# MINUTES

## JOINT COMMITTEE ON STATE BUILDING CONSTRUCTION

April 3, 2007 Room 123-S—Statehouse

### **Members Present**

Representative Joe Humerickhouse, Chairman Senator Dwayne Umbarger, Vice-Chairman Senator Greta Goodwin Senator Laura Kelly Representative Steve Brunk Representative Bill Feuerborn Representative Bob Grant Representative Jo Ann Pottorff

### **Members Absent**

Senator Pat Apple Senator Stephen Morris

### Staff Present

Audrey Dunkel, Legislative Research Department Reagan Cussimanio, Legislative Research Department Heather O'Hara, Legislative Research Department Helen Abramson, Committee Secretary

### Conferees

Richard Gaito, Department of Administration

### Others attending

See attached list.

The meeting was called to order by Chairperson Joe Humerickhouse at 12:15 p.m. on April 3, 2007 in Room 123-S of the Statehouse.

Chairman Humerickhouse recognized Richard Gaito, Director of Facilities Management, Department of Administration, who presented an 11-year lease for the Department of Agriculture Office in Stockton, KS (<u>Attachment 1</u>).

Mr. Gaito stated that the Department of Agriculture Office in Stockton has been at its current location since 1995. This lease will replace the current lease which expires in the year 2010. The Department of Agriculture has added two additional employees to this office and determined that additional space is required. Also, two parking spaces are being added. The lease cost increases because of the construction of an addition to the current facility. After the cost of the new facility is recovered by the county the lease amount will return to current face amount of \$1,000.00 per month. Traditionally, short-term leases of 5 to 10 years are signed in rural locations, however, the Department of Agriculture has been in Rook's County since 1957. Mr. Gaito pointed out the lease comparison sheet does not have a normal comparable lease. Currently, the State of Kansas does not have any other leased properties in Stockton or Rooks County. In an effort to find a comparable lease, the Division of Facilities Management contacted Rooks County Chamber of Commerce but was unable to obtain current market values for the area. The only concern the Department of Administration has is that this lease exceeds the normal space standards of 250 square feet per person. The lease being presented is acceptable to the Department of Administration except for the lease standards.

Committee discussion followed concerning the need to execute the lease right away because of the increase from the current rate to the new rate in order to pay for the addition. The current lease rate is \$5.91 per square foot and the new lease rate is \$6.85 per square foot.

Representative Feuerborn moved the Committee's recommendation to approve the lease for the Department of Agriculture Office in Stockton, KS. Senator Umbarger seconded. <u>Motion carried</u>.

Chairman Humerickhouse adjourned the meeting at 12:30 p.m.

The next meeting is scheduled for April 25, 2007.

Prepared by Helen Abramson Edited by Audrey Dunkel

Approved by Committee on:

<u>July 19, 2007</u> (Date)

46027~(8/8/7{9:12AM})