

Office of Facilities and Property Management
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Dennis R. Taylor, Secretary
Mark J. McGivern, Director

Sam Brownback, Governor

JCSBC Testimony
Department of Revenue
Manhattan
August 15, 2012

Good morning, my name is Sarah Shipman. I am representing the Department of Administration, Office of Facilities & Property Management to present the proposed lease for the Kansas Department of Revenue in Manhattan. The agency has been at its current location since 2002. The current lease expires September 30, 2012.

The Agency issued a Request for Proposal in January 2012. In addition, the request for space was sent to registered bidders via the email notification system and published in the local newspaper.

The proposed lease begins October 1, 2012 for a term of five years. The lease rate of \$14.00 is within the average lease cost for State leased office space in Manhattan.

The use of the space requires an exception to the 250 square foot per FTE space standards. The DLEX stations are typically over space standards as these offices serve larger than average customer numbers and need a large waiting/reception area.

The space is new construction so there is not an Energy Audit report available.

Department of Administration is supportive of this lease.

I am available to answer your questions as is a representative from the Kansas Department of Revenue.

Thank You.

Lease Comparison Sheet

Kansas Department of Revenue

August, 2012

A		B	C	D	E
		CURRENT LEASE	PROPOSED LEASE	Other State Leases	
GENERAL INFORMATION					
1	State Agency	Department of Revenue	Department of Revenue	Kansas State University	Kansas Department of Commerce
2	Address	3003 Anderson Ave.	8200 South Port Rd.	5980 Corporate Dr.	205 4th Street
3	City Location (market)	Manhattan	Manhattan	Manhattan	Manhattan
4	Office Function	DLEX Office	DLEX Office	Printing Services Department of KSU	Office Space
5	Lease Space (sq. ft.)	Office Sq. Ft. 1,500	2,425	3,900	640
6		Storage Sq. Ft. 0	0	0	0
7		Total Sq. Ft. 1,500	2,425	3,900	640
8		Parking Stalls 6	4	4	n/a
9	Energy Audit	No Record	No History NewSpace	No Record	No Record
10	Full Time Equivalency (FTE) employees/workstations	3	4	18	3
11	Lease Begin Date	1/10/2002	10/1/2012	7/1/2011	7/1/2011
12	Lease End Date	9/30/2012	9/30/2017	6/30/2016	6/30/2013
13	Years of Lease	10	5	14	1
14	Space Standards Check (sq. ft. per FTE/workstation)	500	485	279	213
LEASE COSTS					
15	Base Lease Office Cost (annual per sq. ft.)	\$10.40	\$14.00	\$1.78	\$13.50
16	Storage (per square foot)	\$0.00	\$0.00	\$0.00	\$0.00
17	Parking	\$0.00	\$0.00	\$0.00	\$0.00
18	Additional Services				
AGENCY FUNDED OCCUPANCY COSTS					
19	Real Estate Taxes	inc. in lease	inc. in lease	inc. in lease	inc. in lease
20	Insurance	inc. in lease	inc. in lease	inc. in lease	inc. in lease
21	Major Maintenance	inc. in lease	inc. in lease	inc. in lease	inc. in lease
22	Utilities				
23	Electricity	inc. in lease	not included	not included	inc. in lease
24	Insurance	inc. in lease	not included	not included	inc. in lease
25	Water/Sewer/etc.	inc. in lease	not included	not included	inc. in lease
26	Trash Pickup/Removal	inc. in lease	not included	not included	inc. in lease
27	Custodial/Janitorial	inc. in lease	not included	not included	not included
28	Pest Control	inc. in lease	not included	not included	inc. in lease
29	Grounds Maintenance (inc. snow removal)	inc. in lease	not included	not included	inc. in lease
30	Parking	inc. in lease	not included	not included	inc. in lease
30	Total Other Bldg Optg Costs (not included in lease)	\$0.00	\$0.00	\$14.05	\$0.00
IMPROVEMENTS					
31	Improvements				
32	Subtotal - Improvements	\$0.00	\$0.00	\$0.00	\$0.00
33	Annual Cost per Sq. Ft. (estimated)	\$10.40	\$14.00	\$15.83	\$13.50
34	Annual Cost (estimated)	\$15,600	\$33,950		
35	Total Cost of Lease (estimated)	\$156,000	\$169,750		

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