

Report of the Joint Committee on State Building Construction to the 2019 Kansas Legislature

CHAIRPERSON: Senator Rick Billinger

VICE-CHAIRPERSON: Representative J.R. Claeys

OTHER MEMBERS: Senators Marci Francisco, Laura Kelly, Carolyn McGinn, and John Skubal; and Representatives John Alcala, Steve Alford, Steve Huebert, and Adam Lusker

CHARGE

The Committee is authorized by KSA 46-1701, which includes provisions allowing the Committee to meet on call of its Chairperson at any time and any place within the state and to introduce legislation. The Committee is to:

- Study, review, and make recommendations on all agency five-year capital improvement plans;
- Review leases, land sales, and other statutorily required reports by agencies; and
- Travel throughout the state to observe State-owned buildings.

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Joint Committee on State Building Construction

ANNUAL REPORT

Conclusions and Recommendations

The Committee recommended the following:

- All the agencies' five-year capital improvement plans, except for those in which there was not a quorum of members present;
- The Kansas Insurance Department's request to remove the project to install safety film on the south and west first floor windows at a cost of \$12,000; and
- All leases presented to the Committee.

Proposed Legislation: None

BACKGROUND

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

The 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 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 Committee is six members. The chairperson and vice-chairperson are elected by the members of the 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 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 Committee are set forth in KSA 2018 Supp. 46-1702. The 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 Committee also studies reports on capital improvement budget estimates that are submitted by the State Building Advisory Commission. The 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 2018 Supp. 46-1702).

Each state agency budget estimate for a capital improvement project is submitted to the 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 2018 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 Committee each January regarding the federally funded projects, and the Director of Kansas Correctional Industries advises and consults with the Committee prior to commencing such projects for the Kansas Correctional Industries (KSA 2018 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 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 2018 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 2018 Supp. 76-786) and in 2004 for projects undertaken by the Kansas Bioscience Authority (KSA 2018 Supp. 74-99b16).

If the Committee will not be meeting within ten business days, and the Secretary of Administration determines 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 Committee. Under these circumstances, a summary description of the

proposed change order or change in plans is mailed to each member of the Committee, and a member may request a presentation and review of the proposal at a meeting of the 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 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 Committee. If two or more members do not request the proposed matter be heard by the Committee, the Secretary of Administration is deemed to have advised and consulted with the Committee and may approve the proposed change order, change in plans, or change in proposed use (KSA 2018 Supp. 75-1264).

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 at 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 Committee that identifies properties where an excessive amount of energy is being used (KSA 2018 Supp. 75-37,128).

COMMITTEE ACTIVITIES

The LCC approved three meeting dates for the Joint Committee on State Building Construction, one of which was to be a travel day. Those meetings were held August 16, October 9, and October 29, 2018. The Committee reviewed agencies’ five-year capital improvement plans and traveled to Parsons State Hospital, Block 22 in Pittsburg, and the Farlington Fish Hatchery in Crawford County. All agency five-year capital improvement plans were recommended except for the following: the Kansas State Fair plan was not voted on due to a change in management and reorganization of the capital improvement

projects, and the Kansas Insurance Department plan was approved but modified at the request of the agency to delete item #8 for \$12,000 to install safety film on the south and west first floor windows. Approval was not given due to the lack of a quorum for the following agencies: the Department of Wildlife, Parks and Tourism; Kansas Bureau of Investigation; Department of Administration, Kansas Department for Aging and Disability Services (including state hospitals); Kansas Commission on Veterans' Affairs Office; and the Judicial Branch.

Five-Year Plans

Department for Children and Families (DCF). The Deputy Secretary of Operations, DCF, presented the agency's five-year capital improvement plan. The Deputy Secretary noted that all capital improvements for the agency relate to the MYRIAD Building at 500 SW Van Buren in Topeka. The building was constructed in 2000 and is owned by the Topeka Public Building Commission, on a lease-to-buy agreement. The State will own the building beginning in 2029. The Deputy Secretary highlighted several proposed capital improvements over the five-year period, including lobby remodeling, parking garage floor improvements, garage gate replacement, and a heating, ventilation, and air conditioning (HVAC) systems update. The plans include security upgrades and general maintenance requirements.

Kansas Department of Labor (DOL). The Chief Fiscal Officer (CFO), DOL, indicated the agency owns five buildings in Topeka. The CFO discussed several proposed projects over the next five years, including general rehabilitation and repair; installation of intercom systems at two buildings; renovation of buildings, including carpet replacement, lighting renovation, and boiler replacement; parking lot repavement and overlay; and HVAC upgrades.

State Historical Society. The Executive Director of the State Historical Society presented the agency's five-year capital improvement plan. The Executive Director highlighted a number of projects from the five-year plan, including ongoing annual emergency repairs, expansion of the Law Enforcement Memorial on the Statehouse grounds, rehabilitation and reinterpretation at the Kaw Mission State Historic Site in Council Grove,

renovation at the Shawnee Indian Mission State Historic Site in Fairway, stabilization of the Block House at the Fort Hays State Historic Site in Hays, and renovations at the Kansas Museum of History in Topeka. The Executive Director indicated most of the projects would be funded by private donations and grants, but noted the agency would be requesting partial funding from the State General Fund for projects in Council Grove and Topeka.

Kansas State School for the Blind. The Director of Operations, Kansas State School for the Blind, presented the school's five-year capital improvement plan. The Director indicated the school's plan involved three areas: safety and security systems, including fire and mass notification systems and securing entrances; campus boilers and HVAC upgrades; and ongoing rehabilitation and repair projects.

Kansas State School for the Deaf. The Director of Operations, Kansas State School for the Deaf, presented the school's five-year capital improvement plan. The Director indicated the school's plan involved five major areas: safety and security systems, including fire and mass notification systems and securing entrances; campus boilers and HVAC upgrades; ongoing rehabilitation and repair projects; debt service payments for the School's Energy Service Performance Contract (the debt will be retired in mid-FY 2020); and a project to renovate and upgrade the HVAC system at Roth Auditorium.

State Board of Regents. The Director of Facilities, State Board of Regents, discussed the agency's five-year capital improvement plan. The Director indicated the only request for the agency is the annual request for rehabilitation and repair funds, which is initially appropriated to the State Board of Regents and then distributed to the Regents institutions. The request includes \$41.0 million, all from the Educational Building Fund, for FY 2020, and \$40.0 million for each subsequent fiscal year for the duration of the five-year plan.

Fort Hays State University. The Director of Facilities Planning, Fort Hays State University, discussed the university's five-year capital improvement plan. The Director highlighted

several projects requested by the university over the five-year plan, including a Memorial Union addition, renovations to Forsyth Library and Rarick Hall, and ongoing parking improvements. The Director also highlighted ongoing work relating to deferred maintenance projects, including renovations to Albertson, Cunningham, McCartney, McMindes Rarick, and Tomanek Halls; Gross Coliseum; the Akers Energy Center; and the Art and Design Building.

Emporia State University. The Vice President for Administration and Finance, Emporia State University, presented the university's five-year capital improvement plan. The Vice President highlighted ongoing projects, including a new residential life facility, a new aquatic research and outreach center, and a new university house. The Vice President discussed relocation of utility lines on Merchant Street and renovations to Abigail Morse Hall. She also discussed future projects requested by the university, including a new maintenance facility, an aquatic addition to the Student Recreation Center, and a wet laboratory addition to the Science Building.

Wichita State University. The Associate Vice President for Facilities, Wichita State University, presented the university's five-year capital improvement plan. The Associate Vice President provided project updates regarding ongoing capital improvements, including Fiske Hall renovations, development of Braeburn Square, Partnership Building 2, the Suites at the university, and YMCA Wellness Center. He also highlighted future capital improvement projects, including a Central Energy Plant Cooling Tower replacement, development of a new Crash Dynamics Laboratory, Phase V of Eck Stadium improvements, expansion or renovations to Koch Arena, and construction of a new School of Business.

Kansas State University. The Associate Vice President for Facilities and University Architect, Kansas State University, presented the university's five-year capital improvement plan. The Associate Vice President discussed current ongoing projects, including renovations to Trotter and Mosier Halls and Hale Library, various athletic projects to the Bill Snyder Family Stadium and the RV Christian Track, and construction of a new Agronomy Education Center. He also discussed future requested projects, including construction of a new

agriculture and research extension facility, a multi-cultural student center, expansion and renovations to the Derby Dining Center, McCain Auditorium, and the facility for the soccer and baseball teams. In addition, the request includes replacement of the Polytechnic runway in Salina.

Pittsburg State University. The Interim University Architect and Interim Director of Planning, Design and Construction, Pittsburg State University, reviewed the status of several ongoing capital improvement projects, including renovations to Axe Library, Bicknell Family Center for the Arts, Kelce College of Business, the Kansas Technology Center Outdoor Diesel Laboratory, and McPherson Hall. In addition, he highlighted progress on Block 22, the Living/Learning Community, which utilizes city and private funding to renovate existing buildings in downtown Pittsburg for student housing, innovation spaces, and businesses. He also discussed future capital improvement requests, including expansion to the Kansas Technology Center, McPherson Hall, the Tyler Research Center, and improvements to the Sports Complex.

University of Kansas Medical Center. The Director of Projects and Planning, University of Kansas Medical Center (KUMC), presented KUMC's five-year capital improvement plan. The Director discussed ongoing projects, including a new anatomy laboratory within Orr Major, upgrading of 35-year-old infrastructure, replacement of deteriorating tunnels running under Murphy Courtyard, switchgear replacement, and parking garage improvements. The Director also discussed future projects, including addition of a 41,000-square-foot Health Education Building at the School of Medicine in Wichita; expansion of the Dykes Library to create classroom, laboratory, clinic, and faculty office space for the new dental school; installation of solar panels on the roof of the Support Services building; and exterior wall replacement at Lied Research Building.

University of Kansas. The Director of Design and Construction Management, University of Kansas, presented the university's five-year capital improvement plan. The Director reviewed the status of current projects, including replacement of the volleyball facility and construction of the new indoor football practice facility. In addition, the Director discussed future projects, including

construction of a district chilled water plant to replace aging building chillers, ongoing parking lot repair, multi-year renovation to the Kansas Memorial Union, and renovations to Oliver Hall.

Kansas Department of Commerce. The Chief Fiscal Officer, Kansas Department of Commerce, presented the agency's five-year capital improvement plan. Projects for 2019 include \$200,000, all from special revenue funds, for elevator renovation at the Topeka Workforce Center and \$136,525, all from special revenue funds, for debt service payments on the Topeka Workforce Center. FY 2020 projects include \$100,000, all from special revenue funds, for a new roof and facade repair at the Garden City Workforce Center and \$136,650, all from special revenue funds, for debt service on the Topeka Workforce Center.

Kansas Department of Corrections. The Director of Capital Improvements, Kansas Department of Corrections, presented the agency's five-year capital improvement plan. The Director noted although the agency receives funding of \$5.0 million annually from the Correctional Institutions Building Fund (CIBF), in reality, after paying debt service and insurance, only about \$4.2 million is available for rehabilitation and repair projects each year. The Director noted three facilities—Hutchinson, Norton, and Winfield—were all more than 75 years old. He also noted most projects requested by the agency were relatively small, but one project, a new clinic and infirmary at Hutchinson Correctional Facility, would require funding of \$1.6 million from the CIBF in FY 2019 and FY 2020. The Director also provided an update to the renovation project at Lansing Correctional Facility, which he indicated was 25.0 percent complete. He noted the new housing units should be ready for occupancy in 2020.

Kansas Insurance Department. The Comptroller, Kansas Insurance Department, presented the agency's five-year capital improvement plan. In addition to an ongoing annual request for \$35,000 for rehabilitation and repair, she noted a number of projects underway for FY 2019, including repair and replacement of basement windows and window wells, carpet replacement, concrete and brick repair, parapet walls, exterior wall repair, and stairwell wall and

ceiling repair. The Comptroller also requested that item #8 of the plan to install safety film on the south and west first floor windows at a cost of \$12,000 be removed from the plan for FY 2019. For FY 2020, the agency is requesting \$147,235 for cooling tower replacement in the Kansas Insurance Department's building.

Adjutant General's Department. The Director of Public Works, Adjutant General's Department, presented the agency's five-year capital improvement plan. The Director discussed ongoing facility maintenance repair issues, along with a review of recently completed or substantially completed projects, FY 2019 planned projects, and the agency's five-year capital improvement plan. The Director noted the agency's FY 2019 projects were divided into two categories: life, health, and safety and sustainment repairs. The life, health, and safety repairs for FY 2019 are estimated to cost \$5.7 million, including \$4.3 million from federal funds and \$1.4 million from state funds. The sustainment repair projects are estimated at \$3.3 million, with half of the funding from the federal government and the other half from the State.

Kansas Highway Patrol. The Director for Support Services, Kansas Highway Patrol, presented the agency's five-year capital improvement plan. The Director highlighted the agency's FY 2020 requests, including funding for training academy maintenance repair, owned building rehabilitation, repair and scale maintenance, and large scale replacement. The request includes \$589,485, all from special revenue funds, for rehabilitation and repair projects at several troop locations, including security updates, window replacement, lighting, and painting projects. The request also includes funding to purchase a currently leased property on US 24 Highway in Topeka. The total for the project is estimated at \$3.6 million from FY 2020 through FY 2032. FY 2020 total costs are estimated at \$295,657. The agency is requesting an annual transfer from the State Highway Fund (SHF) to purchase the property.

Kansas Department of Transportation. The Division Director of Operations, Kansas Department of Transportation (KDOT), presented the agency's five-year capital improvement plan. The Director indicated the agency is requesting FY

2020 expenditures of \$16.0 million, all from the SHF, for a variety of projects, including \$3.8 million for rehabilitation and repair of 977 buildings. The projects include door and window replacement, interior and exterior painting, roofing repairs, overhead door replacement, salt/sand building repair, fencing repair, and parking lot repair and resurfacing. The agency is also requesting \$1.4 million from the SHF for roofing replacement projects at nine different facilities, including laboratories, area and subarea shops, and salt and sand cones and domes. The agency also requests \$4.4 million from the SHF for subarea shop modernization projects in Lakin, Smith Center, Topeka. The agency requests \$45,000 from the SHF for land purchases in Erie and Salina, \$1.2 million for district shop upgrades in Salina and Hutchinson, \$2.6 million to relocate the Newton Subarea Shop, and \$2.6 million to relocate the Kinsley Subarea Shop.

Kansas State Fair. The newly appointed General Manager, Kansas State Fair, discussed the agency's five-year plan. The General Manager noted the agency had requested \$17.1 million in projects for FY 2020 and explained several of the projects were being reevaluated and would be reconsidered by the Fair Board at its next meeting. He also noted the passage of 2018 SB 415, which allows for the sales tax earned at the State Fair grounds to be remitted to the State Fair Capital Improvements Fund.

Kansas Department of Wildlife, Parks and Tourism. The Budget Officer, Kansas Department of Wildlife, Parks and Tourism, provided the agency's five-year capital improvement plan. The Budget Officer indicated the agency was seeking \$17.5 million, all from special revenue funds, for FY 2020. The request includes funding for a variety of new construction and additional projects (\$5.3 million), including land acquisition, cabin site preparation, trail and shooting range development, and wetlands acquisition and development, and \$12.2 million for ongoing rehabilitation and repair projects, including major maintenance for parks, public lands, fish and wildlife areas, bridges, and dams.

Kansas Bureau of Investigation. The Executive Officer, Kansas Bureau of Investigation (KBI), discussed the agency's five-year capital improvement plan and the partial renovation of the

first floor of the Topeka Headquarters building to provide space for the Northeast Kansas Child Victims Task Force. The Executive Officer noted the agency requests a continuing \$100,000 from special revenue funds for ongoing repair, rehabilitation, and projects at KBI facilities, and \$190,000 from the State General Fund for carpet replacement at the Topeka Headquarters (\$40,000) and for a new generator at the Topeka Annex Building (\$150,000). In addition, the Executive Officer highlighted the progress on the first floor renovation of the Topeka Headquarters to provide space for the Northeast Kansas Child Victims Task Force. The project was funded in FY 2018 and FY 2019 with \$500,000 from the State General Fund each year. The area formerly housed the chemistry division, which relocated to the new Forensic Science Center at Washburn University. The Task Force will be composed of KBI special agents, special agents from the Office of the Attorney General, and law enforcement personnel from the Shawnee County Sheriff's Office and the Topeka Police Department.

Department of Administration. The Director of Facilities and Property Management, Department of Administration, presented the agency's five-year capital improvement plan. The Director indicated the agency is requesting a total of \$2.2 million from the State General Fund for ongoing rehabilitation and repair projects in FY 2020. Priority projects identified for FY 2020 include conversion of 15,000 square feet previously used as a data center into usable office space at the Landon State Office Building (LSOB), a fire alarm system upgrade at LSOB, elevator modernizations at LSOB, replacement of floor air handlers at LSOB and the Eisenhower State Office Building, restroom upgrades at the Eisenhower State Office Building, passenger elevator modernization and window replacement at the Judicial Center, tuck pointing at Memorial Hall, and patio replacement at Cedar Crest. In response to a Committee question, the Director indicated most of the Docking State Office Building has been mothballed and the agency can take no further action on the building without legislative direction.

Kansas Department for Aging and Disability Services and state hospitals. The Facilities Architect, Kansas Department for Aging and Disability Services, presented the five-year

capital improvement plan for the state hospitals. The Facilities Architect indicated the agency is requesting a total of \$12.0 million in FY 2020, all from the State Institutions Building Fund (SIBF), for ongoing rehabilitation and repair at the state hospitals (\$3.0 million), renovation of the Spruce Cottage at Parsons State Hospital and Training Center (\$1.3 million), and other repair and rehabilitation projects at all the state hospitals (\$1.3 million). The request also includes \$9.4 million for debt service for the new state security hospital (\$3.8 million), which pays off in FY 2023, and for rehabilitation and repair (\$2.6 million), which pays off in FY 2024.

Kansas Commission on Veterans' Affairs Office. The Director of the Kansas Commission on Veterans Affairs' Office discussed the agency's five-year capital improvement plan. The Director highlighted FY 2019 projects completed or underway, and discussed the agency's FY 2020 request. The request includes a total of \$835,261 from the SIBF for rehabilitation and repair projects and four projects (boiler replacement, installation of a covered walkway, roof replacement, and construction of a maintenance building) at the Kansas Veterans' Home in Winfield. The request also includes \$508,700 from the SIBF for rehabilitation and repair projects and parking and accessibility improvements at the Kansas Soldiers' Home in Fort Dodge. Finally, the request includes \$91,365 from the SIBF for projects at veterans' cemeteries at all four cemeteries (Fort Dodge, Fort Riley, WaKeeney, and Winfield).

Judicial Branch. Special Counsel to the Chief Justice, Kansas Judicial Branch, discussed the agency's five-year capital improvement plan. The Special Counsel highlighted FY 2019 approved and FY 2020 requested projects. For FY 2019, the Judicial Branch is estimating expenditures of \$500,000, all from special revenue funds, to construct a first floor meeting and training room. The space will also be utilized to conduct the spring bar exam. The FY 2019 amount also includes \$200,000 from special revenue funds to relocate the Judicial Center security guard station to the front of the building to provide more security for the Law Library and the future Clerk of the Appellate Court space on the first floor. The approved FY 2019 budget also includes \$200,000 from the State General Fund for the construction

of two new Court of Appeals judicial offices. This will allow all Court of Appeals judges and staff to be on one floor and all Supreme Court justices and staff to be together on one floor. For FY 2020, the Judicial Branch requests \$200,000 from special revenue funds to construct a Judicial Branch Learning Center, which would utilize an interactive learning environment to provide visitors with information about the Judicial Branch.

Statutorily Required Reports

The State Transportation Engineer, in accordance with KSA 2018 Supp. 75-3516, reported on KDOT's inventory system for real property and real estate transactions. The State Transportation Engineer indicated during FY 2018, the agency acquired 82 right-of-way parcels, 13 permanent easements, and 58 temporary easements. In the same time period, the agency sold 10 parcels and released easement interest in 29 parcels.

Leases and Sales

The State Lease Administrator, Office of Facilities and Property Management, presented the following leases, all of which were recommended by the Committee:

- Lease for the Kansas Department of Revenue (KDOR) Driver's License Examination Office in Independence, Kansas;
- Lease for an office space for the Southeast Public Defender's Office of the State Board of Indigents' Defense Services in Independence, Kansas;
- Lease for space for operations of the Medicaid Clearinghouse for the Kansas Department of Health and Environment in Topeka, Kansas;
- Lease for a KDOR Driver's License Examination Office in Winfield, Kansas; and
- Lease of state land (0.85 acres) located on the Norton Armory grounds in Norton,

Kansas (this lease was presented by a representative of the Kansas National Guard).

A representative of the Department of Agriculture presented information on a possible lease for a laboratory in Manhattan. Additional information will be provided during the 2019 Session. The Committee took no action on the information presented.

CONCLUSIONS AND RECOMMENDATIONS

The Committee recommended all the agencies' five-year capital improvement plans,

except for those in which there was not a quorum of members present.

The Committee recommended the Insurance Department's request to remove the project to install safety film on the south and west first floor windows at a cost of \$12,000.

The Committee recommended all leases presented to the Committee.