of nondomestic and domestic agencies license' fees;
- Appointing three members of the Building Committee to work with the Insurance Department and Duane Goossen, Division of Budget;
- Whether two extra floors add enough space for the Department's expansion plans, and whether increased revenue stream will cover all the building renovation;
- Estimated total cost of restoration; and
- Cost of complete removal of the building and using the site for a parking lot.

Sabrina Wells, Director of Financial Services, Insurance Department noted that the current debt service for the HVAC is \$750,000 over nine years.

Marilyn L. Jacobson, Director of Facilities Management, Department of Administration, stated that the estimated cost of renovation of the Dillon House is \$3 million, which does not take into consideration renovating for office space.

Chairman Humerickhouse announced that Committee members will form a task force to explore Dillon House proposals.

Staff presented the Judicial Branch's capital improvement projects for FY 2008 (Attachment 5). The budget request includes \$167,919, all from the State General Fund, to create a judicial suite for the 13th judge on the Court of Appeals and 2.0 FTE associated staff who are scheduled to be added in January 2008. The Judicial Branch reported that due to the way expenditures were coded, of this amount, \$140,044 would go toward actual capital improvements and \$27,935 would actually be spent on furnishings and items that would be classified as capital outlay expenditures. The entire amount of \$169,919 is included to reflect what is represented in the Judicial Branch budget submission. The Governor concurs with the agency's FY 2008 request.

Committee discussion followed.

Staff presented the Juvenile Justice Authority's capital improvement projects for FY 2007 and FY 2008 (Attachment 6). The agency requested \$2,742,151 for capital improvement expenditures which includes debt service for FY 2007. The Governor recommends capital improvements of \$2,752,291. The recommendation also includes rehabilitation and repair expenditures of \$862,271, an increase of \$10,140, or 1.2 percent above the agency's FY 2007 rehabilitation and repair estimate. The increase is attributable to a transfer from Atchison and Beloit Correctional Facilities to the Juvenile Justice Authority central office.

For FY 2008, the agency requests capital improvements of \$3,701,389, an increase of \$959,238, or 35.0 percent, above the Governor's FY 2007 recommendation. The request is all from the State Institutions Building Fund (SIBF). The request includes \$1,188,597 in rehabilitation and

repair projects and \$1,975,000 in debt service principal. The request also includes \$537,792 in new construction at the Atchison Juvenile Correctional Facility and \$406,797 from the SIBF to raze living units at the Kansas Juvenile Correctional Complex. The living units are old and no longer in use, and their continued existence poses a potential security and safety threat to staff and youths.

For FY 2008, the Governor recommends capital improvements of \$3,012,792, an increase of \$260,501 or 9.5 percent, above the FY 2007 recommendations, all from the SIBF. The recommendation includes rehabilitation and repair expenditures of \$500,000. The recommendation includes \$537,792 to construct a new maintenance building at the Atchison Juvenile Correctional Facility. The recommendation does not include the razing of living units at Kansas Juvenile Correctional Complex.

Committee discussion followed concerning the high cost of razing the living units at Kansas Juvenile Correctional Complex, bed space needs, and the mothballing of units when the facility closed. The agency is to supply pictures of the living units or the Committee will take a tour of the living units prior to their being razed.

Dennis Casarona, Acting Commissioner, Juvenile Justice Authority, stated that the buildings to be razed are the old dormitories of the former Topeka Juvenile Correctional Facility. The buildings are not being used and the steam and heat are shut off. The biggest share of the cost for razing the buildings is removal of the asbestos. There are 50,000 square feet in these two old open-living units.

Commissioner Casarona, presented testimony regarding Beloit Juvenile Correction Facility (BJCF) regarding a joint venture proposed by the Mitchell County Partnership for Children (MCPC), which would provide a central location for many of the early childhood education initiatives in the area (Attachment 7). The BJCF superintendent and the former Commissioner, Don Jordan, were receptive to the idea. The Superintendent received permission from the former Commissioner in September to go forward with the partnership and entered into a lease with MCPC for the Prairie Vista and Grandview units. One living unit will be used for administrative offices and the other living unit will be used as a day care center. Lease negotiations began November 28, 2006 and the final lease agreement was signed on December 22, 2006. A copy of the three-year lease and amendment was distributed to Committee members (Attachment 8).

The Mitchell County Partnership for Children received money to fund these programs through the Children's Cabinet via the Children's Initiatives Fund. MCPC will pay BJCF \$1,000 a month for the use of the space. The lease allows the tenant to make any cosmetic changes; add parking lots, a circle drive, and fencing; and remove walls. The tenant must return the building to its original condition at the completion of the contract period. BJCF will be responsible for the utilities. They also will make any necessary repairs or improvements to the plumbing, heating, electrical equipment, and roof. Basic custodial services are the responsibility of the tenant.

Chairman Humerickhouse noted that this lease should have come before the Building Committee prior to the signing of the lease.

Representative Brunk moved to accept, retroactively, the three-year lease for the Beloit Juvenile Correctional Facility, but to review the lease again in two or three years to decide if the lease should be terminated. Seconded by Senator Umbarger. Motion carried.

Staff presented information regarding the Kansas Juvenile Corrections Complex (KJCC) Radio Repeater Project. This project will be completed in FY 2007 at a cost of \$44,771 from the SIBF. The money to fund this project is being reappropriated from FY 2006.

The project will improve the reception for the 800-megahertz hand-held radios used by KJCC staff. The building currently has "dead areas" where radio communications are impossible due to building interference. The interference primarily occurs because the sleeping cells and corridor walls are composed of very dense masonry which is reinforced with steel. This causes radio signals to

be weak or nonexistent. This is especially dangerous in critical situations involving altercations between staff and youths in the sleeping rooms.

The new antenna system will include placing ceiling antennas strategically throughout the building. These antennas will be connected together with coaxial cable that is connected to a building amplifier and exterior antenna. The contract documents stipulate that the contractor will not be paid until KJCC staff have verified that there are no "dead areas."

Representative Feuerborn moved to approve the KJCC Radio Repeater Project at a cost of \$44,771 from the SIBF. Representative Grant seconded. Motion carried.

Staff remarked that in the Governor's appropriation FY 2007 budget there is language to raze the pool facility at Beloit Juvenile Correctional Facility at a cost of \$50,000. The Committee delayed action on this item until the Committee can visit the site and noted that it should be brought to their attention during Omnibus.

Senator Morris moved to concur with the Governor's recommendation for the Judicial Branch for FY 2008. Representative Grant seconded. Motion carried.

Staff presented the School for the Blind capital improvement projects for FY 2007 and FY 2008 (Attachment 9). The agency requested \$149,878 for FY 2007 and the Governor concurred with the agency's revised estimate. For FY 2008, the agency requested capital improvement expenditures of \$180,580. The request includes \$83,263 from the SIBF for an enhancement request to reroof the Brighton Building; \$70,823 from the SIBF for rehabilitation and repair; and \$26,494 from the State General Fund for the debt service principal. The Governor concurred with the agency's FY 2008 request. The Division of Budget indicated that the funding for the roof of the Brighton Building should technically be under repair and rehabilitation instead of under a separate item. The capital improvement appropriation bill will reflect that change. At the December meeting, the Committee reviewed the five-year plan for the School for the Blind, but the Committee recommended that the key system item budgeted for FY 2007 in the amount of \$210,000 be moved to FY 2008.

Representative Brunk moved to concur with the Governor's recommendation for FY 2007 and FY 2008 for the School for the Blind. Senator Umbarger seconded. Motion carried.

Staff presented capital improvement requests for FY 2007 and FY 2008 for the School for the Deaf (Attachment 10). For FY 2007, the agency estimates current year capital improvement expenditures of \$893,045, an increase of \$488,848, or 120.9 percent, above the approved amount. The increase is the result of an SIBF reappropriation of: \$19,577 for the Key Card Entry Systems project; \$1,921 for the Gym Roof Repair projects; \$458,445 for the Roth Dorm Renovation projects; and \$8,905 for rehabilitation and repair. The Governor concurs with the agency's FY 2007 revised estimate, with the exception of a \$1 adjustment in the SIBF reappropriation for the Roth Dorm Renovation project.

For FY 2008, the agency requests capital improvement expenditures of \$793,754. This request includes:

- \$547,290 from the SIBF for the following four enhancement requests:
 - \$125,000 to replace the windows in the Roth Administration Building;
 - \$250,290 for architect fees for the remodeling of the west wing of the Roth dormitory;
 - \$172,000 to upgrade the electrical distribution system; and
 - \$190,000 from the SIBF for rehabilitation and repair.

This includes an enhancement request of \$5,000 from the SIBF for additional rehabilitation and repair. Without the enhancement, the agency's rehabilitation and repair request totals \$185,000 and \$56,464 from the State General Fund for the debt service principal payment.

For FY 2008, the Governor recommends FY 2008 capital improvement expenditures of \$246,464, including \$180,000 from the SIBF for rehabilitation and repair and \$56,464 from the State General Fund for the debt service principal.

Staff stated that the key system project was moved from FY 2011 to FY 2008 for the School for the Deaf.

The Governor's recommendation includes the agency's enhancement request for additional funding for rehabilitation and repair. However, the Governor does not recommend the agency's three other enhancement requests for additional funding to replace the window in the Roth Administration Building; for architect fees for the remodeling of the west wing of the Roth dormitory; or to upgrade the electrical distribution system.

Committee discussion followed concerning the three-phase (three-year) replacement of windows project in the Roth Administration Building.

Senator Goodwin moved Committee's recommendation to concur with the Governor's recommendation for the School for the Deaf for FY 2007 and FY 2008. Representative Feuerborn seconded. Motion carried.

Chairman Humerickhouse adjourned the meeting at 1:20 PM.

Prepared by Helen Abramson
Edited by Audrey Dunkel

Approved by Committee on:

May 22, 2007
(Date)