Report of the Joint Committee on State Building Construction to the 2015 Kansas Legislature

Chairperson: Senator Kay Wolf

Vice-Chairperson: Representative Steve Brunk

Other Members: Senators Marci Francisco, Laura Kelly, Forrest Knox, and Larry Powell; and Representatives John Alcala, Steve Alford, Mark Hutton, and Jim Ward

Study Topics

- Study, review, and make recommendations on all agency five-year capital improvements plans, leases, land sales, and statutorily required reports by agencies;

- Review buildings within the Capitol Complex included in 2014 SB 423; and

- Travel throughout the state to observe the many state-owned buildings including the State’s veterans’ homes at Winfield and Dodge City, the State Hospital at Larned, the School for the Deaf and the School for the Blind.
Conclusions and Recommendations

The Joint Committee recommended all agencies’ five-year capital improvement plans, leases, and sales of land and facilities that came before the Committee. The Joint Committee recommends the following:

- Include the three proposed Private Industry Expansions by the Department of Corrections;
- Include the supplemental requests using private funding for the windows at Constitution Hall and roof at the State Archives Building for the State Historical Society;
- Cap the funding for the repairs to two retaining walls at the Salina Academy of the Kansas Highway Patrol to $631,300; and
- Cap the funding of the Expo facility repair and replacement at the Kansas State Fairgrounds to $5.5 million.

Proposed Legislation: None.

BACKGROUND

The Joint Committee was established during the 1978 Session. The Special Committee on Ways and Means recommended the bill creating the Joint Committee, 1978 HB 2722, as a result of its interim study of state building construction procedures.

The Joint Committee was expanded from six members to ten members by 1999 HB 2065. It is composed of five members of the Senate and five members of the House of Representatives. Two members each are appointed by the Senate President, the Senate Minority Leader, the Speaker of the House of Representatives, and the House Minority Leader. The Chairperson of the Senate Committee on Ways and Means and the Chairperson of the House Committee on Appropriations serve on the Joint Committee or appoint a member of such committee to serve (KSA 46-1701).

Terms of office are until the first day of the regular legislative session in odd-numbered years. A quorum of the Joint Committee is six members. The Chairperson and Vice-chairperson are elected by the members of the Joint Committee at the beginning of each regular session of the Legislature and serve until the first day of the next regular session. In odd-numbered years, the Chairperson is to be a Representative and the Vice-chairperson is to be a Senator. In even-numbered years, the Chairperson is to be a Senator and the Vice-Chairperson is to be a Representative (KSA 46-1701).

The Joint Committee may meet at any location in Kansas on call of the Chairperson and is authorized to introduce legislation. Members receive the normal per diem compensation and expense reimbursements for attending meetings during periods when the Legislature is not in session (KSA 46-1701).
The primary responsibilities of the Joint Committee are set forth in KSA 2014 Supp. 46-1702. The Joint Committee is to review and make recommendations on all agency capital improvement budget estimates and five-year capital improvement plans, including all project program statements presented in support of appropriation requests, and to continually review and monitor the progress and results of all state capital construction projects. The Joint Committee also studies reports on capital improvement budget estimates that are submitted by the State Building Advisory Commission. The Joint Committee makes annual reports to the Legislature through the Legislative Coordinating Council (LCC) and other such special reports to the appropriate committees of the House of Representatives and the Senate (KSA 2014 Supp. 46-1702).

Each state agency budget estimate for a capital improvement project is submitted to the Joint Committee, the Division of the Budget, and the State Building Advisory Commission by July 1 of each year. Each estimate includes a written program statement describing the project in detail (KSA 2014 Supp. 75-3717b).

The budget estimate requirement does not apply to federally funded projects of the Adjutant General or to projects for buildings or facilities of the Kansas Correctional Industries of the Department of Corrections that are funded from the Correctional Industries Fund. In those cases, the Adjutant General reports to the Joint Committee each January regarding the federally funded projects, and the Director of Kansas Correctional Industries advises and consults with the Joint Committee prior to commencing such projects for the Kansas Correctional Industries (KSA 2014 Supp. 75-3717b and 75-5282).

The Secretary of Administration issues monthly progress reports on capital improvement projects including all actions relating to change orders or changes in plans. The Secretary of Administration is required to first advise and consult with the Joint Committee on each change order or change in plans having an increase in project cost of $125,000 or more, prior to approving the change order or change in plans (KSA 2014 Supp. 75-1264). This threshold was increased from $25,000 to $75,000 in 2000 HB 2017, and to $125,000 in 2008 HB 2744. Similar requirements were prescribed in 2002 for projects undertaken by the State Board of Regents for research and development facilities and state educational facilities (KSA 2014 Supp. 76-786), and in 2004 for projects undertaken by the Kansas Bioscience Authority (KSA 2014 Supp. 74-99b16).

If the Joint Committee will not be meeting within 10 business days, and the Secretary of Administration determines that it is in the best interest of the state to approve a change order or change in plans with an increase in project costs of $125,000 or more, 2000 HB 2017 provided an alternative to prior approval by the Joint Committee. Under these circumstances, a summary description of the proposed change order or change in plans is mailed to each member of the Joint Committee, and a member may request a presentation and review of the proposal at a meeting of the Joint Committee. If, within seven business days of the date the notice was mailed, two or more members notify the Director of Legislative Research of a request to have a meeting on the matter, the Director will notify the Chairperson of the Joint Committee, who will call a meeting as soon as possible. At that point, the Secretary of Administration is not to approve the proposed action prior to a presentation of the matter at a meeting of the Joint Committee.

If two or more members do not request the proposed matter be heard by the Joint Committee, the Secretary of Administration is deemed to have advised and consulted with the Joint Committee and may approve the proposed change order, change in plans, or change in proposed use.

The comprehensive energy bill 2009 Senate Sub. for HB 2369 required the state to establish energy efficient performance standards for state-owned and -leased real property, and for the construction of state buildings. State agencies are required to conduct energy audits as least every five years on all state-owned property, and the Secretary of Administration is prohibited from approving, renewing or extending any building lease unless the lessor has submitted an energy audit for the building. Each year, the Secretary of Administration shall submit a report to the Joint Committee that identifies properties where an excessive amount of energy is being used.
COMMITTEE ACTIVITIES

The LCC approved six meeting dates for the Joint Committee on State Building Construction, of which three were to be travel days. Those meetings were held September 9 and 10, October 21, November 19 and 20, and December 15, 2014. One additional day was requested and granted by the LCC. The Committee also met on January 12, 2015, prior to the beginning of the 2015 Session. During the 2014 interim meetings, the Joint Committee reviewed agencies’ five-year capital improvement plans. All plans were approved.

Five-Year Plans

The Director of Public Works for the Adjutant General’s Department reviewed the rehabilitation and repair projects for the 315 buildings under its authority. A planned new State Emergency Management Operations and Training Center was also discussed. This project will cost $5.9 million in FY 2017 and consolidate Air and Army National Guard operations at Forbes Field in Topeka. The Committee expressed concern in recommending the $5.9 million and a motion was made to recommend the agency’s five-year plan, but exclude the $5.9 million pending further information.

The Adjutant General provided further testimony on the agency’s new Emergency Management Operations and Training Center and proposed Fusion Center addition and the Committee recommended the $5.9 million expenditure for the project.

The Director of the Kansas Department of Corrections presented three proposed Private Industry Expansions along with the five-year plan and all were approved.

The Director of Operations of the Kansas Department of Transportation (KDOT) noted the agency’s 966 buildings to maintain. This includes subarea bay modernization and salt domes.

The Building Services Supervisor for the Department of Commerce discussed the agency’s seven workforce centers across the state. All capital improvements are federally funded.

The Director of the Historical Society discussed the more than 50 buildings used for rehabilitation and repair. There was discussion on two supplemental projects—window repairs at Constitution Hall in Lecompton and a roof repair on the State Archives Building. The Committee recommended the five-year plan including the two additional supplemental projects.

The Deputy Superintendent of Operations for the Kansas Schools for the Deaf and Blind noted they serve 1,700 Kansas residents. There are 70-80 students residing at the School for the Blind and 120 reside at the School for the Deaf. Many administrative functions have been consolidated between the two schools.

The Director of the Kansas Commission on Veterans Affairs Office discussed the projects at Fort Dodge, Winfield, and the cemeteries. There are 135 residents at Fort Dodge and 120-140 at Winfield. The majority of residents now are veterans of the Vietnam War.

The Director of the Bureau of Investigation (KBI) updated the Committee on the three major offices for the KBI—the headquarters, the annex, and the office in Great Bend. There was also an update on the new forensic lab being built at Washburn University.

The Comptroller for the Kansas Insurance Department discussed routine maintenance and repair projects. The Committee asked for and received additional information on the specific projects for which the money would be used.

The Chief Fiscal Officer for the Kansas Department of Labor discussed the rehabilitation and repair projects that are all paid with federal funds. They also discussed the white house at 427 SW Topeka Avenue that the agency had tried to sell. The federal government has been satisfied with a payment for the property, and the agency will raze the building and is proposing a new maintenance facility on the site.

The Senior Operations Manager for the Department for Children and Families explained the agency has no current capital improvement projects scheduled for the one building it owns and all other agency buildings are leased.
The Director of Facilities Planning for Pittsburg State University reviewed the current projects. A future dorm project is using construction manager design-build process at a guaranteed maximum cost.

The Director of Facilities Planning with Fort Hays State University discussed current and future projects at the university. He noted that because of leadership changes at the university, some projects were being revisited and may change.

The Associate Director of Projects with the University of Kansas Medical Center discussed the Health Education building and parking garage. The parking garage will be operational by December 2016 and the building completed by December 2017.

The Director of Facilities Planning for Wichita State University discussed current and future projects and noted university officials are in discussion with the city regarding street entrances. There are currently no plans to change the location of the football stadium.

The Associate Vice President for Facilities at Kansas State University discussed renovations, upgrades, improvements, and new construction. University officials are coordinating plans with the federal National Bio and Agro-Defense Facility regarding Roberts Hall.

The University Architect/Director of Design and Construction Management for the University of Kansas discussed current projects and the campus master plan.

The Director of Facilities for the Board of Regents discussed the rehabilitation and repair fund and priority list at each university for the funding. He also discussed the need for additional funds for deferred maintenance at the universities.

The Director of Facilities and Procurement Management commented on the methodology used for assessing building conditions and responded to questions about the demolition of the Docking State Office Building.

The Chief Financial Officer for the Judicial Branch discussed the addition of two office suites at the Judicial Center.

The Chief Fiscal Office from the Kansas Highway Patrol (KHP) discussed the Vehicle Fleet Storage and Maintenance Facility at Billard Airport, Topeka. There was a request for funding of two supplemental projects—replacing water mains at the KHP Training Academy in Salina and paving at the new F Troop headquarters in Wichita. Also discussed was the deterioration of two retaining walls at the Salina Academy. The Committee recommended the five-year plan including the two supplemental projects. The motion also included a cap to the funding for the retaining wall replacement at $631,300.

The Budget Director for the Kansas Department of Wildlife, Parks and Tourism reviewed new construction and additions for the agency. Also discussed was the rehabilitation and repair of current facilities.

The Facilities Architect for the Kansas Department for Aging and Disability Services viewed the plans for the five state hospitals that comprise 196 buildings. The rehabilitation and repair projects were discussed and it was noted there is a mounting amount of deferred maintenance to many buildings.

The General Manager of the Kansas State Fair noted the facility hosted 400 non-fair events during the year and that the attendance at the 2014 Fair was the fourth-highest in the Fair’s history. Also discussed was the $300,000 state matching contribution to be made annually. The Committee recommended the five-year plan with a repair and replacement cap for the Expo facility of $5.5 million.

The Project Architect from the University of Kansas Medical Center presented a project to construct a simulation center by renovating the first floor of Sudler Hall. This project will be incorporated into the Health Education space that is currently under construction.
Statutorily Required Reports

The KDOT Deputy Secretary and State Transportation Engineer presented the agency’s inventory of surplus property. In FY 2014, 28 properties were sold. The Kansas Turnpike Authority and KDOT are co-locating in Emporia.

Leases and Sales

The Deputy Director of the Office of Facilities and Procurement Management for the Department of Administration presented the following leases and sales, all of which were recommended by the Committee:

- Parole Office for the Department of Corrections in Hutchinson;
- Department of Corrections surplus farm ground in north Topeka;
- Department of Children and Families surplus warehouse in Wyandotte County;
- KBI office in Lenexa;
- Kansas Department for Children and Families lease of the Athene Building in Topeka;
- Department of Revenue lease of the Scott Building in Topeka;
- Department of Revenue lease of the Mills Building in Topeka;
- Department of Revenue Division of Vehicles lease of the former Dillons grocery store at 29th and Topeka Avenue in Topeka;
- Kansas Corporation Commission office in Hays;
- Office of the State Bank Commissioner in Topeka; and
- Rainbow Mental Health was sold to the University of Kansas Foundation.

The Deputy Secretary of Corrections alerted the Committee to possible litigation concerning a lease for a parole office in Kansas City, Kansas.

The Deputy Director of Design Construction, and Compliance, Office of Facilities and Procurement Management for the Department of Administration discussed the plans to relocate the Data Center currently in the Landon Building to the Burlington Northern Santa Fe building or Curtis State Office Building.

State Facility Tours

The Committee toured the four buildings the Department of Administration is authorized to sell under the terms of enacted 2014 SB 423. They include the Landon and Eisenhower buildings, currently owned by the state. The bill also provides for exercising the option of purchase and selling the Curtis and Myriad buildings currently owned by the Topeka Public Building Commission and leased to the state.

After the tour, the bonded indebtedness and other relevant fiscal information was shared with the Committee and discussed. The debt for three of the buildings was greater than the assessed value.

The Committee toured Larned State Hospital. The superintendent explained the facility contains three hospitals including the State Security Program, the Department of Corrections facility for mental patients, and the Sexual Predator Treatment Program. The Committee toured the Meyer, Jung, and Issac Ray buildings.

The Committee toured the Kansas Soldiers’ Home in Dodge City. The tour included the Veterans’ Cemetery, one of the cottages, the historic Custer Building, Lincoln and Grant dormitories, the Eisenhower administration building, and Halsey Hall, the long-term care facility.

The Committee toured the Kansas Veterans’ Home at Winfield. The superintendent stated the facility has an average annual population of 91
individuals in long-term care, 22 residents in assisted living, and 18 beds in the Alzheimer’s Unit. The Committee was also shown the 40-bed expansion in the Triplett unit.

The Committee toured the School for the Deaf in Olathe. The Committee was shown the current remodeling of the Roth Building and the upgrades to the heating, ventilation, and air conditioning.

The Committee toured the School for the Blind in Kansas City. The school serves 165 students on campus and approximately 1,100 students statewide. The Information Resource Office for both schools noted to the Committee that the schools are program centers and not enrollment centers.

**Conclusions and Recommendations**

The Joint Committee recommended all agencies’ five-year capital improvement plans, leases, and sales of land and facilities that came before the Committee. The Joint Committee recommended the following:

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