

MINUTES

JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

February 9, 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
Representative Steve Brunk
Representative Bill Feuerborn
Representative Bob Grant
Representative Kay Wolf

Staff Present

Audrey Dunkel, Kansas Legislative Research Department
Ryan Weir, Kansas Legislative Research Department
Jarod Waltner, Kansas Legislative Research Department
Shirley Morrow, Kansas Legislative Research Department
Leah Robinson, Kansas Legislative Research Department
Dylan Dear, Kansas Legislative Research Department
Daniel Yoza, Office of the Revisor of Statutes
Gary Deeter, Committee Secretary

Conferees

Eric King, Director of Facilities, Kansas Board of Regents
Denny Stoecklein, General Manager, Kansas State Fair
Robin Jennison, Secretary, Kansas Department of Wildlife, Parks and Tourism

Others Attending

See attached list.

Calling the meeting to order, the Chairperson invited the Committee to review agency capital improvements budgets ([Attachment 1](#)).

Leah Robinson, Kansas Legislative Research Department (KLRD), presented the Kansas Insurance Department's capital improvements budget. The agency's FY 2012 estimate included an increase of \$34,747 above the amount approved by the Legislature. The increase enabled the agency to retire the debt on its HVAC system. The total of \$478,597 included

\$95,000 for rehabilitation and repair. The Governor concurred. The Governor also concurred on the agency's FY 2013 request of \$95,000, all of which was allocated for rehabilitation and repair.

Jarod Waltner, KLRD, presented the capital improvements budgets for the Kansas State Fair. The agency's FY 2012 estimate of \$1.7 million included \$1.3 million for debt service and \$417,390 for maintenance; \$910,000 of the total is drawn from the State General Fund (SGF). Mr. Waltner noted the agency's revised estimate is an increase of \$298,467, reflecting an alternative energy grant from the U.S. Department of Energy. The Governor concurred with the revised estimate. Mr. Waltner stated the agency's FY 2013 request for \$2.1 million includes \$1.4 million from the SGF and \$537,000 from the State Fair Capital Improvement Fund. The Governor recommended capital improvements expenditures of \$8.2 million, including \$460,333 from the SGF, a decrease of \$909,667 below the agency's request. The Governor did not recommend the enhancement, but did recommend \$7.3 million for debt service payments from the Expanded Lottery Act Revenues Fund (ELARF).

Denny Stoecklein, General Manager, Kansas State Fair, noted that because the state's portion of the maintenance budget has been cut for the past six years, the State Fair Capital Improvement Fund balance will soon reach zero.

Mr. Waltner reviewed the capital improvements budget for the Kansas Department of Wildlife, Parks and Tourism. The agency's FY 2012 estimate of \$17.3 million included \$6,600 from the SGF and also included \$17.3 million in carryover funds allocated for maintenance. The Governor's recommendation increased the total by \$455,040, to account for additional federal funds to purchase 711 acres of land in Cherokee County. For FY 2013 the agency requested a total of \$9.2 million, including \$1.5 million from the SGF as an enhancement for major maintenance projects. The Governor recommends \$7.7 million, including shifting \$6,600 from SGF to the Economic Development Initiatives Fund. The Governor did not recommend the enhancement.

Robin Jennison, Secretary, Kansas Department of Wildlife, Parks and Tourism, explained that the 711 acres involved federal funds to purchase land reclaimed from lead mining. The purchase was approved by the State Finance Council during the legislative interim. No adjustments were needed in the budget, since the funds came from the federal government through Kansas Department of Health and Environment.

Shirley Morrow, KLRD, presented the capital improvements budget for the Kansas Department of Labor (KDOL). For FY 2012, the agency estimate of \$2.5 million included rehabilitation and repair of \$120,824; the increase of \$1.8 million resulted from a change in accounting procedures. The Governor concurred with the agency's revised estimate. For FY 2013, the agency requests \$2.7 million, an increase of \$176,348 for renovation of the building at 1309 SW Topeka Avenue. All expenditures will be funded by special revenue funds. The Governor concurred with the agency's request. Ms. Morrow also noted a technical correction of \$115,000 in general rehabilitation and repair for FY 2013. The amended report was accepted. (Motion, Representative Pottorff; second, Representative Grant)

Rick Gudenkauf, Chief Financial Officer, KDOL, submitted Attachment 2 to correct an error that overstated the renovations by \$5,824 in FY 2012 and \$5,998 for FY 2013. The amended report was accepted. (Motion by Representative Grant; seconded by Representative Brunk)

Audrey Dunkel, KLRD, reviewed the capital improvements budgets for the Kansas Board of Regents. The agency's FY 2012 estimate totaled \$118.6 million, including \$4.5 million from

the SGF. The Governor concurred with that amount. For FY 2013, the request totaled \$91.3 million, including \$4.6 million SGF, a decrease of \$27.3 million in all funds (a result of carry-forward) and an increase of \$182,952 from the SGF to meet an increase in debt service principal. The Governor concurred with the request.

Eric King, Director of Facilities, Kansas Board of Regents, presented the Postsecondary Educational Institution Long-Term Infrastructure Maintenance Program Quarterly Report (Attachment 3). He said the expenditures for the quarter totaled \$70.1 million, including \$56.3 million from state funds, \$13.1 million from interest earnings, and \$738,979 from tax credit donations.

Dylan Dear, KLRD, reported on the capital improvements budgets for the Kansas Department of Administration (DofA). The agency's FY 2012 estimate totaled \$25 million, all from the SGF, an amount with which the Governor concurred. Non-reportable capital improvements for FY 2012 and FY 2013 total \$2.7 million each year, all from special revenue funds. The Governor concurred on these non-reportable items. The agency requested a total of \$35 million for FY 2013, all from the SGF, which includes \$1.3 million for the National Bio-Agro Defense Facility. The Governor recommended a \$20.2 million decrease in the SGF and a \$20.8 million increase from the ELARF. He noted some projects extend more than one year. Members commented that some decision needs to be made regarding repairing or razing the Docking State Office Building before the passage of the Omnibus Appropriations Bill. They requested a recommendation from the DofA Secretary before Omnibus.

Mr. Dear reviewed the FY 2013 capital improvements budget for the Judicial Branch. He said the request of \$430,000, which includes \$199,499 for creating a 14th Court of Appeals suite, all from the SGF. The Governor concurred with the request for the Court of Appeals expansion, but did not recommend the enhancement request to relocate two Appellate Court Justices at a cost of \$230,501.

A motion was made, seconded, and passed unanimously to accept the capital improvements reports and the amendments previously made. (Motion by Representative Brunk and seconded by Senator Kelly)

The meeting was adjourned. The next meeting is scheduled for Thursday, February 16, 2012, at 12:15 p.m. in Room 144-S of the Statehouse.

Prepared by Gary Deeter
Edited by Audrey Dunkel and Ryan Weir

Approved by the Committee on:

March 13, 2012
(Date)