

Approved: May 1, 2009
Date

MINUTES OF THE JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

The meeting was called to order by Chairman JoAnn Pottorff at noon on April 29, 2009, in Room 431-N of the Capitol.

All members were present except Senator Emler and Representative Grant, both of whom were excused.

Committee staff present:

Mike Corrigan, Office of the Revisor of Statutes
Audrey Dunkel, Kansas Legislative Research Department
Jonathan Tang, Kansas Legislative Research Department
Gary Deeter, Committee Assistant

Conferees appearing before the Committee:

Richard Gaito, Deputy Director, Division of Facilities Management, Kansas Department of Administration

Others attending:

See attached list.

Richard Gaito, Deputy Director, Division of Facilities Management, Kansas Department of Administration, reviewed the proposed lease agreements for six agencies (Attachment 1).

Mr. Gaito said the proposed lease for the Kansas Government Ethics Commission remains with the current landlord at the current rate (\$11.50 per square foot) for the first year, the five-year lease increasing to \$13.50 by the fifth year. He said the landlord is taking steps to increase energy efficiency by installing programable thermostats. He noted that the new lease will include utilities. A motion was made, seconded and passed to approve the lease. (Motion, Senator Umbarger; seconded by Representative Feuerborn)

Mr. Gaito reported that the proposed lease for the driver's license examination station in Wichita (Kansas Department of Revenue) is the lower of two bids; the proposal remains with the current landlord with a reduction from \$8.50 to \$8.00 psf, the 10-year lease exceeding the space standards in order to provide a testing area for applicants. The landlord is addressing energy efficiency by installing a new air-conditioning condenser and programable thermostats. Kevin Fulton, Resource Management Office, Department of Revenue, replied to a member's question that the decrease in employees from 28 to 18 while increasing the number of square feet was a result of an earlier consolidation of two offices being reduced by attrition. Another member commented that agencies used for price comparison were not always valid comparables. By motion of Representative Brunk, seconded by Senator Francisco, and vote of the Committee, the proposed lease was accepted.

Mr. Gaito reviewed the proposed lease for the Kansas Highway Patrol (KHP) office in downtown Topeka, saying that the proposed lease lowers the total number of square feet and reduces the cost from \$12.00 to \$11.89 psf, the two-year lease renewable twice in one-year increments. The landlord is tuck-pointing the building, installing energy-efficient light bulbs, and is applying for an energy audit. Answering a question,

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Mr. Gaito said the short-term lease is intended to correlate the expiration date with other KHP leases. He replied that the agency would retain its current ten parking spaces from the previous lease. The lease was approved. (Motion by Representative Brunk, seconded by Senator Kelly)

Regarding the proposed lease for the State Board of Indigents' Defense Services in Topeka, Mr. Gaito said the current landlord offered the better of two bids: a five-year lease at \$12.00 psf; because the agency increased FTEs (Full-Time Equivalent) from 15 to 18, the lease now meets the space standards of 250 square feet per FTE. The landlord is tuck-pointing the building, installing thermal windows and more efficient lighting, and upgrading the heating/air conditioning systems. A motion was made, seconded, and passed to approve the lease. (Motion, Representative Brunk; second, Senator Umbarger)

Reviewing the proposed lease for the Kansas Department of Corrections (DOC) in Hutchinson, Mr. Gaito said that the current landlord offers the best proposal, keeping the five-year lease at \$10.00 psf. He explained that the lease exceeds space standards in order to accommodate visiting families. Answering a question, Mr. Gaito replied that the 90-day termination clause starts at the beginning of the lease. The Committee voted to approve the lease. (Motion by Representative Brunk, seconded by Senator Apple.)

Mr. Gaito presented a second lease by the DOC—the parole office in Ottawa; he noted that the present building is in serious disrepair, conditions ignored by the current landlord. Noting three bids received, he said the lowest bid (five years at \$6.08 psf) will enable the agency to do extensive remodeling, and the landlord will upgrade the heating/air condition system. Members expressed pleasure at the lease rate and voted to approve the lease. (Motion, Representative Feuerborn; second, Senator Apple)

The meeting was adjourned at 12:42 p.m. The next meeting will be announced later.