

Office of Facilities and Property Management
900 S.W. Jackson St., Room 600
Topeka, KS 66612-1220



Phone: (785) 296-8070
Fax: (785) 296-3456
mark.mcgivern@da.ks.gov
<http://da.ks.gov/fm>

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

Sam Brownback, Governor

JCSBC Testimony
Kansas Highway Patrol
Topeka
June 1, 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 the Kansas Highway Patrol in downtown Topeka. The agency is currently in five locations and operating under six separate leases. Three of the leases expire June 30, 2013 and three leases are indefinite, allowing for lease expiration alignment among all six leases. The Highway Patrol expressed a desire to consolidate into fewer locations and lease agreements upon the expiration of the current leases.

An RFP was issued for the agency in February, 2010. No successful negotiations could be reached. A second RFP was issued in September, 2011. The Highway Patrol began negotiations with one of the current landlords and ultimately accepted an option to consolidate from five locations into two. The proposed lease begins July 1, 2013, for a term of fifteen years. The lease contains two, two-year renewal options.

The landlord has agreed to some remodeling which will increase KHP's productivity and efficiency. The rate is competitive, beginning at \$10.72 per square foot, including utilities, which is within the Topeka market range for state leased property. Additionally, the new lease will reduce annual occupancy costs by approximately \$175,000 for the first five years.

The Energy Star audit rating is below the national average.

The Department of Administration is supportive of this lease.

I am available to answer your questions as is a representative from the Kansas Highway Patrol.

Thank You.

Lease Comparison Sheet
Kansas Highway Patrol
June, 2012

	A	B	C	D	E	F	G	H	I	J
1 State Agency										
2 Address	Kansas Highway Patrol 611 SW Kansas Ave.	Kansas Highway Patrol 122 SW 7th St.	Kansas Highway Patrol 112 SW 7th St.	Kansas Highway Patrol 700 SW Jackson partial 5th Floor	Kansas Highway Patrol 700 SW Jackson partial 7th Floor	Kansas Highway Patrol 720 SW Jackson	Kansas Highway Patrol 122 SW 7th St & 700 SW Jackson	Kansas Department on Admin 503 S Kansas Ave.	Kansas Department of Agriculture 109 SW 9th St.	
3 City Location (market)	Topeka	Topeka	Topeka	Topeka	Topeka	Topeka	Topeka	Topeka	Topeka	
4 Office Function	Administrative Offices	General Headquarters	Office Space	Office Space & Storage of Admin. Records	Office Space & Storage of Admin. Records	Office Space	Office Buildings for KHP	General Office Space	General Office Space	
5 Lease Space (sq. ft.)	Office Sq. Ft. Common Area Storage Sq. Ft. Total Sq. Ft. Parking Stalls	15,140	2,700	4,468	4,087	5,280	32,594	31,543	43,472	
6	0	0	0	0	0	0	151	1,600	300	
7	5,900	15,140	2,700	4,468	4,087	5,280	32,735	3,601	300	
8	15	60	0	20	20	10	110	36,744	43,772	
9	No Record	No Record	No Record	No Record	No Record	No Record	Acceptable	No Record	2	
10 Energy Audit	No Record	No Record	No Record	No Record	No Record	No Record	110	91	No Record	
11 Full Time Equivalency (FTE) employees/workstations	13	40	8	20	10	26	7/1/2013	2/1/1998	191	
12 Lease Begin Date	6/15/2001	7/1/2007	2/1/2008	2/1/2005	2/1/2005	7/1/2009	7/1/2013	2/1/1998	10/1/1998	
13 Lease End Date	6/30/2013	Indefinite	6/30/13	Indefinite	Indefinite	6/30/13	6/30/2028	1/31/2013	9/30/2013	
14 Years of Lease	14	Indefinite	5	Indefinite	Indefinite	4	15	15	15	
15 Space Standards Check (sq. ft. per FTE/workstation)	454	379	338	223	408.7	203	296	347	229	
LEASE COSTS										
16 Base Lease Office Cost (annual per sq. ft.)	\$13.00	\$9.29	\$11.25	\$12.00	\$12.00	\$11.29	\$10.72	\$9.56	\$11.63	
17 Storage	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.45	\$0.02	
18 Common Area	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.37	\$0.04	
19 Parking	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.13	\$0.04	
AGENCY FUNDED OCCUPANCY COSTS										
20 Real Estate Taxes	\$0.99	Inc. in lease	Inc. in lease	\$0.61	\$0.37	\$0.04	Inc. in lease	In lease w/stop	Inc. in lease	
21 Insurance	In lease w/stop	Inc. in lease	Inc. in lease	In lease w/stop	In lease w/stop	In lease w/stop	Inc. in lease	In lease w/stop	Inc. in lease	
22 Major Maintenance	In lease w/stop	Inc. in lease	Inc. in lease	In lease w/stop	In lease w/stop	In lease w/stop	Inc. in lease	In lease w/stop	Inc. in lease	
23 Utilities										
24	Electricity	Inc. in lease	\$1.64	Inc. in lease	In lease w/stop	In lease w/stop	Inc. in lease	\$2.17	0.29	
25	Gas	Inc. in lease	\$0.41	Inc. in lease	In lease w/stop	In lease w/stop	Inc. in lease	\$0.58	1.41	
26	Water/Sewer/Electric	Inc. in lease	\$0.02	Inc. in lease	In lease w/stop	In lease w/stop	Inc. in lease	\$0.13	0.17	
27 Trash Pickup/Removal	Inc. in lease	\$0.10	Inc. in lease	In lease w/stop	In lease w/stop	In lease w/stop	Inc. in lease	In lease w/stop	0.07	
28 Custodial/Lanitorial	Inc. in lease	\$1.05	Inc. in lease	In lease w/stop	In lease w/stop	In lease w/stop	Inc. in lease	In lease w/stop	0.36	
29 Pest Control	Inc. in lease	\$0.05	Inc. in lease	In lease w/stop	In lease w/stop	In lease w/stop	Inc. in lease	In lease w/stop	Inc. in lease	
30 Security		\$0.21								
31 Grounds Maintenance (inc. snow removal)	Inc. in lease		Inc. in lease	In lease w/stop	In lease w/stop	In lease w/stop	Inc. in lease	Inc. in lease	Inc. in lease	
32 Miscellaneous Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.01	0	
33 Total Other Bldg Opty Costs (not included in lease)	\$0.99	\$3.48	\$0.00	\$0.61	\$0.37	\$0.04	\$0.00	\$2.89	\$2.30	
IMPROVEMENTS										
34 Improvements	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4.63	\$0.08	
35 Subtotal - Improvements	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4.63	\$0.08	
36 Annual Cost per Sq. Ft. (estimated)	\$13.99	\$12.77	\$11.25	\$12.61	\$12.37	\$11.33	\$10.72	\$19.03	\$14.07	
37 Annual Cost (estimated)	\$82,541	\$193,338	\$30,375	\$56,341	\$50,566	\$59,822	\$349,300	\$19,030	\$14,070	
38 Total Cost of Lease (estimated)	\$1,155,574	\$866,689	\$161,875	\$394,390	\$353,893	\$239,290	\$57,728,285	\$19,030	\$14,070	

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