

MINUTES

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

May 28, 2010
Room 144-S—Statehouse

Members Present

Senator Dwayne Umbarger, Chairperson
Senator Pat Apple
Senator Jay Emler
Senator Marci Francisco
Senator Laura Kelly
Representative Steve Brunk
Representative Bill Feuerborn
Representative Bob Grant
Representative Mitch Holmes

Member Absent

Representative Jo Ann Pottorff, Vice-chairperson

Staff

Audrey Dunkel, Kansas Legislative Research Department
Cody Gorges, Kansas Legislative Research Department
Matt Sterling, Office of the Revisor of Statutes
Gary Deeter, Committee Secretary

Conferees

Richard Gaito, Deputy Director, Division of Facilities Management, Kansas
Department of Administration
Eric King, Director of Facilities, Kansas Board of Regents
Jim Modig, Campus Director, Design and Construction Management, University of
Kansas
Marilyn Jacobson, Director, Division of Facilities Management, Kansas Department
of Administration
Debra Billingsley, Executive Secretary, Kansas Board of Pharmacy

Others Attending

See attached sheet.

The Chairperson called the meeting to order at 10:27 a.m. and welcomed Richard Gaito, Deputy Director, Division of Facilities Management, Kansas Department of Administration, who reviewed proposed agency leases ([Attachment 1](#)). He stated that the Kansas Board of Cosmetology, at the same location since 2000, was downsizing, reduced the leased area from 4,000 square feet to 3,469 square feet, saving \$17,000. Of the three bidders, Mr. Gaito said the current landlord offered the lowest total cost, a five-year lease with two one-year renewal options at \$10.99 per square foot (psf), a figure within market range for the capitol complex. The energy-star rating of 70 is below the recommended 75; the landlord will address energy savings to increase efficiency, and the Department of Administration will request a new energy audit in CY 2011. Responding to a question, Mr. Gaito replied that the energy audit, free to state agencies, is provided by the federal Department of Energy as an online service.

The lease was approved unanimously. (Motion by Representative Grant and seconded by Representative Feuerborn)

Reviewing the proposed lease for the Kansas Board of Pharmacy, Mr. Gaito said that the agency has been at its current location (Landon State Office Building) for seven years, but a recent grant to monitor prescription drugs requires three more Full-time Equivalent (FTE) positions, necessitating a move to a location with additional space. Of the nine proposals (six bidders), the proposed lease has the lowest total cost, a full-service five-year lease with two one-year renewal options for \$12.50 psf, an amount within market range for the capitol complex. Noting the energy-star rating of 61, Mr. Gaito stated that the landlord is addressing energy savings by upgrading the heating/ventilation/air-conditioning (HVAC) systems and that the Department of Administration will request an energy audit in CY 2011.

Members questioned why an agency would leave a state-owned building. Marilyn Jacobson, Director, Division of Facilities Management, Kansas Department of Administration, explained that present policy allows an agency to seek private locations. Answering a question, Ms. Jacobson replied that space costs at Landon are \$16.78 psf, an amount which includes such things as parking, supplies, maintenance, repairs, insurance, and utilities. Debra Billingsley, Executive Secretary, Kansas Board of Pharmacy, further explained that the Board evaluated other state-owned locations, but could not find turn-key space available. Members commented that they preferred agencies to locate in state buildings and suggested assessing the policy which allows agencies to seek private locations if they wish. A member requested follow-up after next year's energy audit is completed.

The lease was approved. (Motion by Representative Feuerborn; second, Representative Grant).

Audrey Dunkel, Kansas Legislative Research Department, noted information-only material regarding change orders and monthly reports required by statute ([Attachment 2](#)).

Eric King, Director of Facilities, Kansas Board of Regents, presented the priority listing of rehabilitation and repairs for the Regents universities, a total of \$15 million ([Attachment 3](#)), reviewed the quarterly report on the State Educational Institution Long-Term Infrastructure Maintenance Program ([Attachment 4](#)), and outlined the funding for Regents universities' Five-year Maintenance Plan allocations ([Attachment 5](#)). Regarding the quarterly report, he noted that the report includes narrative and spread-sheet information, the bond program was suspended by the Legislature for

2010, and no changes are indicated regarding the tax-credit program. Regarding the five-year plan, he said the plan includes only projects that members have considered previously.

Jim Modig, Campus Director, Design and Construction Management, University of Kansas, presented four projects which have moved forward since the FY 2011 Capital Improvements budget request, three of which resulted from grant applications for American Recovery and Reinvestment Act (ARRA) funding (Attachments 6 and 7). The first project is construction of a new building, the Measurement, Materials, and Sustainable Environment Center for the School of Engineering. He explained that currently graduate engineering students, who conduct extensive research activities, are housed in various locations that cannot support modern testing equipment. The 34,690 square-foot building will provide research for 100 students and faculty with \$3 million in equipment provided by federal agency funding. The \$21.6 million project will receive \$12.275 million of stimulus money through the National Institute of Standards and Technology, with the balance funded through private sources. Answering a question, he said testing includes bio-fuels production and engine emission analysis, bio-engineering, composites, fracture and fatigue materials testing, and evaluation of sustainability practices. In reply to another question, Mr. Modig stated that, following the Board of Regents policy, funding is allocated for building maintenance.

Mr. Modig outlined another project, the renovation of Nichols Hall to create a Bioinformatics Computing Facility Core, the \$4.65-million project to be funded by the National Institute of Health (Attachment 8). He explained that the project will provide a multidisciplinary integration for research projects in the life sciences and will be able to accommodate the ballooning requirements for data processing and storage in the bio-medical fields. Mr. Modig explained that the Regents' policy providing for future maintenance does not apply to renovation projects. A member expressed concern for installing sophisticated equipment with no provision for future maintenance.

Mr. Modig presented a third project: renovation of Dyche Hall to provide better facilities for the Biodiversity Institute; the \$1.525-million project will be funded by the National Science Foundation (Attachment 9). He said that the grant project will modernize a suite of laboratories to provide research for such things as genomics and ecosystems forecasting. Mr. Modig noted that the upgrading of the HVAC and electrical systems will be separately funded through the deferred maintenance program. Members again expressed concern that no plan was provided for maintenance of the building. Members requested a follow-up report to address this issue and suggested the need to consider revising the maintenance policy to include renovation projects.

Mr. Modig reviewed a planned addition to the Lied Center, the University's facility for the performing arts (Attachment 10). He said the addition will include a visitor's center and an education pavilion where students and adults can learn more about the performing arts. The 8,000-square-foot addition, budgeted at \$2.5 million, will be funded with private monies. He noted that funding has been identified for future maintenance.

Members considered proposed dates for future meetings and agreed on the following dates, all on Wednesdays:

- July 14
- August 18
- September 15-16
- October 13
- November 10
- December 15

The meeting was adjourned at 11:35 a.m.

Prepared by Gary Deeter
Edited by Audrey Dunkel

Approved by Committee on:

July 14, 2010
(Date)