

## MINUTES

### JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

December 16, 2009  
Room 143-N—Statehouse

#### Members Present

Representative Jo Ann Pottorff, Chairperson  
Senator Dwayne Umbarger, 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  
Cody Gorges, Kansas Legislative Research Department  
Heather O'Hara, Kansas Legislative Research Department  
Amy Deckard, Kansas Legislative Research Department  
Jim Wilson, Office of the Revisor of Statutes  
Matt Sterling, Office of the Revisor of Statutes  
Florence Deeter, Committee Secretary

#### Conferees

Richard Gaito, Deputy Director, Division of Facilities Management, Kansas  
Department of Administration  
Gary Hibbs, Manager, Facilities Planning, Design and Construction, Kansas  
Department of Administration  
Marilyn Jacobson, Director of Finance and Facilities Management, Kansas  
Department of Administration  
J. Michael Hayden, Secretary, Kansas Department of Wildlife and Parks  
Ray Dalton, Deputy Secretary, Kansas Department of Social and Rehabilitation  
Services/ SRS Hospitals  
Vicky Johnson, Chief Counsel, Kansas Department of Transportation

Jennie Chinn, Executive Director, Kansas State Historical Society  
Vance Kelly, Treanor Architects  
Llewellyn Crain, Executive Director, Kansas Arts Commission  
John Divine, Chair, Kansas Arts Commission  
Barry Greis, State Architect

### **Other Attending**

See attached sheet.

The Chairperson called the meeting to order at 9:05 a.m. and welcomed Richard Gaito, Deputy Director, Division of Facilities Management, Kansas Department of Administration, who reviewed a lease amendment for the Kansas Lawyers Assistance Program, which began on July 1, 2008, and will expire on May 31, 2013. The current full-service lease contains a base rate of \$12.50 per square foot (psf) for 1,502 square feet for office space. Delineated in the amendment is a request for an additional 980 square feet to be available beginning January 1, 2010, and ending on May 31, 2013, when the current lease ends ( Attachment 1). The additional space requested in the amendment is at the rate of \$6.93 psf.

Mr. Gaito deferred responses to questions to Ann McDonald, Executive Director, Kansas Lawyers Assistance Program. Ms. McDonald said the request for an amendment to the current lease would expand office space, board meeting rooms, and space to provide separate areas for clients' confidentiality.

*By Committee consensus, the lease amendment was approved.*

The Chairperson recognized the return of Representative Mitch Holmes to the Committee. He had been temporarily replaced by Representative Jason Watkins (Attachment 2).

Gary Hibbs, Manager, Facilities Planning, Design, and Construction, Kansas Department of Administration, presented a change order for consideration (Attachment 3). He reported that the new federal National Bio-Agricultural Facility (NBAF) mandates all existing facilities be vacated from the new NBAF site before July 1, 2009. A new route for electrical feeds require new conduits outside the NBAF property. Cost of construction is \$651,000 with a completion date of June 15, 2010.

*A motion was made by Senator Emler, seconded by Senator Umbarger, and carried to approve the change.*

Marilyn Jacobson, Director of Finance and Facilities Management, Kansas Department of Administration (DOA), briefed the Committee on the five-year capital improvement plan for FY 2011 through 2015 (Attachment 4). She said the highest priority for this year lies in funding rehabilitation and repair (R & R) for the Capitol Complex buildings, surplus property, printing plant, and parking lots and sidewalks. Ms. Jacobson indicated that failure to perform these projects could result in greater repair expenses.

Responding to questions, Ms. Jacobson said the utility tunnel is already open, while the road is scheduled to be open before Christmas. Landscape work should be finished ahead of schedule in June or July, 2010. She reported that no sales tax is paid on R & R projects.

J. Michael Hayden, Secretary, Kansas Department of Wildlife and Parks (KDWP), presented three project improvement requests:

- A replacement office and shop building totaling 906 square feet for the Perry Wildlife Area at a cost of \$150,000;
- Development of a new campground at Sand Hills State Park, near the city of Hutchinson, with an estimated cost of \$1,719,900; and
- Contingent upon funding of \$1,952,500, providing much needed additional sewage and dump station facilities at Hillsdale State Park.

Mr. Hayden said a transfer of property from the U.S. Army's former Parsons Army Ammunition Plant to the Great Plains Development Authority necessitates a request for additional funding of \$1 million from the Wildlife Fee Fund. He said that KDWP will receive reimbursement of approximately 75 percent of the acquisition cost from the U.S. Fish and Wildlife Service (Attachment 5).

*A motion was made, seconded, and passed to approve the requests. (Motion Senator Umbarger; second, Representative Grant.)*

Ray Dalton, Deputy Secretary, Kansas Department of Social and Rehabilitation Services/ SRS Hospitals, presented information on the five-year capital improvement plan for the five state hospitals and the Chanute Service Center (Attachment 6). He reported that, based on long-term planning, \$13 million is needed for identified maintenance and repair projects, and \$4.8 million for the urgent repairs to maintain safe facilities. In addition, Mr. Dalton said \$3.6 million is needed for critical major repair and renovation projects at the state hospitals.

Mr. Dalton reported the 30-bed expansion in the Crisis Stabilization Unit at Larned State Hospital (LSH) is being removed from construction plans. He said that contracting out the children/youth beds in that facility will allow for space needed for the Adult Treatment Center.

Reporting on a recent fire in the laundry building at Larned, Mr. Dalton said that an estimated cost of \$1.3 million will be needed to rebuild the facility and replace industrial laundry equipment. He said a cost analysis was conducted, which included possible outside contracting for services, and the agency concluded that rebuilding the facility proved to be the most cost effective. Answering a question, Mr. Dalton said state buildings and equipment in the building are self insured.

Mr. Dalton further explained that for FY 2011, SRS is requesting \$2.5 million for planning funds for a 90-bed expansion at LSH, and \$40 million over FY 2012 and FY 2013 to construct the new facility for the Sexual Predator Treatment Program (SPTP). He indicated that the request for planning money to be used for expansion of the SPTP program on the Osawatomie State Hospital campus has been removed.

*A motion was made, seconded, and passed to approve the Committee's November 18 minutes as printed. (Motion by Representative Grant, seconded by Senator Umbarger)*

Audrey Dunkel, Kansas Legislative Research Department, responded to the question of whether or not universities pay sales tax on rehabilitation and repair projects. She cited KSA 79-3601 stating that universities generally do not pay sales tax, except when the project is intended for

human habitation (KSA 79-3606d). Some Committee members expressed concern regarding the State paying sales tax on the Capitol Restoration Project.

The Chairperson introduced Barry Greis, Capital Architect, who brought an update on the progress being made in the restoration of the Capitol. He gave details about the renovation and noted that the biggest change in this area will be securing the rotunda for erecting scaffolding extending to the dome. Mr. Greis reported installation of wiring in the committee rooms on the first floor is being completed. He said that for the next three sessions, the second and third floors will have limited access at the rail area. Answering a question, Mr. Greis said that materials yet to be purchased will cost \$36 million, bringing renovation costs to \$285 million. The Chairperson thanked Mr. Greis for coming to the meeting.

Discussion ensued on the issue of money being spent on the SPTP at Larned. Representative Feuerborn expressed concern regarding SRS's need to spend \$2.5 million on the program at this time. Representative Brunk said he did not support the proposed plan of \$40 million to build facilities at Larned. Representative Grant concurred. Senator Apple and Senator Kelly also expressed concerns regarding the program. The Chairperson acknowledged the concerns and said further information will be provided for Committee members.

Vicky Johnson, Chief Counsel, Kansas Department of Transportation (KDOT), presented a report on the inventory system KDOT uses as outlined in KSA75-3516 ([Attachment 7](#)). She noted the differentiation between non-infrastructure inventory and infrastructure inventory, saying that non-infrastructure inventory includes land for non-highway use, such as storage yards and land areas with communication towers. Ms. Johnson then gave a detailed report on land which is part of the state highway system right of way and includes rest areas, roadside parks, and historical markers. She reported that, at the present time, there are 5,483 highway plans located in the Bureau of Right of Way and projects at any given location may be found through the use of locator maps. Ms. Johnson demonstrated the importance of these maps with visual overlays. She acknowledged the challenge of moving to electronic inventory of parcels of land owned by the state. Ms. Johnson included in her overview a copy of the annual report of the Bureau of Right of Way as required by KSA 68-404 ([Attachment 8](#)).

Responding to members' questions, Ms. Johnson said that very few parcels of land are over five acres, and joint use agreements are made with farmers holding land adjacent to highway property to use the land and/or maintain the area by mowing the grass.

Jennie Chinn, Executive Director, Kansas State Historical Society, introduced an exciting project involving the Dillon House, which is owned by the Kansas Legislature and is on the National Register of Historical Places ([Attachment 9](#)). She said a Dillon House Task Force was appointed to study the possible use of the facility by outside entities. Ms. Chinn introduced Vance Kelly of Treanor Architects, who provided history and information on the condition of the building and gave a virtual tour of the facility. He said a committee looked at various agencies that might fit the ambience and character of the original Dillon home. The Kansas Arts Commission, with its role of promoting cultural events and its strong public ties, became the agency of choice. Mr. Kelly reported an estimated cost for repair and rehabilitation of the home would be in the range of \$3.1 to \$3.9 million.

John Divine, Chairman, Kansas Arts Commission, said the Commission is excited about the opportunity of utilizing a state-owned facility to create a space that could serve all Kansans in a unique way. He said the facility would continue to be available for state functions and be a place where arts and artists could be showcased for the public. Mr. Divine envisions the possibility of hosting small conferences, and hosting guest dignitaries in well appointed rooms located on the upper floors, as well as providing a place for an artist in residence. Mr. Divine expressed

appreciation for the opportunity to present the Dillon House project and the involvement of the Kansas Arts Commission.

Llewellyn Crain, Executive Director, Kansas Arts Commission, offered a vision of the Dillon House as a place Kansans can experience the arts and culture in a beautiful, historical house. She assured the Committee of her expertise in fund-raising and anticipates needing two to four years to complete plans and feasibility studies. Future plans may include another small agency, such as the Humanities Council, to assist in on-going operational expenses.

Jennie Chinn thanked the Committee for hearing the proposed project and said that the Kansas Arts Commission is presenting a budget-neutral program. She noted that private fund raising with Friends of the Dillon House will augment the project. Ms. Chinn further stated that the Legislature would retain ownership of the Dillon House.

The Chairperson invited everyone to remain for lunch and thanked Representative Grant for organizing the meal. Thanks were also expressed to Gary Kaufman and Tom Burgess Associates for providing the excellent barbeque.

The Chairperson noted that written testimony from the KONRATH Group is included (Attachment 10).

Following lunch, discussion continued on the Dillon House with the recommendation of a Dillon House Advisory Commission to provide reports to the Committee as the proposed project advances. A member recommended that the report contain the wording "budget neutral" and include a recommendation that Marilyn Jacobson work in collaboration with Jennie Chinn to provide updates to the Committee.

*A motion was made, seconded, and passed to add the Dillon House project to the Committee report. (Representative Umbarger moved, Senator Emler seconded)*

Audrey Dunkel provided a draft of the Committee Report (Attachment 11). Following discussion, some adjustments were made before final approval. *Senator Emler made a motion to accept the report as approved. Representative Feuerborn seconded the motion. The motion passed.*

Representative Feuerborn requested the Committee's discussion be recorded regarding the issue of the state paying tax on construction at the State Capitol.

The Chairperson thanked the Committee for the excellent work accomplished during the interim session.

The meeting was adjourned at 1:00 p.m. No further meeting was scheduled.

Prepared by Florence Deeter  
Edited by Audrey Dunkel

Approved by Committee on:

April 28, 2010  
(Date)