

MINUTES

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

May 20, 2005
Room 514-S—Statehouse

Members Present

Representative Joe Humerickhouse, Chairman
Senator Dwayne Umbarger, Vice-Chairman
Senator Pat Apple
Senator Greta Goodwin
Senator Steve Morris
Representative Steve Brunk
Representative Bill Feuerborn
Representative Bob Grant
Representative Melvin Neufeld

Member Absent

Senator Jim Barone

Staff Present

Debra Hollon, Kansas Legislative Research Department
Michele Alishahi, Kansas Legislative Research Department
Robert Waller, Kansas Legislative Research Department
Reagan Cussimano, Kansas Legislative Research Department
Mike Corrigan, Revisor of Statutes Office
Helen Abramson, Committee Secretary

Conferees

Walt Darling, Chief Financial Officer, Kansas Highway Patrol
Denise Everhart, Commissioner, Juvenile Justice Authority
Jim McKinley, Architect, Juvenile Justice Authority
Michael Dempsey, Superintendent, Kansas Juvenile Correctional Complex,
Juvenile Justice Authority
Mark Stock, Real Estate Officer, Department of Administration
Rae Ann Davis, Department of Social and Rehabilitation Services

Others Attending

See attached list.

The meeting was called to order by Chairman Joe Humerickhouse at 2:00 p.m. on May 20, 2005 in Room 514-S of the Capitol.

Staff distributed to Committee members a copy of the report of change orders (of less than \$75,000) which occurred during the month of April 2005 and the current status of major projects under construction.

Walt Darling, Chief Financial Officer, Kansas Highway Patrol (KHP), briefed the Committee on a proposal for hangar space for the state ([Attachment 1](#)). The proposal is for construction of a new facility at Billard Airport in Topeka, that would allow special details for the King Air 350 (the executive aircraft) to be included in the original design. It would also provide for the co-location of the agency's aircraft assigned to northeast Kansas, the pilots responsible for the aircraft, and the maintenance staff and repair equipment and supplies necessary to keep them airworthy.

Mr. Darling noted that the central command is housed in Topeka and is responsible for the administration of the aircraft troop. The troop is responsible for ensuring proper maintenance of aircraft, research on options for replacement aircraft, training, and the distribution and storage of the aircraft across the state. It is also responsible for coordinating with other agencies and other law enforcement entities to provide coordinated emergency responses, hangar space, and maintenance support for air assets. Regional operations support the efforts of Topeka (East Region), Salina (Central Region), Hays (West Region) plus providing support for the executive aircraft operations for the Governor and other officers and employees of the state by providing air transportation across the state and throughout the nation. Non-KHP fixed-wing aircraft used by the Kansas Department of Transportation for photography and the Kansas Bureau of Investigation for investigations would also be housed in the proposed hangar.

Mr. Darling informed the Committee that the hangar would be designed to accommodate the joint needs for law enforcement support and of state officers and employees for transportation. This requires that consideration be given to a variety of aircraft types. The current KHP aircraft type, year, use, and location was shown in the proposal plus the annual cost of \$33,446 for aircraft housed in the three rented hangars at Billard.

Seventy percent of KHP's activities are derived from local law enforcement. KHP's aircraft is used for drug interdiction, homeland security, and transportation.

Mr. Darling provided additional information regarding the hangar. Access to hangar space would be divided to ensure sufficient space dedicated to the King Air 350 so that the space could be accessed at all times without rearrangement of other aircraft, which is now the case. Infrared heat is proposed for the hangar for efficiency. KHP would work cooperatively with other agencies to ensure the benefit of the hangar is maximized for the state. KHP would provide for all ground support and handling. Two types of office space are anticipated: one space for the pilots and another for administrative and maintenance staff. Americans with Disabilities Act compliant restrooms and a small amount of space for the storage of aircraft parts are planned. Security services will be provided, as well as a self-service, on-site fuel truck. Supporting information included the ease of access at Billard Airport, a modern tower open from 7:00 a.m. to 7:00 p.m. daily, and having a single facility to co-locate all the aircraft. KHP's existing aircraft mechanic would be used to service all the aircraft.

The estimated total project budget (without furnishings) was \$1,366,442 for the 100-foot-wide by 120-foot-long (12,000 square feet) hangar, including two taxiways, two approach aprons, office/storage areas on two levels, a lounge, and three restrooms.

Mr. Darling presented visual data showing the original cost of a proposed hangar in 2001 compared with the present proposal cost.

Originally, the construction was to be financed with the use of bond money. The current proposal involves financing through the federal Forfeiture Fund from seized assets. Other avenues

have not been considered since assets were available. The conferee noted that it might be possible that some financing might be obtained through Homeland Security grants. Mr. Darling offered to explore other funding source avenues, such as the use of federal funds for local airport improvements.

Replying to a Committee member's inquiry, Mr. Darling answered that there would be some efficiency by using the Topeka facility for maintenance of the planes used by the Kansas Wildlife and Parks.

Committee discussion followed concerning the present leases for housing aircrafts, savings from the use of a full-time mechanic on hand, and the savings that may occur with all planes being housed together.

The Legislature passed a measure during the 2005 Session that authorized expenditures for the construction of the hangar, but stipulated that it be recommended by the Joint Committee on State Building Construction (JCSBC) with funding released by the State Finance Council.

Representative Feuerborn moved that the Committee recommend approval of the Kansas Highway Patrol hangar proposal at Billard Airport. Senator Umbarger seconded. Motion carried.

Denise L. Everhart, Commissioner of the Juvenile Justice Authority, presented testimony on the agency's capital improvement budgetary issues (Attachment 2). The following amounts were requested for various projects and facilities for FY 2005 and FY 2006:

For FY 2005:

- \$42,360 for Juvenile Justice Authority Central Office for on call architectural and engineering services;
- \$280,000 for Atchison Juvenile Correctional Facility for repairing the foundation, replacing condensate return lines, repaving roads, and repairing sidewalks;
- \$30,000 for Beloit Juvenile Correctional Facility for upgrading the cafeteria/commissary fire alarm system;
- \$13,000 for Larned Juvenile Correctional Facility for installing concertina coil on the perimeter fence; and
- \$153,000 for Topeka Juvenile Correctional Facility (TJCF)/Kansas Juvenile Correctional Complex (KJCC) for upgrading cathodic protection—U.G. steam piping and finishing furnishing the Kansas Juvenile Correctional Complex.

For FY 2006

- \$55,800 for Juvenile Justice Authority Central Office for on call architectural and engineering services;
- \$195,000 for Atchison Correctional Facility for upgrading HVAC controls and replacing locks; and
- \$270,000 for Beloit Juvenile Correctional Facility for upgrading HVAC and replacing sidewalks.

Jim McKinley, Juvenile Justice Authority architect, remarked that the Atchison Juvenile Correctional Facility project for condensate return lines for FY 2005 had previously been submitted.

The project has since been redesigned and is ready for awarding of contracts if it comes within budget.

Committee discussion followed regarding finishing the furnishings and the dual usage of space for visitation and a chapel at the KJCC.

Mr. McKinley noted that the \$123,000 requested to finish the furnishings does not include the infirmary nor vocational education (other than portions moved from TJCF for utilization). Also, Superintendent Michael Dempsey, KJCC, said it is possible that if a sheltered living workshop situation is implemented that they would provide their own equipment.

Commissioner Everhart remarked that the FY 2006 requested amount to finish furnishing KJCC includes furnishings needed for the reception and diagnostic sections of the facility. Also, some funding approved in the 2005 Session omnibus bill was allocated for opening 20 reception and diagnostic beds and the agency is in the process of including it in their FY 2006 budget.

Extensive Committee discussion followed concerning the repair of the foundation at the Hickory Living Unit at the Atchison Juvenile Correctional Facility and upgrading the HVAC. One entire wing of the building will have to be gutted and rebuilt due to the sagging of the foundation.

Representative Feuerborn moved Committee's recommendation for the approval of FY 2005 and FY 2006 budget requests for the Juvenile Justice Authority. Representative Grant seconded. Motion carried.

Mark Stock, Real Estate Officer, Division of Facilities Management, Department of Administration, presented five leases and one change order for the Committee's recommendations as follows:

A five-year lease from 10/01/05 - 9/30/10 for 4,000 square feet of office space at 700 SW Jackson Street, Topeka, for the Kansas Board of Cosmetology at a cost of \$12 per square foot (Attachment 3).

Senator Morris moved Committee's recommendation for approval of the five-year lease for the Kansas Board of Cosmetology, Topeka. Senator Goodwin seconded. Motion carried.

A five-year lease from 7/01/05 - 6/30/10 for 8,545 square feet of office space at 214 SW 6th Street, Topeka, for the Kansas Technology Enterprise Corporation at a cost of \$13.40 for years one and two, and \$13.90 for years three through five (Attachment 4).

Representative Grant moved Committee's recommendation for approval of the five-year lease for the Kansas Technology Enterprise Corporation in Topeka. Representative Brunk seconded. Motion carried.

An amendment was requested to real estate lease agreement to remodel office space at a cost not to exceed \$20,903 for Legislative Post Audit at 800 SW Jackson Street, Topeka. The purpose of the amendment is to pay for the remodeling of Legislative Post Audit's current space to accommodate five new employees to be hired in FY 2006. Funding was approved by the Legislature during the 2005 Legislative Session (Attachment 5).

Representative Neufeld moved Committee's recommendation for approval of the amendment to real estate agreement at a cost not to exceed \$20,903 for Legislative Post Audit, 800 SW Jackson, Topeka. Representative Feuerborn seconded. Motion carried.

A ten-year lease for a 14,637 square foot office at 410 Commercial, Atchison, for the Department of Social and Rehabilitation Services (SRS), at a cost per square foot of \$8.70 without early termination after year five or \$11.19 per square foot with early termination after year five

(Attachment 6). SRS can renew this lease with 90 days written notice for two-year terms under the same terms and conditions. The current landlord agreed to build an addition to the current facility to accommodate SRS's need for additional space. The landlord also agreed to install a new roof and renovate the existing facility, including new interior paint, carpet, and vinyl.

The lease was before the JCSBC on January 13, 2005. The Committee requested SRS return to the landlord to ask for an early termination option in this lease and the installation of a new roof and renovation of the existing facility. The cost of the early termination is reflected in the revised ten-year lease. SRS's preference would be to accept the ten-year lease without an early termination clause to save money over the next ten years. Previous cost per square foot was \$7.25. SRS anticipates a presence in Atchison for at least the next ten years.

Senator Morris moved Committee's recommendation for approval of the ten-year lease without the early termination clause for SRS, Atchison, at a cost of \$8.70 per square foot. Representative Grant seconded. Motion carried.

A ten-year lease for new construction of a 4,710 square foot office at Marysville for SRS at a cost of \$12.17 per square foot for years one through five and \$12.59 per square foot for years six through ten without an early termination clause, or at a cost of \$12.17 per square foot for years one through five and \$13.06 for years six through ten with an early termination clause (Attachment 7). A new facility is being built to provide the additional square footage needed to consolidate the agency's various locations in Marysville. This will be a co-location with SRS partners, including: Marshall County Infant/Toddler Services, USD 364 and 498 Early Head Start, NE Kansas Learning Center, Workforce Investment Act, GED program, and MCCREC office.

At the January 13, 2005, Committee meeting, the Committee requested SRS re-bid the project to get more proposals and also to include an early termination clause to the lease. SRS's preference would be to accept the ten-year lease without an early termination clause to save money over the next ten years. SRS anticipates a presence in Marysville for at least the next ten years.

Mr. Stock distributed copies of a letter from State Representative Schwartz to the Committee outlining some factors after the Committee's suggestion that the lease be re-bid (Attachment 8). Those factors were:

- As a result of the delay in approving a lease, the cost of steel and interest rates have increased and Marshall County has changed their tax incentive package effectively increasing the costs of the proposed building;
- The current facility does not have adequate space to provide for the increased customer base since the consolidation of offices and it is imperative that a new location be identified to provide services to those that are in need;
- Even though the new proposal is considerably higher, it will still cost less to provide the services within one facility rather than keeping several offices open; and
- Marysville is centrally located and within reasonable driving distance from surrounding communities.

Committee discussion followed concerning the proposed building being a free-standing one. It will be located in the same block as the other mentioned co-located partners. Also discussed was the amount of space designated per full-time employee.

Rae Ann Davis, SRS, informed the Committee that if the Marysville office were closed, it would result in much longer trips for persons using the facilities.

Representative Neufeld moved the Committee's recommendation for approval of the SRS-proposed ten-year lease without the early termination clause. Representative Brunk seconded.

Senator Morris suggested that the Committee consider the lease with the early termination clause since there is not any difference in price per square foot for the first five years. Without the early termination clause, after year five, the price is automatically raised to \$12.59 per square foot. With the early termination clause, the lessee could opt out of the lease after five years or stay in for very little more cost per square foot.

Representative Grant offered a substitute motion for Committee's recommendation to approve the ten-year lease with an early termination clause. Senator Goodwin seconded. Motion carried.

A change order for \$83,512 to finish out room 201 (laboratory) including architectural, mechanical, and electrical work for the Bio-processing and Industrial Value Added Program Building at Kansas State University (Attachment 9). Room 201 was programmed as a flexible lab in the original building program. It was bid as an unfinished space for budgetary reasons and the Grain Science Department felt it could develop the room later as users' needs were more defined. The Grain Science Department has determined additional laboratory space is needed. The change order is funded from research fees.

Senator Morris moved for Committee's recommendation to approve the change order of \$83,512 to finish out room 201 for the Bio-processing and Industrial Value Added Program Building at Kansas State University. Senator Umbarger seconded. Motion carried.

Representative Grant noted that the minutes of the April 27, 2005 meeting incorrectly listed the meeting as April 17 on the second page of the minutes. Senator Goodwin moved for Committee's approval of the corrected April 27, 2005, minutes. Representative Grant seconded. Motion carried.

Committee discussion followed concerning the condition of the Dillon House in Topeka. It was suggested that a private committee, such as the Friends of Cedar Crest, could be established for the purpose of raising funds to help with the renovation of the building. It was the consensus of the Committee that the sale of the building is not a viable option and that the Department of Administration should cease any such action in that direction. The Committee requested that the Department of Administration provide information regarding the location of the Dillon House north property line at the Committee's next meeting.

Chairman Humerickhouse announced that the dates of the interim meetings will be announced at the next Committee meeting.

The meeting adjourned at 3:35 p.m.

Prepared by Helen Abramson
Edited by Debra Hollon

Approved by Committee on:

July 21, 2005
(date)