



KANSAS BOARD OF REGENTS

Teleconference Meeting
Fiscal Affairs and Audit Standing Committee
12:15 pm, Tuesday, April 2, 2024
[Link to Zoom Meeting](#) or
Phone: 346-248-7799
Meeting ID: 915 5850 7558
Passcode: 457 743

FAA AGENDA ITEMS FOR APRIL 17, 2024 BOARD MEETING

FACILITIES – APRIL 17, 2024 – CONSENT AGENDA

1. Act on Request to Amend the FY 2024 Capital Improvement Plan and Approve Program Statement for Internal Medicine Delp F 4th Floor Offices – KUMC

The University of Kansas Medical Center (KUMC) requests approval to amend its FY 2024 capital improvement plan to add the Internal Medicine Delp F 4th Floor Offices renovation project. To support the University of Kansas Medical Center Internal Medicine Department, KUMC is centralizing clinical research office space and documentation to 9,360 square feet on the fourth floor of Delp F. This renovation will upgrade the beyond useful life office space and include a new mechanical system, electrical distribution, and add fire suppression, increase life safety features, and reduce deferred maintenance. The total project cost is estimated at \$3,810,055 to be paid with Internal Medicine departmental sources.

Refer to “Attachment A KUMC Internal Medicine Delp F 4th Floor Program Statement - March 2024.”

2. Act on Request to Amend the FY 2024 Capital Improvement Plan and Approve Revised Program Statement for Salina Facilities Maintenance Complex – KSU-Salina

Kansas State University requests approval to amend the Fiscal Year 2024 capital improvement plan and to accept the revised program statement for the K-State Salina facilities maintenance and storage buildings. The Board approved the initial program statement in March 2023. Since that time, cost estimates and surveys have resulted in several amendments to the original plan.

Instead of a three-phase building plan as originally proposed, a 9,600 square foot facilities maintenance building will replace the existing offices and shops. The building will consist of office space, carpentry and electrical shops, a mailroom, vehicle repair bays and a wash bay. Construction is expected to begin in Fall 2024. A second stand-alone structure will be a 4,800 square foot storage building which will provide much needed storage space for college departments and student organizations. Construction will begin once funding is available. Additionally, the proposed building site was moved near the existing facilities buildings to avoid the additional cost of moving the motor pool area which includes fuel pumps.

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Due to inflationary factors and project amendments, the project budget has increased from \$1,940,182 to \$3,193,734. The project will be funded by general use revenues and philanthropic funds.

Refer to “Attachment B KSU Salina New Facilities Shed Program Statement - Rev 03152024.”

3. Act on Request to Purchase Land – KSU

Kansas State University requests approval to purchase a parcel of land from the KSU Foundation. The 1.1-acre parcel is located at 1615 Anderson Avenue, Manhattan, KS. Two appraisals have been completed with the highest market value estimated at \$3,162,000. An environmental assessment will be completed prior to finalizing the sale. The University intends to purchase the property for \$3 million with university resources and use it for future campus development, as needed.

Legal description of the property:

A tract of land in Government Lot 7, in Section 18, Township 10 South, Range 8 East of the Sixth Principal Meridian, City of Manhattan, Riley County, Kansas as described as follows:

Beginning at the Northeast Corner of Lot 1, Ramada Inn, Unit Two, Commercial Planned Unit Development, City of Manhattan, Riley County, Kansas; thence N 89°58'00" E 250.59 feet to the West right of way line of N. 16th Street; thence S 00°00'00" E 225.74 feet to an Easterly Corner of said Lot 1; thence Along the Northerly and Easterly lines of said Lot 1 the following 6 courses,

Course 1: S 89°58'40" W 80.00 feet,

Course 2: N 00°00'00" E 60.02 feet,

Course 3: S 89°56'53" W 173.86 feet,

Course 4: N 00°15'51" E 15.74 feet,

Course 5: N 88°39'40" E 2.40 feet,

Course 6: N 00°18'18" E 149.97 feet to the point of beginning, containing 1.1 acres.

Refer to “Attachment C Appraisal One for 1615 Anderson” and “Attachment D Appraisal Two for 1615 Anderson.”

4. Act on Request to Finalize Property Sale – KSU

Kansas State University requests approval to finalize the sale of property in Riley County known as the Frick Research Farm. The Board approved K-State’s request to sell the property in September 2023.

The 102-acre property was gifted to the University in 1966 by Edwin and Ruby Frick to be used for research purposes. Due to its distance from campus, the property had not been utilized for the past 15 years. There are no known restrictions related to the original gift that prevent the sale of the property. Legislation enacted in 2022 authorizes the Board of Regents to approve the disposition of property without separate legislative action.

K-State will submit final seller information following the public auction to be held on March 28.

5. Act on Request to Raze Morse Hall South and Southeast and Approve Additional Allocation of FY 2024 Building Demolition Fund– ESU

Emporia State University requests approval to raze Morse Hall South and Morse Hall Southeast. These two 60-year-old structures, state building numbers 37900-00005 and 37900-00006, are located at 1300 Morse Drive in Emporia, KS. The buildings are connected and share multiple systems. The combined 65,946 square feet are currently limited in use and have a current Facilities Condition Index rating of 0.48 (D+ rating) and 0.37 (C rating) respectively, with a combined \$6.9 million in deferred maintenance needs. The concrete and brick structures were built in 1961 and 1963.

This demolition project supports the Board’s goals for capital renewal and improvement of space utilization and razing of South and Southeast Morse will complete the final phase of Emporia State’s plan to reduce campus gross square footage by 15%. Phase 1 was the sale of the Earl Center, now complete; Phase 2 is the razing of Butcher Education Center, currently being razed; Phase 3 was the demolition of Morse Central to create space for the new Nursing and Wellness Center; and Phase 4 will be razing Morse South and Southeast, planned for CY 2026. Emporia State continues to review campus space use to further identify and develop plans for the optimization of the campus physical footprint.

These buildings are not listed as historic structures at a local, state, or national level, nor are they contributing or non-contributing structures within a historic district.

The total project cost to raze Morse South and Southeast is estimated at \$2.76 million. Abatement, razing, and other associated costs are estimated at \$2.1 million, with the remaining \$650,000 budgeted for the relocation of the remaining departments still in those buildings.

The university requests the remaining available balance of \$1,913,437 appropriated for this purpose in FY 2024 for the Building Demolition Fund.

If other funding becomes available for the renovation of existing campus space for the purpose of relocating the current tenants of these buildings, Emporia State will request sufficient funds necessary for associated renovation and relocation costs.

Refer to “KEY FACTS Campus Restoration Act SB 552.” The last page has a table with all demolition projects for the system.

FACILITIES – APRIL 17, 2024 – DISCUSSION AGENDA

1. Receive Capital Improvement Requests and Five-Year Plans for FY 2026 – University System (First Read)

As required by Kansas law and in accordance with the format traditionally prescribed by the Division of the Budget, the campuses have submitted their FY 2026 capital improvement requests and five-year capital plans. The Board will act on the plans at the May meeting, as the capital improvement requests are due to the Division of Budget on July 1, 2024.

Information will be provided with the April Board materials.

Fiscal Affairs & Audit Standing Committee

Next FAA Committee Meeting: Wednesday, April 17, 2024, 10:30 am - 11:45 am
Fort Hays State University — Memorial Student Union
Room to be determined

I. Old Business

- A. Approve minutes of March 20, 2024 committee meeting
- B. Follow up on issues raised during the April 2 teleconference call

II. New Business

- A. First Read of Johnson County Educational Research Triangle (JCERT) Budgets by Fiscal Affairs & Audit Committee – KUMC, KU Edwards, KSU Olathe (*Budgets are attached*)
 Brief presentations by representatives of the campuses with opportunity for questions
- B. Review Board Agenda Items under Fiscal Affairs
- C. **FAA 24-08** Review Progress on State University Deferred Maintenance Initiative (standing item)
- D. Audits for committee review and discussion (standing item)
- E. Other Committee Business

Next meeting dates:

April 30 – 12:15 pm, Agenda planning conference call
May 15 – 10:15 am Committee Meeting, Board Office, Topeka

June 4 – 12:15 pm, Agenda planning conference call
Tuesday, June 18 – 2:00-4:00 pm, Committee Meeting, Zoom