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Adam C. Proffitt, Acting Secretary Frank Burnam, Director Laura Kelly, Governor

To: House Commerce, Labor and Economic Development Committee From: Barbara Schilling, Special Projects Architect, Department of Administration Subject: Proponent Testimony for HB 2234 Date: February 7<sup>th</sup>, 2023

Chair Tarwater and members of the Committee,

Thank you for allowing me the opportunity to add proponent testimony on House Bill 2234.

My name is Barbara Schilling and I am the Special Projects Architect for the Department of Administration in the Office of Facilities and Property Management. I am here today to speak on behalf of the Department of Administration in support of House Bill 2234.

Per KSA 75-1253, the current limit of \$1,000,000 has been in place since 2015. Since that time, inflation and work load has significantly affected our ability to contract with professional architectural and engineering design services in an efficient manner.

Securing professional on-call design services takes 3 to 4 months from submitting an advertisement to selection of the design team. Raising the dollar limit on what projects require a negotiating committee will significantly reduce the number of interviews needed annually and allow the design and bidding to happen earlier. This will result in cost savings for each project.

A large percentage of these projects would also fall into the category of prototype work—one example would be the Department of Transportation subarea renovations. In this case, these projects were under the \$1,000,000 limit but now exceed the limit only because of the escalation of cost for same scope of work.

In general, projects that were just under the \$1,000,000 limit two years ago are now projected to be significantly higher in the current fiscal year.

Efficiencies would be gained by firms reducing the time and outlay of preparing documents and interviewing. State agencies involved in this process would save time and money, since projects would be bid more quickly.

These limits have been raised over time to accommodate changing market conditions. History of these limits as set by KSA 75-1253 are as follows:

DATE	ARCHITECTURAL LIMIT	ENGINEERING LIMIT
1988	\$250,000 Construction Cost	\$150,000 Construction Cost
1990	\$500,000 Construction Cost	\$250,000 Construction Cost
2006	\$750,000 Construction Cost	\$500,000 Construction Cost
2015	\$1,000,000 Project Cost	\$1,000,000 Project Cost

Thank you for the opportunity to provide this testimony, and I would be happy to answer any questions.