

MINUTES

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

December 6, 2012
Room 144-S—Statehouse

Members Present

Representative Jo Ann Pottorff, Vice-chairperson
Senator Marci Francisco
Senator Laura Kelly
Senator Jeff Longbine
Representative Steve Brunk
Representative Bill Feuerborn
Representative Bob Grant
Representative Kay Wolf

Members Absent

Senator Dwayne Umbarger, Chairperson
Senator Carolyn McGinn

Staff Present

Shirley Morrow, Kansas Legislative Research Department
Rod Kinkelaar, Kansas Legislative Research Department
Leah Robinson, 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 appearing before the Committee:

Dan Scherschligt, Director of Engineering and Design, Kansas Department of Transportation
Sarah Shipman, Deputy Director, Leasing and Real Estate, Kansas Department of Administration
Frank Burman, Deputy Director, Design, Construction, and Compliance, Kansas Department of Administration
Kathy Bohnhoff, Controller, Kansas Insurance Department
Marshall Kennedy, Chief Financial Officer, Kansas Commission on Veterans' Affairs
Greg Burden, Executive Director, Kansas Commission on Veterans' Affairs
Webster Roth, Superintendent, Kansas Soldiers Home, Dodge City
Steve Duncan, Superintendent, Kansas Veterans Home, Winfield
Robin Jennison, Secretary, Kansas Department of Wildlife, Parks and Tourism
Catherine Patrick, Director of Operations, Kansas Department of Transportation
Kim Torrey, Chief Financial Officer, Kansas Highway Patrol

Others Attending:

See attached sheet.

The Vice-chairperson called the meeting to order at 9:06 a.m.

Jill Wolters, in clarifying a matter from the April 25, 2012, meeting, explained a motion was made to send a letter to the Kansas Department of Administration requesting a two-year extension be granted to the Behavioral Sciences Regulatory Board before requiring the agency to move to a state-owned building. The motion had passed. However, the Legislative Coordinating Council (LCC) Policy 33 prohibits joint committees from directly communicating with a state agency to make a recommendation for an action by such state agency without prior approval of the LCC. *This motion violates LCC Policy 33; therefore, no action will be taken regarding this motion, and the motion is withdrawn.*

Dan Scherschligt, Director of Engineering and Design, Kansas Department of Transportation (KDOT), presented information regarding the agency's inventory records of real property and real estate transactions; with this inventory the agency can locate potential excess property (Attachment 1). He stated a thorough review had been completed, and, at the end of FY 2012, 1,187 potential excess tracts of land had been identified. Of these, 113 were considered marketable, and 24 tracts comprising 96 acres were sold for a total of \$438,793. Mr. Scherschligt replied some land is returned to the original owners or is deeded to other government entities. A staff of right-of-way agents decides which properties are marketable.

William Vicory, Right-of-Way Bureau Chief, KDOT, explained some properties are too small to be marketable and some are only easements. Since the governing statutes for agency real estate sales require at least a purchase price of two-thirds of the appraised value, many potential buyers are deterred from purchasing certain properties. KDOT always obtains three appraisals for real property.

Sarah Shipman, Deputy Director, Leasing and Real Estate, Kansas Department of Administration, presented an amended lease proposal for the Kansas Department of Children and Families Records Center in Topeka (Attachment 2). The amendment extends the lease for an additional two years, with three one-year options to further extend the lease. *Representative Feuerborn moved the Committee approve extending the lease; Senator Kelly seconded the motion. The motion unanimously passed.*

Ms. Shipman presented a second lease amendment formalizing a prior agreement between the National Institute for Aviation Research at Wichita State University and Hawker Beechcraft (Attachment 3). The amendment is necessary in order to reaffirm the lease provisions following Hawker Beechcraft's bankruptcy filing in May 2012. *Representative Brunk moved to approve the amendment; Representative Feuerborn seconded the motion. The motion passed unanimously.*

Ms. Shipman outlined the proposed sale of the Atchison Juvenile Correctional Facility by the Kansas Juvenile Justice Authority (JJA) (Attachment 4). Ms. Shipman stated the JJA ceased operations at the facility in March 2010; the property includes 108 acres of agricultural land and 52 acres on which are 21 buildings, many in disrepair. The agency will sell the property, assessed at \$700,000, through a sealed-bid process. *A motion was made by Representative Grant to approve sale of the Atchison Juvenile Correctional Facility; the motion was seconded by Senator Francisco. The motion passed unanimously.*

Frank Burman, Deputy Director, Design, Construction, and Compliance, Kansas Department of Administration, requested a change order for the Wichita Field Maintenance Shop being constructed in Wichita for the Kansas National Guard ([Attachment 5](#)). Mr. Burman explained the federal National Guard Bureau issued a stop order on the project due to the total square feet exceeded the authorized allotment approved by Congress. The delay will incur additional costs of \$409,895 by the contractor. Answering a question, Mr. Burman said all costs are covered by federal funds. *A motion was made by Representative Brunk and seconded by Senator Longbine to approve the change order. The motion passed unanimously.*

Kathy Bohnhoff, Controller, Kansas Insurance Department, presented the agency's five-year plan for capital improvements ([Attachment 6](#)). She commented, regarding the outstanding bonds that were retired last year, only basic maintenance is necessary on the agency building. In reply to a question, she stated funding comes from the Special Revenue Fund.

Marshall Kennedy, Chief Financial Officer, Kansas Commission on Veterans' Affairs, reviewed the Commission's five-year capital-improvement plans for the Kansas Soldiers' Home in Dodge City and the Kansas Veterans' Home in Winfield ([Attachment 7](#)). He thanked the Committee for its support of previous maintenance enhancements and summarized the projects for FY 2014: \$1.0 million for rehabilitation and repair at Dodge City and \$962,000 at the Winfield facility. He commented on specific projects at each facility.

Webster Roth, the new Superintendent for the Soldiers' Home, responded to members' questions:

- Currently 55 cottages are habitable; 30 are occupied;
- The vision is to fill all available cottages, as well as other facilities such as the domiciliary;
- The street upgrades have improved the appearance of the facilities;
- Cottages for veterans rent for \$600 per month and, for non-veterans, \$1,300 per month;
- The official maintenance costs per cottage of \$1,200 are probably higher than the actual maintenance costs; and
- Several maintenance initiatives are being explored, such as having a local group adopt a cottage.

A member requested more information about actual maintenance costs per cottage.

Greg Burden, Executive Director, Kansas Commission on Veterans' Affairs, explained that the Commission had recently contracted with the Health Dimension Group to evaluate both facilities, comparing them with civilian facilities and developing a long-range plan for the agency. Mr. Burden stated the final recommendations will be delivered to the Commission in February 2013. Answering other questions, Mr. Burden replied saying advertising is done through the Commission website, through Veterans Administration hospitals, and by word of mouth. Most applications come from veterans living within the state. Mr. Burden stated he would send an Alabama study to Senator Kelly.

Mr. Kennedy returned to provide details regarding rehabilitation and repair at the Winfield facility. Responding to members' questions, Steve Duncan, Superintendent, replied saying new regulations require individual room heating/air-conditioning controls in the Donlon Building; the agency is experimenting with heat-pump window units and boiler heat for the commons areas. The building is licensed for 48 units.

Robin Jennison, Secretary, Kansas Department of Wildlife, Parks and Tourism, presented the Department's five-year capital-improvements plan ([Attachment 8](#)). Mr. Jennison stated the information covered two areas: new construction and rehabilitation and repair. Projects are based on a prioritized list that totals \$8.7 million; the funds are drawn from a variety of fee-based sources. He noted new construction includes a variety of initiatives, such as land acquisition, cabin site preparation, river access, and wetlands acquisition. He also noted the agency has amended the FY 2014 budget to include \$1.5 million for additional road repair projects.

Secretary Jennison responded to member queries:

- 95 percent of all land in Kansas is privately owned. The agency leverages land-acquisition funds by partnering with other groups, such as Ducks Unlimited.
- Some private groups request that the Department purchase certain properties to place in a public trust.
- The agency can purchase up to 320 acres without legislative approval.
- About one million acres are leased for walk-in hunting.
- The Department owns 3,000 acres of the former U.S. Army Ammunition Dump near Parsons and is working with Great Plains Development to create a reservation system for hunting. Negotiations are under way to use the property for fishing, if Great Plains will agree to more than a one-year lease.
- The walk-in hunting leases range from \$1 to \$2.50 per acre.
- Information about the total acres owned by the agency will be provided later.

Catherine Patrick, Director of Operations, KDOT, provided information on the agency's five-year capital-improvements projects ([Attachment 9](#)). She said the agency's primary focus is to preserve the 955 KDOT buildings, a total that includes 206 office and laboratory buildings. She listed the prioritized sequence of projects, starting with rehabilitation, repair, and re-roofing, and including sub-area bay modernizations, establishing remote chemical storage bunkers, new vehicle wash bays to accommodate the larger snow-plow trucks, relocating sub-areas, and the strategic purchase of land. Ms. Patrick noted projects not included in the FY 2014 budget, such as sub-area modernization. Responding to a question, Ms. Patrick stated the Hillside sub-area will be relocated to 80 acres near K-254. Peter Carttar, Assistant Bureau Chief, Bureau of Construction and Maintenance, KDOT, replying to a member's question, said he would verify whether the oil tank at Garnett was still being used.

Kim Torrey, Chief Financial Officer, Kansas Highway Patrol (KHP), announced, after 21 years of seeking to relocate Troop F, the initiative is nearing fruition by utilizing federal forfeiture funds to construct a new headquarters on KDOT property east of Wichita ([Attachment 10](#)). She explained KDOT will assist in site preparation, saving KHP \$1.0 million. The Kansas Bureau of Investigation (KBI) will co-locate in the building, providing savings for both KHP and the KBI. The projected total cost will be \$3.5 million. A Committee member expressed the Committee's support for the project.

The minutes from the November 13, 2012, meeting were approved with one correction. Motion by Senator Longbine; seconded by Representative Brunk. The motion carried.

Members discussed items for the annual Committee Report. A member recommended the Regents Deferred Maintenance Tax Credit resource be continued for Regents institutions.

Since the Chairperson and Vice-chairperson would not be returning to the Legislature, members expressed appreciation for their leadership of the Committee. The Vice-chairperson thanked the staff for their expertise in supporting the Committee and thanked Florence Deeter for providing coffee and snacks for each meeting.

The meeting was adjourned at 11:19 a.m. No further meeting is scheduled at this time.

Prepared by Gary Deeter
Edited by Shirley Morrow

Approved by the Committee on:

January 4, 2013

(Date)