

## MINUTES

### JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

March 13, 2012  
Room 144-S—Statehouse

#### Members Present

Senator Dwayne Umbarger, Chairperson  
Representative JoAnn Pottorff, Vice-chairperson  
Senator Marci Francisco  
Senator Laura Kelly  
Senator Jeff Longbine  
Senator Carolyn McGinn  
Representative Steve Brunk  
Representative Bill Feuerborn  
Representative Bob Grant

#### Member Absent

Representative Kay Wolf

#### Staff Present

Audrey Dunkel, Kansas Legislative Research Department  
Ryan Weir, Kansas Legislative Research Department  
Daniel Yoza, Office of the Revisor of Statutes  
Gary Deeter, Committee Secretary

#### Conferee

Sarah Shipman, Deputy Director, Leasing and Real Estate, Office of Facilities and Property Management, Kansas Department of Administration

#### Others Attending

See attached list.

The Chairperson called the meeting to order at 12:30 p.m. and thanked Kathy Damron for providing a meal for the Committee.

The Chairperson welcomed Sarah Shipman, Deputy Director, Leasing and Real Estate, Office of Facilities and Property Management, Kansas Department of Administration, who presented two proposed leases.

Ms. Shipman said the first proposed lease is for the National Institute for Aviation Research (NIAR) at Wichita State University (Attachment 1). The ten-year lease with the Kansas Coliseum, LLC has three five-year renewal options; the site (approximately 126,000 square feet) will be used to expand testing facilities for the aviation industry. She noted the lease rate will decrease from the present \$5.97 per square foot (psf) to \$3.83 psf for the first five years. Responding to questions, Ms. Shipman replied that years six through ten will add \$4,000 per month to the lease for a total cost of \$5.5 million. The agency will contribute \$2 million to retrofit the building to comply with NIAR requirements, and the landlord will provide another \$4 million for major improvements.

John Tomblin, Executive Director, NIAR, Wichita State University, responded to other questions:

- The \$2 million is allocated to remodel the site to accommodate large aircraft; and
- Kansas Coliseum, LLC is a company comprised of four developers who purchased the coliseum and 125 acres of land, including green space.

A Committee member requested a delay to enable the Committee to gather more information before making a decision. Mr. Tomblin said a delay would cause construction to stop.

*A motion was made, seconded, and passed to approve the lease. (Motion, Representative Brunk; seconded by Senator McGinn)*

Ms. Shipman presented a second lease for Kansas State University (K-State) (Attachment 2). She explained that K-State, due to limited campus-owned housing accommodations, has failed to retain students; the proposed lease provides additional dorm space close to campus for 104 students. The two-year lease includes two one-year renewal options with an annual cost of \$6,396.26 per bedroom. Real estate taxes and insurance are included in the base; utilities are not. She noted the lease must also be approved by the Kansas Board of Regents on March 15. Derek Jackson, Director, Housing and Dining Services, K-State, stated cable and Internet services are \$217.50 per month for a four-unit module. He explained that initiating the lease on June 1 will give the University time to furnish the eight newly-constructed buildings before August.

*Representative Pottorff made a motion, seconded by Senator Francisco, to approve the lease. The motion passed.*

*A motion was made, seconded, and passed unanimously to approve the JCSBC minutes for September 8-9, 2011, October 3-4, 2011, December 9, 2011, January 18, 2012, and February 7, 9, 16, and 21, 2012.*

The meeting was adjourned at 12:55 p.m. The next meeting is scheduled for *sine die*.

Prepared by Gary Deeter  
Edited by Audrey Dunkel and Ryan Weir

Approved by the Committee on:

June 1, 2012  
(Date)