

MINUTES

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

February 11, 2016
Room 159-S—Statehouse

Members Present

Senator Kay Wolf, Chairperson
Representative Mark Hutton, Vice-chairperson
Senator Marci Francisco
Senator Laura Kelly
Senator Forrest Knox
Senator Larry Powell
Representative John Alcala
Representative Steve Alford
Representative Will Carpenter
Representative Adam Lusker

Staff Present

Shirley Morrow, Kansas Legislative Research Department
Mark Dapp, Kansas Legislative Research Department
Dylan Dear, Kansas Legislative Research Department
Jill Wolters, Office of Revisor of Statutes
Gary Deeter, Committee Assistant

Conferee

Sarah Shipman, Acting Secretary, Kansas Department of Administration

Others Attending

[See attached list.](#)

Committee Review

Chairperson Wolf called the meeting to order at 12:05 p.m. She stated the purpose of the meeting was to review the extant information regarding the proposed Docking State Office Building demolition and the relocation of the power plant. She noted the Kansas Department of Administration (DofA) had already signed contracts with McCarthy Building Companies and the Bank of America, but the Committee Vice-chairperson had prepared an alternative plan that maintains the first floor of Docking and retains the power plant at its current location ([Attachment 1](#)). This plan implodes all of Docking except for the first floor and basement, allowing 40,000 square feet of office space on the first floor and storage in the basement.

Sarah Shipman also reviewed the history of the Docking demolition and the proposed new power plant ([Attachment 2](#)). She reported that, based on the previous meeting with the Committee, all work on the Docking/power plant project was suspended by the Governor. She said that the DofA, in consultation with McCarthy, is considering the Vice-chairperson's proposal to selectively demolish the Docking building; estimated costs of this proposal (termed the "Hutton cost estimate") are \$17.5 to \$20 million.

Ms. Shipman stated she is not yet ready to make a recommendation as to how to proceed with the project:

- The Hutton cost estimate does not include the \$3.5 million to finish the first floor for occupancy;
- The Hutton estimates need to be verified; and
- Neither McCarthy nor Bank of America has provided firm numbers for termination-of-contract costs. The contract with McCarthy includes termination language allowing McCarthy to recover expenses and receive up to 10 percent of the contract for unrealized profits.

Ms. Shipman encouraged a timely response from the Committee, since delay costs are running \$10,000 and up per day.

The Vice-chairperson stated selective demolition will cost slightly more than a total implosion. Ms. Shipman stated if the DofA terminates the McCarthy contract, the agency will negotiate with McCarthy regarding actual costs.

A member encouraged the Committee not to allow additional costs to be the controlling factor in making a decision. The Chairperson stated she was waiting for a response from the Attorney General before making any decision on the project.

The meeting was adjourned at 12:34 p.m. No further meeting was scheduled.

Prepared by Gary Deeter
Edited by Shirley Morrow

Approved by the Committee on:

March 11, 2016
(Date)