

Date

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:35 A.M. on January 24, 2007, in Room 123-S of the Capitol.

All members were present except:

Senator Carolyn McGinn- excused

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes  
Alan Conroy, Director, Kansas Legislative Research Department  
Audrey Dunkel, Kansas Legislative Research Department  
Michael Steiner, Kansas Legislative Research Department  
Melinda Gaul, Chief of Staff, Senate Ways & Means  
Mary Shaw, Committee Assistant

Conferees appearing before the committee:

Reginald Robinson, President and CEO, Kansas Board of Regents  
Dr. Ed Berger, President, Hutchinson Community College  
Jerry Farley, President, Washburn University

Others attending:

See attached list.

Chairman Umbarger welcomed Reginald “Reggie” Robinson, President and CEO, Kansas Board of Regents, who provided an update on the deferred and on-going building maintenance at the state’s universities (Attachment 1). Mr. Robinson explained that the bottom line is that the state universities are struggling with a two-pronged maintenance. First, they have a \$727 million backlog of deferred maintenance on their campuses. Second, they are also experiencing a severe shortfall in the level of support sufficient to appropriately address on-going maintenance needs on an annual basis.

Mr. Robinson provided an update of the steps the Board of Regents has taken. The Board has “pared down” the list of maintenance deficiencies that will be the focus of the deferred maintenance funding initiative. They have directed the university campuses to develop specific project lists. Mr. Robinson noted that the Board has decided to compile a project list that will address \$200 million of their backlog which is an amount equal to the down payment they have been seeking. He explained that the Board has applied a multi-variable formula to allocate a portion of that \$200 million to each of the state universities and have each been directed to prepare a list of proposed projects within their allocation. The Board has adopted important parameters for the state universities to use as they develop their project lists. These proposals are due to the Board of Regents by Friday, January 26, 2007.

The following information was also distributed to the Committee:

- Deferred Maintenance Overview, Reginald Robinson, President & CEO, Kansas Board of Regents, copy of a power point presentation (Attachment 2).
- Deferred Maintenance Overview, Reginald Robinson, President & CEO, Kansas Board of Regents (Attachment 3).

Committee questions and discussion followed.

The Chairman welcomed Dr. Ed Berger, President, Hutchinson Community College, who presented background information regarding the community college deferred maintenance needs (Attachment 4). Dr. Berger mentioned that deferred maintenance is an issue for community colleges as well as the universities. He explained that this past fall the Kansas Association of Community Colleges Trustees asked the ISES Corporation, which was the same corporation that the did the evaluations for the universities, to take a similar look at their institutions. They looked at the areas of exterior building components, engineering systems, interior building components and regulatory kinds of elements. The study was completed in December 2006

## CONTINUATION SHEET

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and the total dollar figure was about \$149 million for total renewal costs and \$792,925,128.00 for total facility replacement cost for community colleges. Dr. Berger noted that all the colleges have maintenance budgets and needs. In closing, Dr. Berger mentioned that they would like consideration for the community colleges needs. Committee questions and discussion followed.

Chairman Umbarger welcomed Jerry Farley, President, Washburn University, who discussed the University's deferred maintenance needs (Attachment 5). Dr. Farley mentioned that Washburn's deferred maintenance needs were estimated by the ISES Corporation at \$21.6 million. He explained that the amount of Washburn's deferred maintenance needs are one half the amount at similarly sized state educational institution and listed the various factors in his written testimony. Dr. Farley explained that over 50 percent of the University's square footage was built in the ten years immediately following the tornado in 1966 and the buildings are approaching 40 years of age and are becoming more maintenance intensive. He urged support of the deferred maintenance initiative for all of public higher education. Committee questions and discussion followed.

Chairman Umbarger thanked all of the conferees and noted that the deferred maintenance is a growing problem.

### **Bill Introduction**

A motion was made by Senator Barone, with a second by Senator Emler, to introduce a bill concerning hospitals and ambulatory surgical centers, price lists, civil penalty (7rs0385). Motion carried on a voice vote.

The meeting adjourned at 11:45 a.m. The next meeting is scheduled for January 25, 2007.