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Dennis R. Taylor, Secretary
Mark J. McGivern, Director

Sam Brownback, Governor

JCSBC Testimony
Kansas State University
Manhattan
March 13, 2012

Good morning, my name is Sarah Shipman. I am representing the Department of Administration, Office of Facilities & Property Management to present the proposed lease for Kansas State University in Manhattan.

Rising student populations combined with limited campus-owned housing and a desire to increase student retention rates has led K-State to explore alternate housing options while the university designs and builds additional permanent housing. The Office of Facilities & Properties Management together with KSU negotiated a lease that provides for additional dorm space for 104 students. The location is close enough to provide access to on-campus dining options for students. Additionally, the services & amenities are similar to those provided in other university housing. The proposed lease begins June 1, 2012, for a term of two years. The lease contains two, one year renewal options which we anticipate will provide the University enough time to implement a permanent solution.

The dorm complex is new construction. Since there is no energy use history, no score could be determined for an Energy Star Rating.

The lease must be reviewed and approved by the Board of Regents and will be presented to that group for approval on March 15. In an effort to expedite the approval process and provide some certainty to the University, we elected to present to this Committee in advance of final approval by the Regents rather than waiting until the next scheduled meeting of this Committee. Department of Administration is supportive of this lease.

I am available to answer your questions as is a representative from Kansas State University.

Thank You.

Attachment 2
JCSBC 3-13-12

**Lease Comparison Sheet
Kansas State University**

March 13, 2012

A

B

GENERAL INFORMATION		PROPOSED LEASE
1 State Agency		Kansas State University
2 Address		2216 Claflin
3 City Location (market)		Manhattan
4 Lease Space (sq. ft.)	Number Units	29
5	Storage Sq. Ft.	0
6	Total Number Dorm Bedrooms	104
7	Parking Stalls	open lot
8 Full Time Equivalency (FTE) employees/workstations		n/a
9 Lease Begin Date		6/1/2012
10 Lease End Date		5/31/2014
11 Years of Lease		2
12 Space Standards Check (sq. ft. per FTE/workstation)		n/a
13 Energy Audit		new building / no history
LEASE COSTS		
14 Base Lease Cost (annual per bedroom)		\$6,396.26
15 Storage (per square foot)		\$0.00
16 Parking		\$0.00
17 Additional Services		
AGENCY FUNDED OCCUPANCY COSTS		
18 Real Estate Taxes		inc. in base
19 Insurance		inc. in base
20 Major Maintenance		n/a
Utilities		
21	Electricity	not in base / no history
22	Gas	not in base / no history
23	Water/Sewer/etc.	not in base / no history
24 Trash Pickup/Removal		not in base / no history
25 Custodial/Janitorial		not in base
26 Pest Control		not in base
27 Grounds Maintenance (inc. snow removal)		not in base
28 Parking		inc. in base
29 Cable ^{cable} and Internet Service - per bedroom		\$217.50
30 Total Other Bldg Optg Costs (not included in lease)		unknown
IMPROVEMENTS		
31 Improvements		
32 Subtotal - Improvements		\$0.00
33 Annual Cost per bedroom (estimated)		\$6,613.76
34 Annual Cost (estimated)		\$687,831
35 Total Cost of Lease (estimated)		\$1,375,662