

MINUTES

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

August 15, 2012
Room 144-S—Statehouse

Members Present

Representative JoAnn Pottorff, Vice-chairperson
Senator Marci Francisco
Senator Laura Kelly
Senator Carolyn McGinn
Representative Steve Brunk
Representative Bill Feuerborn
Representative Bob Grant
Representative Kay Wolf

Members Absent

Senator Dwayne Umbarger, Chairperson
Senator Jeff Longbine

Staff Present

Audrey Dunkel, Kansas Legislative Research Department
Shirley Morrow, Kansas Legislative Research Department
Aaron Klaassen, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Michael Wales, Kansas Legislative Research Department
Jill Wolters, Office of the Revisor of Statutes
Daniel Yoza, Office of the Revisor of Statutes
Gary Deeter, Committee Secretary

Conferees

Sarah Shipman, Deputy Director, Leasing and Real Estate, Office of Facilities and Property Management, Kansas Department of Administration
Gary Haulmark, Commissioner, Community Services and Programs, Kansas Department for Aging and Disability Services
Mike Gaito, Director of Capital Improvements, Kansas Department of Corrections
Kyle Rohr, Superintendent, Kansas Juvenile Correctional Center, Kansas Juvenile Justice Authority
Jennie Chinn, Executive Director, Kansas State Historical Society
Rick Gudenkauf, Chief Financial Officer, Kansas Department of Labor

Lieutenant Colonel Eric Blankenship, Office of the Adjutant General
Kimberly Torrey, Chief Fiscal Officer, Kansas Highway Patrol
Kirk Thompson, Director, Kansas Bureau of Investigation
George Werth, Deputy Director, Office of Facilities and Property Management, Kansas
Department of Administration
Kim Fowler, Chief Fiscal Officer, Judicial Branch
John Martello, Deputy Superintendent of Operations and Facility Services, Kansas School
for the Blind and Kansas School for the Deaf
Danny Decker, Building Services Supervisor, Kansas Department of Commerce
Michelle Schroeder, Policy and Legislative Director, Kansas Department for Children and
Families
Bobby Kosmala, Disabilities Services Determination, Kansas Department for Aging and
Disability Services

Others Attending

See attached list.

Morning Session

The Vice-chairperson called the meeting to order at 10:05 a.m. and welcomed Sarah Shipman, Deputy Director, Leasing and Real Estate, Office of Facilities and Property Management, Kansas Department of Administration, who presented three proposed leases.

Ms. Shipman reported that a proposed five-year lease for the Kansas Department of Revenue Division of Motor Vehicles (DMV) in Manhattan is new construction with a cost of \$14 per square foot (psf). She noted the addition of almost 1000 square feet for the new lease is required for expanded equipment, services, and increased customer traffic. Taxes, insurance, and major maintenance are included in the lease, but utilities are not (Attachment 1). Committee members expressed a variety of concerns: the need to move from the present location, the additional costs and increased square feet, and the omission of utilities and parking from the lease cost. Ms. Shipman said the total cost of the lease would be \$16.50 psf. John Holroyd, Acting Manager, Division of Motor Vehicles, explained that the current facility is not viable because of water damage/mold problems, the increases in traffic and equipment require more space, and earlier attempts to find a property at less cost had been unsuccessful. He commented that working through the city and county had yielded no better choices for leased space. *A motion was made by Representative Brunk and seconded by Representative Wolf to accept the lease. A division was called; by a show of hands, the motion failed.*

Ms. Shipman reviewed a proposed five-year lease in Junction City for the Kansas Department of Corrections (Attachment 2). The lease is at the same location with the same per-square-foot cost (\$7.62), and the landlord will improve lighting for the facility. An energy-star audit rating is below the national average. *A motion was made, seconded, and passed unanimously to accept the lease. (Motion, Representative Feuerborn; second, Senator Kelly)*

Ms. Shipman, presenting a proposed lease by the Wichita State University Student Union Corporation, noted that no Regents university has ever presented a lease to the Committee. She said the proposed one-year lease is for the Rhatigan Student Center, which is managed by a Wichita State University affiliate, the WSU Student Union Corporation (Attachment 3). Members posed a number of questions: whether the facility was state-owned; why the lease was brought before the Committee, since the Regents usually handle leases

separately; what arrangements other universities had for leasing facilities; and how the lease would affect sub-contractors. Ms. Shipman replied the lease included the entire building and was sent by WSU for Secretary Taylor's signature. Members agreed more information was needed, and they expressed a hesitation to accept Regents leases for Committee review.

Ms. Shipman distributed further documentation in response to members' requests for more information about privately leased space and state-owned vacant office space in Topeka ([Attachment 4](#)). She noted the Kansas Department of Transportation (KDOT) is consolidating space in the Eisenhower State Office Building (SOB), legislative members will be moving from the Docking SOB, and the reorganization of the former Kansas Department of Social and Rehabilitation Services will free up some state office space.

Gary Haulmark, Commissioner, Community Services and Programs, Kansas Department of Aging and Disability Services, presented the new agency's five-year capital improvements plan ([Attachment 5](#)). He outlined two areas for rehabilitation and repair: normal maintenance projects and major projects over \$500,000. He noted the agency received \$1.42 million from the State Institutions Building Fund (SIBF) for FY 2013 and an additional \$202,000 for modifying the Maple Cottage at Parsons State Hospital to house the Sexual Predator Treatment Program (SPTP) transition patients. He listed the FY 2014 priority projects as Larned State Hospital (four projects, \$3.1 million), Osawatomie State Hospital (roof replacement, \$634,000), Rainbow Mental Health Facility (two projects, \$614,000), and Parsons State Hospital (\$987,000). Members questioned the wisdom of funding the SPTP, commenting that the meager results of the program do not warrant the expense. Answering questions, Mr. Haulmark said the major renovation projects were Osawatomie (\$4.5 million) and renovation of Spruce Cottage at Parsons (\$987,000).

Mike Gaito, Director of Capital Improvements, Kansas Department of Corrections, outlined the agency's five-year capital improvements plan ([Attachment 6](#)). He stated roof replacement of the 485 buildings under the agency's authority is the single most expensive item each year, averaging about \$1 million annually. He highlighted various projects:

- El Dorado: upgrade the video system, \$731,800;
- Hutchinson: replace the emergency generator, \$365,000;
- Lansing: replace the lock system, \$1.5 million;
- Larned: replace the Sallyport gate operators, \$102,000;
- Norton: replace the fire alarm system, \$376,951;
- Topeka: replace the electrical system, \$812,410;
- Winfield: tuck point buildings, \$800,000.

Responding to questions, Mr. Gaito said replacing the T12 light fixtures with T8 and T6 fixtures will pay for itself within a year, as will other upgrades to plumbing fixtures and boilers. He itemized new construction, commenting on the Ellsworth renovation (converting 95 beds to minimum security, nearly complete, on schedule and under budget) and the boot camp at Labette (converting the facility to medium security, to be completed under budget by January 2013).

Kyle Rohr, Superintendent, Kansas Juvenile Correctional Center, Kansas Juvenile Justice Authority (JJA), commented on the agency's five-year capital-improvements plan ([Attachment 7](#)). He noted four items for FY 2014: install a perimeter detection system (\$154,000), upgrade the fire alarm system (\$100,000), install a camera system in the vocational

building (\$284,650), and replace dietary equipment (\$43,000). Members requested further information about the vocational area.

Rob Manry, Business Administrator at the Larned Juvenile Correctional Facility, JJA, noted three priority items for FY 2014: upgrade the security system equipment (phases one and two) and replace the rolling doors with hollow-core steel doors, a total of \$955,201. Answering questions, Mr. Manry said Larned has a capacity of 152 and is budgeted for 122 juveniles; Mr. Rohr said the Topeka facility has a capacity of 300 and is budgeted for 230 juveniles. Mr. Manry stated that a warehouse was needed at the Larned facility (\$380,688), since there was no storage for laundry or snow-removal equipment.

Jennie Chinn, Executive Director, Kansas State Historical Society, said that the agency capital-improvements projects are prioritized as safety, preservation, interpretation, and beautification; she noted that state funds rarely provide for more than the first two items and private funds are obtained for the last two. She thanked the Committee for its support in obtaining an increase in emergency repairs (from \$125,000 to \$250,000), even though the budget cuts halved the appropriation. She called the emergency repairs the agency's lifeline and requested that the \$250,000 be restored for FY 2014. She listed other rehabilitation needs (the Hollenberg Station, Shawnee Mission, the Mine Creek Visitor's Center) and commented on requests involving non-state funds (Cottonwood Ranch, Kaw Mission, Shawnee Indian Mission, and a nature trail at the Topeka headquarters ([Attachment 8](#))). A member commented that the previous year's increase in emergency repair funds was drawn from ELARF (Expanded Lottery Act Revenue Fund), a good use for the gaming funds.

Afternoon Session

Rick Gudenkauf, Chief Financial Officer, Kansas Department of Labor, highlighted the capital improvements completed in FY 2013: improvements to the agency's Information Systems through heating/air conditioning/ventilation (HVAC) upgrades (\$256,100), parking lot resurfacing at 1309 SW Topeka Avenue (\$71,020), and evaluating the 60 percent federal equity in vacating the building at 427 SW Topeka Avenue (\$29,600); all funding came from fee and federal sources ([Attachment 9](#)). He then outlined capital improvements requests for FY 2014: general rehabilitation and repair (\$115,000), resurfacing the parking lot at 2650 E. Circle Drive South (\$195,000), and renovation of 414, 416, 418, and 420 SW Jackson in order to resolve code violations (\$30,000).

Lieutenant Colonel Eric Blankenship, Facilities Engineer, Adjutant General's Office, selected two capital-improvement items to present to the Committee, saying that, after general maintenance and repair (\$268,059), these two were highest priority ([Attachment 10](#)). He said the Hiawatha Armory plumbing is non-functional and the interior is badly in need of repair (\$62,550), and the Topeka Armory needs the plumbing replaced (\$13,050). He noted five other armory projects needing attention. Responding to questions, he replied that the agency holds 81 buildings under its jurisdiction, a number which includes 35 armories. All maintenance and repair work is derived from state funds, but all other projects are funded 50 percent from federal sources. All properties are under the aegis of the Kansas Military Board, properties vacated revert back to their original owners or donors.

Kimberly Torrey, Chief Fiscal Officer, Kansas Highway Patrol, highlighted five projects under the agency's five-year capital-improvements plan ([Attachment 11](#)). She noted two projects involving debt service for storage facilities in Topeka and Olathe (\$355,000) and roof replacements at the Training Academy in Salina (\$659,092). She commented that the roof

replacements will require a supplemental budget request; the projects will be funded from the Training Center Fee Fund. Besides normal rehabilitation and repair (\$290,902), Ms. Torrey stated that plans for the relocation of Troop F headquarters in Wichita is finally coming to fruition through a fifteen-year bond issue to relocate on a newly constructed, 20,000-square-foot facility on KDOT-owned property at K-254 and Rock Road. Currently design work has been completed and will probably include space for the Kansas Bureau of Investigation (KBI). No expenditures are scheduled for the current year; the Troop F budget request for FY 2014 includes \$225,000 and \$84,310 for debt service. Answering a question, Ms. Torrey replied that funding plans include rent from the KBI.

Kirk Thompson, Director, Kansas Bureau of Investigation, responding to the question above, commented that the KBI will lease 2400 square feet in the new Highway Patrol facility and will pay \$50,000 annually for the space. Director Thompson then outlined capital-improvement plans for the current fiscal year and beyond ([Attachment 12](#)). He stated that except for a failing wall, major issues from last year's capital improvements requests, including replacement of the emergency generator, have been addressed through supplemental budget allotments. He outlined two high-priority projects for FY 2014: data center HVAC replacement (\$75,000) and roof repair at the Great Bend office (\$41,000). He commented on outlying years, noting especially the leaking roof at the headquarters annex. He then updated the Committee on the planned forensic laboratory, a collaborative effort with the KBI, the Kansas Attorney General, and Washburn University. Currently a design plan is being developed for the projected 90,000 square-foot facility to be built on the Washburn campus. A member questioned the wisdom of postponing the Annex roof replacement if the roof is already leaking. Mr. Thompson said other projects take priority and the roof will be addressed after the laboratory space is vacated. Answering another question, he said the recently purchased lots contiguous to the headquarters will be sold when the forensic laboratory is completed.

George Werth, Deputy Director, Office of Facilities and Property Management, Kansas Department of Administration, reviewed the Department's five-year capital-improvements plan ([Attachment 13](#)). He referenced a building-assessment tool which ranks a building's conditions, and he noted that FY 2013 budget cuts left only \$2.5 million for rehabilitation and repair for the Capitol Complex buildings, the Statehouse and Cedar Crest, and the Judicial Center. For FY 2014, the budget requests include Curtis cooling tower replacement and tuck pointing the Memorial and Landon buildings (\$2.96 million). Regarding the future of the Docking State Office Building, Secretary Taylor will deliver a recommendation to the Governor this fall. If Docking is to be occupied long-term, a budget request for \$3.5 million will be submitted for the electrical bus duct replacement. Responding to a question, Mr. Werth stated selling the Dillon House is being considered.

Kim Fowler, Chief Fiscal Officer, Judicial Branch, introduced Chief Judge of the Kansas Appellate Court, Richard Greene, who requested funding for a 14th Court of Appeals judge; the total cost for another judicial suite is estimated to be \$208,734 ([Attachment 14](#)). If other office space is consolidated, the total cost would be \$343,978. Judge Greene also requested a security system upgrade (\$53,000) to be included in the FY 2014 budget. Responding to a question, Judge Greene said another judge will enable the Appeals Court to handle the increased work load.

John Martello, Deputy Superintendent of Operations and Facility Services, Kansas School for the Blind and Kansas School for the Deaf, commented on the Kansas School for the Blind five-year capital-improvements plan ([Attachment 15](#)). For FY 2014, he said the primary needs were to upgrade the campus security system (\$116,023), repair the Health Center

windows and foundation (\$102,050), replace the maintenance building roof (\$160,230), and provide other major maintenance, rehabilitation, and repair (\$129,000).

For FY 2014 capital improvements for the Kansas School for the Deaf, Mr. Martello provided these details: complete the Roth Dormitory renovation (\$530,675), upgrade the campus safety/security systems (\$140,000), and provide campus-wide major maintenance, rehabilitation, and repair (\$225,000), a total of \$895,675 (Attachment 16).

Danny Decker, Building Services Supervisor, Kansas Department of Commerce, presented the agency's five-year capital budget plan: repair and improve the eight agency-owned workforce centers, a total of \$216,400 (Attachment 17).

Michelle Schroeder, Policy and Legislative Director, Kansas Department of Children and Families (DCF), presented one item for the agency's capital-improvements budget for FY 2014 and beyond: renovation, maintenance, and repair of the building and parking lot of the Chanute Service Center building, a total of \$200,000 (Attachment 18). Committee members questioned whether leased space for the agency had carried over from the previous agency (Kansas Department of Social and Rehabilitation Services). Bobby Kosmala, Disabilities Determination Services, Kansas Department of Aging and Disability Services, said some SRS leases expired in May, and those leases that have been extended will probably be given to his agency rather than to DCF. He stated the agency would be willing to consider moving to space in a state-owned building.

The Committee minutes for the June 1, 2012, meeting were approved. (Motion by Representative Feuerborn and seconded by Representative Grant)

Audrey Dunkel, Kansas Legislative Research Department, reviewed further meeting dates: September 10 at the Kansas State Fair, a meeting sometime in November after the elections, and during the week of December 3. The meeting was adjourned at 3:15 p.m.

Prepared by Gary Deeter
Edited by Shirley Morrow

Approved by the Committee on:

_____ November 13, 2012 _____
(Date)