

## MINUTES

### JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

August 9-10, 2005  
Room 514-S—Statehouse

#### Members Present

Representative Joe Humerickhouse, Chairman  
Senator Dwayne Umbarger, Vice-Chairman (August 9 only)  
Senator Pat Apple  
Senator Jim Barone  
Senator Greta Goodwin  
Senator Steve Morris  
Representative Steve Brunk  
Representative Bill Feuerborn  
Representative Bob Grant  
Representative Melvin Neufeld

#### Staff Present

Debra Hollon, Kansas Legislative Research Department  
Michele Alishahi, Kansas Legislative Research Department  
Audrey Dunkel, Kansas Legislative Research Department  
Amy Deckard, Legislative Research Department  
Amy VanHouse, Kansas Legislative Research Department  
Reagan Cussimano, Kansas Legislative Research Department  
Julian Efird, Kansas Legislative Research Department  
Jim Wilson, Revisor of Statutes Office  
Mike Corrigan, Revisor of Statutes Office  
Helen Abramson, Committee Secretary

#### Conferees

Mark Stock, Department of Administration  
Kathy Damron, Topeka  
Bob Shaumeyer, School for the Blind  
Bob Maile, School for the Deaf  
Don Jordan, Juvenile Justice Authority  
Rae Anne Davis, Department of Commerce  
Mike Hayden, Department of Wildlife and Parks  
Colonel Clifford Silsby, Adjutant General's Office  
Walt Darling, Highway Patrol  
Kyle Smith, Kansas Bureau of Investigation  
Mike Crow, Kansas Department of Transportation

Tom Day, Kansas Corporation Commission  
Eric King, Board of Regents  
Jim Modig, University of Kansas  
Ed Phillips, University of Kansas Medical Center  
Tom Rawson, Kansas State University  
Dan Heater, Kansas State University  
John Gist, Wichita State University  
Ray Hauke, Emporia State University  
Paul Stewart, Pittsburg State University  
Dana Cunningham, Fort Hays State University

### **Others attending**

See attached list.

### **August 9, 2005 Morning Session**

The meeting was called to order by Chairman Joe Humerickhouse at 10:00 a.m. in Room 514-S of the Statehouse.

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

Mark Stock, Real Estate Officer, Division of Facilities Management, Department of Administration, presented three leases for Committee's recommendation as follows:

(1) A five-year, 2,400 square foot, office lease for the Department of Wildlife and Parks at Lenexa, Kansas, at a cost per square foot of \$8.75. The lessee pays all building operation costs including \$154.15 per month common area maintenance and the lessor agreed to replace office traffic area and hallway carpeting, touch-up paint, and provide general office repairs at no additional costs (Attachment 1).

Committee discussion followed.

*Senator Morris moved Committee's recommendation to approve the five-year lease at Lenexa for the Department of Wildlife and Parks. Senator Umbarger seconded. Motion carried.*

(2) A one-year, 36,000 square foot, office lease for Kansas Corporation Commission (KCC) at 1500 SW Arrowhead Road, Topeka, at a cost per square foot of \$13.61, plus property taxes (Attachment 2). KCC can renew for one additional year under the same terms and conditions with 180 days written notice to the lessor. A one-year lease was negotiated to allow time for the KCC to prepare and submit a Request for Proposal (RFP) for another location. Lessor pays all building operation costs except telephone. KCC pays as additional rent all real estate taxes and special assessments.

Discussion followed concerning the prior lease expiring June 30, 2005, why the Request for Proposal (RFP) was not commenced earlier, the lease renewal clause, the high cost per square foot

because of the lessee paying the property taxes, the advantage of owning the property instead of paying lease costs, the price per square foot of new construction versus the lease cost per square foot, the long lines of semi-trucks parking in front of KCC, and the lease having a lease-purchase clause which the agency did not exercise. The Committee requested that the KCC appear before the Committee on the following day to answer other questions regarding the lease.

The Committee requested that in the future it would be beneficial for the Department of Administration to show the funding source for any lease brought before the Committee for their recommendations. Also, that the KCC lease be run through the model established by the DOA which compares leases throughout the state.

Discussions were renewed on a three-year lease for the University of Kansas Medical Center for 2,215 square feet of office space at 3801 Blue Ridge Parkway, Kansas City, Missouri, which was brought before the July 2005 Committee meeting for their recommendation ([Attachment 3](#)). Kathy Damron, representing the Medical Center, remarked that it is a renewal lease on federally funded research being conducted in consultation with the Swope Health Clinic. There are 755 research participants who are geographically located in an area of close proximity to the leased facility. If the research was not performed at this location, the clinic would have to transport the participants across the state line, which would not only be costly, but cumbersome to the research project. The nature of the research is breast cancer, obesity and smoking prevention focusing specifically on minorities.

*Senator Apple moved Committee's recommendation to approve the three-year lease for the University of Kansas Medical Center at 3801 Blue Ridge Parkway, Kansas City, Missouri. Senator Umbarger seconded. Motion carried. Senator Barone requested to be recorded as a "no" vote.*

Bob Shaumeyer, Business Manager, School for the Blind, presented the agency's five-year capital budget plan ([Attachment 4](#)) showing a total of \$124,601 for two projects for FY 2007 (\$67,451 for major maintenance and \$57,150 for underground drain installation) funded through the State Institutions Building Fund.

Committee discussion followed concerning the underground drain installation project, the proximity-card access system project scheduled for FY 2011, disadvantages of flat roofs, the use of rubber roofs for the three re-roofing projects scheduled for FY 2009 and FY 2010, and the previous cost of replacing the computers and musical instruments which suffered water damage.

Dr. Bob Maile, Superintendent, School for the Deaf, presented the agency's five-year capital improvement budget plan ([Attachment 5](#)) showing a total of \$350,000 for three projects for FY 2007 (\$25,000 for completion of Roth Dormitory renovation, \$185,000 for rehabilitation and repairs, and \$140,000 for tuckpoint and seal of Roth Building). The projects will be funded through the State Institutions Building Fund.

Dr. Maile informed the Committee that the implementation of the key-card system will occur this fall. He also noted that no dollar amounts are shown in the budget plan for the completion of Roth Dormitory Renovation for FY 2008 and beyond, as alternate funds are being considered and will be determined by the Division of Facilities Management.

Don Jordan, Acting Commissioner, Juvenile Justice Authority (JJA) presented the agency's five-year capital budget plan ([Attachment 6](#)) showing a total of \$5,543,615 for FY 2007 that included \$887,000 for rehabilitation and repair projects, \$655,852 for new construction, and \$4,000,763 for interest and principle debt service to be funded through the State Institutions Building Fund. Mr. Jordan pointed out that the amount shown for FY 2006 is less than what was appropriated last year. It does equal the amount that was approved by the Finance Council in June 2005.

Most of the move at the Kansas Juvenile Justice Complex has been completed and all the residential pieces of the older buildings are empty. The agency will continue to use the maintenance building, the industrial work shops and similar buildings. Jim McKinley, JJA's architect, will contract with an engineer to assess the situation on the vacated buildings to determine how to maintain them in a reasonable state with regard to temperature, water usage, etc..

Discussion followed concerning adequate inmate space for now and the future to make certain that juvenile offenders serve an adequate incarceration time for rehabilitation prior to moth balling the old buildings; recidivism; the importance of keeping accurate census numbers; and reporting the data in a timely fashion to the Sentencing Commission for census projections.

Commissioner Jordan remarked that the Topeka and Larned facilities tend to be almost full, but that the Atchison facility has quite a few of available beds. The agency is investigating how to better use these three facilities. Atchison's school only goes to 9<sup>th</sup> grade. If the 10<sup>th</sup>, 11<sup>th</sup>, and 12<sup>th</sup> grades were added, the facility could take older minimum security youths. Another alternative being explored is to move older minimum security youth from Topeka and Larned who have finished high school (or have a GED), but need to finish their terms, and open an industrial training program in Atchison.

Jim McKinley reported that the installation of food pass doors in 22 rooms and the installation of remote door operator (ADA) in the Kansas Juvenile Correctional Complex were omissions on the original plans. New food pass doors are not needed as slots can be cut into the existing doors to be reinforced. The estimated cost is \$30,000.

Commissioner Jordan stated that a big issue is the water runoff behind the facility between the employee's parking lot and the employee entrance. When it rains, there is a great deal of standing water which is very dangerous because of the electrical gates. This was either a design or construction flaw. Attorneys and Mr. McKinley are working with the architect of the construction company to find a resolution and determine who is responsible for the cost. Another issue, caused by the runoff, is that the agency needs the approval of the Corp or Engineers as the water goes into Soldier Creek.

Commissioner Jordan reported that all of the emergency shut off valves for the boilers have been installed. However, another issue is the location of sprinkler heads that are being broken off by the juvenile offenders.

Committee discussion followed concerning the need to install the pass through slots in the doors this fiscal year since it is a security issue. The Committee suggested that the agency wait on the results of the study before spending \$90,000 on boilers at TJCF. The agency noted that some of the facility will continue to be used and that the new boilers would pay for themselves in two or three years.

Rae Anne Davis, Director of Operations, Department of Commerce, gave an review of recent activities at the Department ([Attachment 7](#)). Last fiscal year, the Department of Commerce inherited eleven properties as a result of the transfer of the workforce training program and their centers from the Department of Labor. For the past year, Commerce has been integrating the workforce centers and associated activities into the agency.

Included in the approved FY 2006 budget were capital improvements for the workforce center located at 1430 SW Topeka Boulevard. Prior to the transition, the Department of Labor identified a need to replace the buildings's roof and the heating and air conditioning system. Both projects, if completed, will be paid from federal Workforce Investment Act and Wagner-Peyser funds. Some funding for rehabilitation and repair was also budgeted.

Realignment of the agency's workforce center operations is a critical part of this process. Recent activities include:

1. The Olathe Workforce Center was consolidated with the Overland Park Workforce Center.
2. Staff in Colby will be collocated within the new Department of Social and Rehabilitation Services facility when it is completed.
3. The satellite office in Liberal will be moving to a new leased space within the next few weeks.

Ms. Davis concluded by remarking that during the course of FY 2006, the Department will work closely with local partners to establish comprehensive one-stop workforce center locations which are fully responsive to employer and job seeker needs. The details of the strategic plan that will guide this process are being developed. Without a complete plan, it is impossible to predict additional capital improvements or renovation projects beyond the current fiscal year. The Department is asking for time to complete their assessment and anticipate submission of plans in the revised FY 2007 budget.

Discussion followed concerning whether the roof at the Topeka Boulevard location just needs repairs or needs replaced as requested by the prior agency. Committee requested the agency provide supporting information regarding the roof. The Department's staff informed that they would be looking at the lining of the roof as that may be the only needed repair.

Chairman Humerickhouse recessed the morning session at 11:30 a.m.

### **Afternoon Session**

Chairman Humerickhouse resumed the meeting at 1:30 p.m.

Michael Hayden, Secretary, Kansas Department of Wildlife and Parks, presented the department's request for capital improvements for FY 2007 (Attachment 8) totaling \$5,490,000 including \$1,080,000 for major maintenance at parks funded through \$305,000 from the State General Fund and \$775,000 from the Land and Water Conservation Fund. Other projects funded through various funds were: \$650,000 for public lands major maintenance, \$750,000 for land acquisition, \$300,000 for wetlands acquisition/development, \$100,000 for river access, \$810,000 for motorboat access, \$1,500,000 for roads maintenance, \$200,000 for bridge maintenance and \$100,000 for Coast Guard Grant projects. Included in the request was \$200,000 for renovation of the Jamestown Wildlife Area and \$200,000 for improvements at the Farlington Fish Hatchery. Also included was the request of \$510,000 for replacement of a visitor center and shower building at Eisenhower State Park.

Secretary Hayden added that the department is also preparing a request to the State Finance Council to authorize expenditures of \$405,000 in FY 2006 from the Wildlife Fee Fund for repair of the dam at Leavenworth State Fishing Lake. The dam is not failing but showing need of repair. The road has been closed as a public safety measure. There are houses on adjacent property in the beach zone below the dam.

Discussion followed concerning the age and make-up of the dam and its high risk classification.

The agency explained that there is no mention of major maintenance projects for the Wildlife and Parks Headquarter's building for FY 2007 and should major maintenance projects become necessary they could be funded through the Wildlife Fee Fund. The office has already been renovated, so no further immediate improvements are expected. Secretary Hayden remarked that the lease states that Wildlife and Parks has the remainder of this fiscal year to lease it at the current rate. The agency then has three options: (1) purchase the property on June 30 at the appraised price or a lesser amount to be negotiated; (2) move out on June 30; or (3) negotiate an extended lease. The department does not have the deed as yet to the acreage for Park 24 but believes that it will be forthcoming in the near future.

Chairman Humerickhouse commented that it was the consensus of the Committee that any new lease exercised concerning the Wildlife and Parks Regional Offices be for a length of over two years.

Discussion continued regarding the motorboat access project and the high costs of garages to house the department's boats. Secretary Hayden remarked that the Boating Fee Fund is presently financially sound, and since the United States Congress just passed a new Transportation bill, the agency anticipates the Boating Fee Fund (Federal) will increase fairly dramatically over the next few years as a result of additional motorboat fuel taxes.

Colonel Clifford Silsby, Director of Facilities Engineering, Adjutant General Office, presented the agency's five-year capital improvement budget plan that totaled \$2,026,812 for armory bond debt service in FY 2007 (Attachment 9). Other projects request for future years included Concordia, Emporia, and Council Grove Bull Pen Parking; Hutchinson and Olathe asphalt repairs; and the debt service payments.

Colonel Silsby stated that the Adjutant General's Office is currently in negotiations with the City of Manhattan concerning the Transportation Design Management (TDM) facility (Attachment 10). Colonel Silsby continued by remarking the Adjutant General's office was shown a building located at 721 Levee Drive, Manhattan, that is large enough to house both the armory and vehicle maintenance shop including space for expansion. The facility has 17,500 square feet situated on 8.53 acres. It possesses all of the requirements currently needed with the exception of a secure facility for arms and ammunition. However, a portable arms vault can be secured with federal funds. When the environmental baseline study was received, it showed environmental contamination under the facility, although it wasn't extreme. At this point, the Adjutant General proposed that the city's responsibilities would be: complete phase II EBS, acquire fee simple title to the TDM facility, acquire fee simple title to the adjacent two acres suitable for 200 civilian vehicles, and convey the leasehold interest in TDM and the parking site to the National Guard for a 99-year term. The Adjutant General's responsibilities would be: an initial payment in FY 2005 of \$1 million from bond funds (which were issued for construction), two subsequent annual payments of \$0.4 million, and transfer fee simple title for the current armory and shop property to the city valued at \$0.6 million. The rehabilitation and repair cost alone was \$950,000 for the present armory. The agency plans to supplement the bond projects with federal money.

Colonel Silsby concluded by informing the Committee that the Adjutant General's Office believes this is a worthwhile proposal that will put the armory in a facility at a price of \$27.00 per square foot.

Committee discussion followed concerning parking space and water problems at the present facility, extra items that may be needed for the motor vehicle maintenance shop in the new facility,

and the 99-year lease would make the city responsible for any EPA requirements that may be needed concerning the contamination.

Walt Darling, Chief Financial Officer, Kansas Highway Patrol, presented an overview the agency's capital improvement plan (Attachment 11) as follows:

- Debt Service: Payments are due annually on the Academy, the Fleet Operations Center, the Olathe Vehicle Inspection Number facility and, starting in FY 2007, the Port Modernization project.
- Maintenance and repairs: A total of \$251,233 has been requested including \$50,000 for repairs on sidewalks, guttering, roofs, parking lots, windows, and doors for the Academy. There are maintenance and repairs needed for the buildings and replacement of scales for the Motor Scales and Ports of Entry facilities and the Troop/District/Zone Headquarters.
- New Construction for FY 2007 (Troop F, Wichita): Construction costs are budgeted through the Kansas Department of Transportation's (KDOT) capital construction projects. This will make it possible to co-locate patrol activities that have been separated under current arrangements. KDOT will move staff into the Highway Patrol's current space.
- New Construction for FY 2009 (Troop B Headquarters, Topeka): Needed for addition of staff and responsibilities due to shift of the Motor Carrier Program from the Department of Revenue, passage of the Vehicle Inspection Program, and receipt of federal grants to finance Motor Carrier Safety Inspectors. There are requirements for space to protect computer and telecommunications systems and increased storage needs.
- New Construction for FY 2011: Construction of the Hutchinson Zone Office has been requested through KDOT's Capital Construction budget. This will improve officer efficiencies by moving the office from within the city to outside the city except when the Kansas State Fair is in progress.

At the request of the Committee, Mr. Darling stated that he would provide copies of the five-year capital improvement budget plan that was submitted to the Division of Budget.

Kyle Smith, Director of Public and Governmental Affairs, Kansas Bureau of Investigation (KBI), presented the agency's five-year capital improvement budget plan. The request includes \$35,000 for repair and rehabilitation of the KBI Headquarters Building. Also requested are: \$25,000 for the Great Bend Regional Office; \$35,000 for Access Control Security; and \$138,075 for the Great Bend laboratory.

Mr. Smith next presented a real estate purchase proposal of \$7,500 for a vacant lot to be converted to a parking lot as an addendum to the five-year plan (Attachment 12). The property is appraised at \$2,390 and is located directly across Tyler Street from KBI headquarters. The lot would be ideal for providing access to the KBI front entrance. The property is currently zoned for multiple family dwellings. Construction of a suitable concrete and asphalt parking lot is estimated at \$40,000. The KBI is requesting Committee approval for the purchase at a price not to exceed \$7,500. If approval is granted concerning the purchase of the lot, additional funding of \$40,000 will be added to KBI's five-year plan.

Mr. Smith also distributed to Committee members copies of a structural study with construction costs estimated at \$112,985 (not including engineering design or construction observation fees) for repairing the KBI's present parking garage at Tyler and Southwest 27<sup>th</sup> Street, Topeka (copy of the study is on file with the Legislative Research Department).

Representative Neufeld noted that some of the Homeland Security money might be available for constructing a garage on the parking lot.

*Senator Morris moved for Committee's recommendation to approve the authorization to proceed with purchasing the lot at 1635 SW Tyler, Topeka, Kansas at a price not to exceed \$7,500 for the purpose of a KBI parking lot. Melvin Neufeld seconded. Motion carried.*

Discussion followed concerning Washburn University's prior interest in sharing laboratory space with KBI and gutter problems outside the evidence room.

Mike Crow, Director of the Division of Operations, Kansas Department of Transportation (KDOT) presented the department's five-year capital improvement budget plan (Attachment 13). Capital improvement projects totaling \$3,533,734 for FY 2006 included: \$2,521,032 for rehabilitation and repair; \$487,250 to re-roof the building; \$305,002 for equipment storage sheds; \$45,000 for renovation of the Emporia Construction Office; \$85,000 for multiple window replacement – District two; and \$110,450 to tuckpoint/waterproof the area office at El Dorado. There was a FY 2005 carryover of \$859,983 for a grand total of \$4,413,717.

Projects for FY 2007 totaling \$11,326,727 included: \$2,596,662 for rehabilitation and repair; \$326,726 to re-roof buildings; \$478,802 for equipment storage sheds; \$4,070,947 for subarea modernizations; \$405,000 to renovate the District Five Crew Building; \$863,000 to construct the District Two material lab – Salina; \$120,940 to tuckpoint/waterproof the Area office – Pittsburg; \$105,000 to tuckpoint/waterproof the District office – Topeka; \$2,004,000 to relocate the Subarea – Topeka Westgate; \$168,000 to update the District Four Paint Booth; \$112,650 to pave KHP - Chanute CDL parking lot; \$3,480,000 to construct KHP HQ - Wichita; and \$75,000 to purchase land for an expansion at Beloit and Rolla and the relocation of subarea at Ulysses. The Highway Patrol requested \$3,480,000, making a grand total of \$14,806,727.

Discussion followed concerning the subarea modernizations and putting on sloped roofs. Mr. Crow explained that it would be a 15-year program and only subarea facilities over four years old would be modernized.

Chairman Humerickhouse recessed the meeting.

### **August 10, 2005 Morning Session**

Chairman Humerickhouse called the meeting to order at 9:00 a.m.

Staff distributed a memorandum from the Juvenile Justice Authority to the Building Committee that outlined the collaboration between JJA and Department of Corrections to track juvenile crime (Attachment 14).

Tom Day, Kansas Corporation Commission, appeared before the Committee to answer questions regarding the new one-year lease and prior 15-year lease for the Kansas Corporation



Commission (KCC) which was presented the first day of the meeting for the Committee's recommendation for approval.

The Committee expressed concerns that the KCC offices were built to specifications, that the impression at the time was that it was a lease-purchase lease, the delay of bringing the new one-year lease before the Committee, and that if the lease is not recommended for approval, whether the KCC will be able to go into vacant space elsewhere or purchase the building.

Mr. Day informed the Committee that the KCC began discussions with the Division of Facilities Management, DOA, regarding a new lease two years ago. DFM asked that a new lease be negotiated rather than a carry-over of the present lease under the present terms and conditions. The KCC did not negotiate a 10- or 15-year lease based on the present terms and conditions of the lease. The Department of Administration asked the KCC to hold off on the 15-year lease, but to negotiate the one-year lease with a one-year option after which an RFP would be issued to examine rates and locations, as well as the necessary conditions and items the KCC needs for an office building. The original lease was not a lease/purchase lease but one with an option to purchase. The option to purchase in the first five-years was a set amount of money (\$3.5 million). Beyond that, it would have gone to three appraisers. That option was available any time during the five-years and KCC also had a first right of refusal. The building was sold about four and a half years ago to the current owner. Mr. Day did not know the amount of the sale price. The Shawnee County appraisal value is \$3,900,000.

The Committee noted that the present rent of \$6,000 yearly and questioned if it is more economical to continue to rent it, purchase it, or move to another space. Mr. Day remarked that the KCC tried three different times to get the Committee's approval during the first five years of the lease, under two different governors, but the option was turned down. The building has appreciated in value by approximately \$1.1 million in the past 15-years. Mr. Day said he believes it is a policy decision by this legislature if it is economically feasible for the state to purchase it. When KCC prepared a new 15-year lease it still contained the option to purchase and the first right of refusal. One obstacle in moving the agency downtown is that there are long lines of semi-tractor trailers outside the building for most of the year as drivers are renewing their licenses. Truckers are able to renew licenses and operating authority on line, but most drivers do not have computers.

The owner has expressed a great deal of interest in continuing to lease to the state. Negotiations were taking place for about 11 months trying to find a good deal. The owner offered the agency a very large pool of money in order to renovate the building as well as the normal maintenance on the exterior as terms of the lease.

Mr. Day said that in the last four years KCC has made its desire to purchase the building known. The current owner has said that he would be willing to sell to the state, but wants a fair market value. The property sits on 3.1 acres.

Mr. Day estimated the market value of the present KCC offices to be in the \$4 million plus range. KCC has not outgrown its office space, but there is no storage space in the building.

Discussion continued about the age of all the systems in the building and moving costs.

Mark Stock, Department of Administration, said he was not able to run an analysis as requested by the Committee, but the agency was still attempting to do so. The RFP for the new lease will be released within the next 30 days. Presently, the KCC is staying at the present location on a month to month basis. He added that there will be a pre-bid to the issuance of the RFP.

*Senator Morris moved for Committee's recommendation to approve the one-year lease for KCC at their present location. Representative Feuerborn seconded. Motion carried.*

Eric King, Director of Facilities Management, Board of Regents, introduced the new directors of planning at Kansas State University and Pittsburg State University. The Board of Regents approved the capital improvement requests the universities will present. Generally, the Board has recommended, as in the past several years: (1) State General Fund requests for the highest priority projects for each campus; (2) approval of projects funded through non-state funds, such as private gifts, housing, parking, and restricted fees; and (3) continued funding for the bond repayment for the aeronautical laboratory at Kansas State University - Salina. The total State General Fund requested for FY 2007 is approximately \$24 million. All of the projects presented for state funding in FY 2007 address major infrastructure, upgrades, and renovation for existing buildings. Fully funding these specific projects would reduce the major maintenance backlog by approximately \$48 million from the previously estimated \$584 million. The Board of Regents is pleased with the report on deferred maintenance recently completed by the Legislative Division of Post Audit.

Jim Modig, Director of Design and Construction Management, University of Kansas, presented the university's five-year capital budget plan (Attachment 15).

Mr. Modig began by giving an overview of current and prior year funded projects. Scholarship Hall #3 – Reiger Hall, which was a gift from the Reiger Family has been completed and students will be moving in this week. Hashinger Hall renovation began in June 2005 and is the fourth in a series of dormitory renovations. The Allen Field House Addition/Hall of Athletics is being handled as two separate projects going on simultaneously. The Hall of Athletics is an 18,000 square foot addition to Allen Field House and also improvements are being made to the existing Field House. The Allen Field House project is currently under construction and is scheduled for completion this fall. Construction of the Multi-disciplinary Research Building, funded through the Endowment Association, began in 2004 and completion is scheduled for December 2005.

Requests for FY 2007 totaled \$25,220,000 that included \$8,800,000 for the Utility Tunnel improvement project funded through the State General Fund; \$600,000 for parking repairs and improvements funded through parking fees; \$10,468,000 for the Park & Ride Lot funded through parking fees; \$630,000 for Stouffer Place Apartments renovation funded through housing fees; \$1,420,000 for the Campus Landscape Master Plan funded through private grants; and \$3,302,000 for Scholarship Hall No. 4 funded through private gifts.

Mr. Modig stated the tunnel sections were prioritized into three categories to address the problems after receiving the PEC Engineers evaluation of forty percent of the total campus utility tunnel system. Mr. Modig pointed out on maps the of portions of the tunnels that have been repaired that were previously listed in critical condition. There is still a significant amount of deferred maintenance in terms of repair of the utility tunnels to protect not only the new electrical service, but also the existing steam service. At the current rate of funding these repairs (\$600,000) it will take approximately 20 years to complete the current list. Twenty years from now items listed as minor repairs may be crisis management repairs.

Committee discussion followed concerning the tunnels and landscape projects.

Dr. Edward Phillips, Vice Chancellor for Administration, University of Kansas Medical Center (KUMC), updated the Committee regarding the Biomedical Research Center which is scheduled for completion September 2006 and occupied by December. This will provide the KUMC with 205,000 square foot of state-of-the-art research space, wet laboratories and also an animal facility. The facility has been extremely valuable in recruiting new faculty.

Construction has just begun on the 956-stall parking garage (#3) to provide needed parking for faculty, staff, and students. Also included in the project is a replacement of parking space for capacity lost by the Rainbow Mental Health Center. Completion is scheduled for September 2006.

The planning for the Ambulatory Care Center has been completed and the design contract is being negotiated. Commencement of construction is scheduled sometime in 2006, with construction lasting 24-30 months. The new building will provide KUMC with an efficient, appropriate, state of the art facility that provides the appropriate patient experience. The conferee noted the competitive nature of the Kansas City area as well as that of faculty and researcher recruitment and retention.

Construction of a 580-stall parking garage (#4) will be devoted to patients with direct access into the Ambulatory Care Center. It is anticipated that these projects will probably be joined together in a single construction contract in order to be built in this tight space and completed at the same time.

Modification of the Lied Research Building, built in 1994, is requested. This building is part of the deferred maintenance report. This will be the site where KUMC will consolidate the cancer laboratories. The number one priority is the water treatment system repair and renovation project.

Another project request is for use of parking funds for ongoing maintenance of parking infrastructure.

KUMC is seeking funding for the Applegate Energy Center. In FY 2001, KUMC requested over \$40 million for the redevelopment of the Center. The Applegate Energy Center not only serves the university, it also serves patient care buildings. That request was reduced to \$20 million through various funding mechanisms, such as the ESCO project, and also because of the Biomedical Research Center. KUMC was able to replace some of the main equipment in the chilled water plant. However, the university states that it can no longer find funds for significant repair and rehabilitation items. Recently, OOE funds were used to replace the distribution pipe leading to the chilling towers.

Between the general use allocation for maintenance and repair and rehabilitation funds, there is about \$4.7 million for the maintenance functions, which equals \$3.10 per square foot. In 2002, the National Institutes for Health performed a study showing that \$4.80 per square foot should be spent annually for minimal investments to maintain facilities.

Committee discussion followed concerning distribution pipes and chilling towers at the Applegate Energy Center.

Dan Heater, KSU, reviewed capital improvement projects as follows (Attachment 16):

- Annual payment of \$189,446 (15<sup>th</sup> payment of 20) for the KSU-Salina Aeronautical Laboratory funded through the State General Fund.
- Memorial Stadium Renovation of 50,500 gross square foot at a cost of \$9.785 million. Legislative authorization and an appropriation of State General Fund revenue are required for this project.

Discussion followed concerning placing the students elsewhere, preserving the outside of the stadium, and the cost of \$200 per square feet. Tom Rawson, Vice President for Administration and Finance, KSU, remarked that new construction would be more costly and that there aren't any other sites in the middle of the campus. The master plan is to bring all of the departments and colleges

together instead of being scattered across the campus. The Art Department will be relocated into Willard.

- Student Life Center at KSU-Salina. The \$6.4 million project (26,630 gross square feet) will be financed with a 20 year revenue bond with \$1.4 million paid back by student fees and \$5.0 million with private gifts. The current student population is 800, with a capacity of 1,200. KSU provided a preliminary program statement (Attachment 17).
- KSU-Salina runway improvements that include repairing the structural problems in one hangar. The project will be financed entirely with federal funds and also includes replacing existing hangar doors. \$2 million of the \$4 million needed is already available for the project.
- Parking improvements of \$800,000 from parking revenue to renovate existing parking lots on the Manhattan campus and repair selected lots on the Salina campus. KSU will be seeking an additional \$800,000 per year for continued improvements in subsequent years.

Mr. Heater continued by updating the Committee on previously approved capital improvement projects as follows:

- Beach Art Museum Addition - The addition will consist of 17,206 square feet at an estimated total project cost of \$5.0 million funded entirely by private gifts on deposit with the Kansas State University Foundation. Construction commencement is scheduled for November 2005 and the grand opening is planned for spring 2007.
- Bio-security Research Institute - The \$53.4 million BRI project is on schedule for a September 2006 completion and is in budget. The project is 40% complete. Funding for the project comes from four primary sources: \$38.5 million from approved revenue bonding authority given by the Kansas Legislature, \$14.2 million from federal funds, and \$700,000 from private gifts and the City of Manhattan.
- Grain Science Center Flour Mill - This is phase III of the Grain Science Center. The flour mill will have about 23,000 square foot at a estimated cost of \$5.2 million. The design-build project is fully funded through private donations with new equipment on hand and construction scheduled to start in September.
- Grain Science Center Feed Mill - This is phase IV of the project which is requested at \$5.5 million. The private gift fund raising for this project should be completed in FY 2006.
- Student Dormitory Renovations - This \$3.725 million project was financed by bonds which will be repaid using the Residence Hall Renovation fund and restricted fees.
- Jardine Apartment Housing - The university hired Gossen Livingston Associates of Wichita who submitted their final design, development and construction for phase I. Demolition of Buildings A, B, and C will start in September. Construction for phase 1A is to start in January 2006 and will be completed in August

2007. The overall housing renovation project will take about nine years to complete and will cost approximately \$102 million. The project will be financed by bonds which will be repaid from the Residence Hall Renovation Fund and restricted fees.

- Equine Locomotion Training Center - This facility will be operated by the College of Veterinary Medicine. The facility will include approximately 3,600 square feet. The project budget of \$3.1 million will be totally funded through private gifts through the KSU Foundation with \$400,000 already assigned to the project.
- Animal Resource Center - Veterinary Medicine - The project consists of four BSL02 laboratories for research, education, and outreach in food crop, food animal and food safety studies with supporting research space contained in 4,800 square feet with a total budget of \$615,000. Funding for the project is from donations through a Charitable Remainder Annuity Trust administered by KSU Foundation. The Foundation will lease the building to the College of Veterinary Medicine for a period of twenty years. Restricted Fees from the college will be used to pay the yearly lease costs. At the end of the lease period, the building and all improvements will become the property of KSU.

John Gist, Director of Facilities Planning, Wichita State University, presented the university's five-year capital budget plan (Attachment 18). For FY 2007, capital improvement projects totaled \$3,920,000 that includes \$145,000 for a campus energy plant study funded through the State General Fund; \$3,600,000 for an engineering complex expansion/research lab building funded through revenue bonds; \$175,000 for parking maintenance funded through parking fees.

Mr. Gist informed the Committee that the sale of the Boeing Company did not affect the university negatively since the new owner will work for more companies than just Boeing and, as a result, there would be a potential for more research projects. Also, the Engineering Complex Expansion/Research Laboratory Building design includes two separate buildings and each building will be bid separately. There was a pre-bid conference on phase I last week and bids are due by August 25. The preliminary plans for phase II are completed but the final construction documents will not be completed until the details for the icing/wind tunnel equipment are determined. The tunnel equipment itself is very technical and WSU has been working with the aerospace and research engineers as well as the Division of Purchases, Topeka, on a negotiated procurement process for the equipment. There has been a pre-bid meeting with three vendor. The proposals are due September 9, 2005. Afterward, WSU will proceed with final construction documents. When that is completed, the bids will be put out.

In response to the Committee's questions the lack of capital improvement projects after FY 2007, Mr. Gist explained that the university believes that the Campus Energy Plan needs to be addressed first before proposing any other projects.

Ray Hauke, Vice President of Administration and Fiscal Affairs, Emporia State University, addressed the Committee concerning the university's five-year capital improvement plan (Attachment 19) including \$7.4 million for the William A. White Library Addition and renovation; \$7.8 million for the Towers Residential Complex renovation; \$450,000 for parking lot improvements; and \$650,000 for Welch Stadium Track and Field improvements.

Mr. Hauke also updated the Committee on major maintenance activities during the past three years and planned projects on the university's 10-year plan. Five of those projects consisted of re-roofing P.E. Building, improving chilled water capacity, upgrading classroom laboratories, King Hall

remodeling and asbestos removal. These projects were singled out as being directly related to major maintenance funding. The remodeling and relocation of the Stormont maintenance facility at an estimated cost of \$4 million is a new item on the 10-year plan.

Mr. Hauke concluded by encouraging Committee members to consider new buildings operating support when they come before the Committee as part of the operating budget.

Paul Stewart, Director of Facilities Planning, Pittsburg State University, presented an overview of the university's capital improvement requests on the following projects ([Attachment 20](#)):

- Restoration and remodel of McCray Hall was the first priority project at a cost of \$3,437,280 to be state funded. The work includes infra-structure improvements. Architects have not been selected.
- Construction of Kansas Army National Guard Unit/Classroom/Recreation Center at an estimated cost of \$14,404,547 to be funded through state, federal and private funds. The joint construction and collaborative use of this facility by the Kansas National Guard and Pittsburg State University will provide cost savings for the people of Kansas. The federal funding was originally slated for FY 2007, however, both the Senate and House armed Service Committees supported bringing forward these funds by one year. If that is the case, funds will be available in October 2006. There is a requirement that those funds must be encumbered within a year of the approval date.
- Groundbreaking for the Kansas Polymer Research Center occurred in June 2005. The university is currently involved in Bio-based polymers for high-grade plastics research. The project cost is \$4 million to be funded half by state-authorized bonds and half by private funds. An architect contract is in process of being reviewed and approved. A construction manager interview has been held with a short listed group of three firms.
- The Stadium Renovation and Expansion - phase II will provide for additional sky boxes; installation of an elevator, seating areas, access and other ADA upgrades at a project cost of \$2,500,000 to be funded through private funds (gift and/or student funds). The original request was for \$3 million for 10 skyboxes, but this was scaled back to 8 skyboxes.
- Other auxiliary enterprise projects included the parking maintenance and improvements; hospital/student health improvements; housing systems maintenance/improvements (Crimson Villa Apartments and Brandenburg Scholarship Hall).
- The Physical Plant metal storage building project was completed in November 2005 at a cost of \$175,000 funded through private funds (gifts and/or student fees).
- Projects for the university's master plan include improving traffic flow, upgrading Axe Library, developing a Greek Court, and constructing both a College of Business and a Fine Arts and Performance Building.

Committee discussion followed concerning the re-installation of the existing tile roof on the McCray Hall project.

Dana Cunningham, Director of Facilities Planning, Fort Hays State University presented the university's five-year capital improvement plan (Attachment 21). The university requested \$320,000 for Picken Hall Renovation funded through State General Fund and \$300,000 for parking improvements funded through parking fees. In FY 2008, \$3,980,000 is requested for Picken Hall renovation. Since funding levels for the parking improvement are not keeping pace with inflation, this year the campus approved a 50 percent increase in parking fees.

Mr. Cunningham next gave updates on current projects as follows:

- The Memorial Union renovation project cost of \$7,200,000 will be financed with bonds secured with Student Activity Fee revenue. Bids will be let in September with construction to begin the first part of November and completed by spring 2007. The Union will stay open during renovation.
- Also, under construction on campus is the new apartment complex, Stadium Place Apartments. This consists of four two- and three-story developer-built apartments in a two- or four-bedroom configuration. Concrete floors and walls will be used. Three of the buildings are ready for occupancy and the fourth will be ready by the end of August. Construction is running about four weeks behind.
- Progress on the Alumni Endowment Center project resumed in May 2005. The project is now in the design and development phase. The project will go to bid in mid-December. A sixteen-month construction is anticipated.

Committee discussion followed concerning the developer-built apartments.

*Representative Grant moved approval of the July 21-22, 2005, Committee meeting minutes. Representative Brunk seconded. Motion carried.*

Staff distributed the Kansas Highway Patrol's DA 428, a five-year budget capital budget plan requested by the Committee on the first day of the meeting (Attachment 22).

Chairman Humerickhouse adjourned the meeting at 12:30 p.m.

Prepared by Helen Abramson, Committee Secretary  
Edited by Debra Hollon, Legislative Research Department

Approved by Committee on:

September 15, 2005

(date)