

Kansas Department of

# **Social and Rehabilitation Services**

Gary Daniels, Acting Secretary

## **Joint Committee on State Building Construction**

November 16, 2005

### **SRS' FY 2007 Five Year Capital Improvement Plan**

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**SRS' FY 2007 Five Year Capital Improvement Plan**

Chairman Humerickhouse and members of the Committee, thank you for the opportunity to appear before you today to review SRS' FY 2007 Five Year Capital Improvement Plan for the state hospitals and regional offices. My name is Rick Shults and I am the Director of Management Operations for the SRS Division of Health Care Policy, which is responsible for the state hospital budgets. Here with me today are Kent Olson, Acting Director of Accounting and Administrative Operations who works with the Regional Offices and Gary LaShell, SRS' Architect.

Budget Submission

The charts attached to my testimony detail SRS' Five Year Capital Improvement Plan. Within that plan are SRS' FY 2006 and FY 2007 capital improvement budget requests for use of state institutional building funds summarized follows:

<b>Area</b>	<b>FY 2006</b>	<b>FY 2007</b>
State Hospitals	\$1,406,300	\$8,768,200
Reappropriations from FY 2005	\$865,963	\$0
Chanute Service Center	<u>\$300,000</u>	<u>\$300,000</u>
TOTAL	\$2,572,263	\$9,068,200

The attached plan also contains a detail listing of projects that SRS proposes be undertaken using these funds which I will summarize for the Committee.

Current Year

The reappropriated balance from FY 2005 is primarily for critical rehabilitation and repair projects at the two state developmental disability hospitals which were delayed in FY 2005 due to limited funds. These projects include repairing air conditioning, replacing sewer lift pumps and electrical brakes, resurfacing roads and parking lots, and up-grading exterior lighting. The FY 2006 projects which are underway include: re-roofing several buildings, replacing worn out air conditioning compressors, improving drainage systems to prevent flooding, replacing deteriorated water lines, and a variety of other critical equipment repair and replacement items. The request also includes \$300,000 to begin the replacement of windows at the Chanute Service Center. The last two pages of the attachment provide detail regarding the status of these projects.

### Budget Year

Of the \$8.77 million requested in FY 2007 for rehabilitation and repair at the state hospitals, \$1.4 million is for critical high priority projects such as: replacing deteriorating water mains at Osawatomie State Hospital, adding an emergency stand-by power generator at Rainbow Mental Health Facility, replacing refrigerators and freezers at Parsons State Hospital and Training Center, several re-roofing projects, and replacing air conditioner condenser units at KNI.

Other portions of the hospitals' buildings and infrastructure continue to deteriorate and need rehabilitation and repair. The remaining \$7.35 million is for these "second priority" projects such as: replacing old deteriorated low and high pressure steam lines, replacing several more new roofs, renovating buildings to bring facilities up to usable standards, replacing deteriorated water lines, adding and repairing sidewalks, improving exterior lighting, replacing transformers, and other various projects. This funding is needed to prevent a large backlog of rehabilitation and repair projects at the state hospitals as has occurred in the past. Finally, \$300,000 is requested to complete the replacement of windows at the Chanute Service Center.

### Bond Funds

In addition to these direct use of SIBF, SRS is requesting \$6,520,060 to repay the bonds that were issued in FY 2002 and FY 2004 to construct the new Isaac Ray State Security Hospital and to make other major repairs and renovations at the state mental health hospitals. This annual bond payment is determined by K DFA repayment schedules. Some of the work done using the bond funds include: major repair on boilers and power plants, electrical system repair and replacement, roof and window replacement, remodeling and repairing buildings including remodeling Meyer building for use by the Sexual Predator Treatment Program, sewer repair, and street resurfacing. Work that continues using proceeds from the bond issuance includes remodeling and rehabilitation of treatment units at Osawatomie State Hospital and the Dillon and Jung buildings at Larned State Hospital.

### *(Optional)*

#### Future Projects

Finally, the first page of the Five Year Plan briefly acknowledges the potential need to expand program capacity for the Sexual Predator Treatment Program (SPTP). But, you will note, as of yet no funding is being requested. SRS reported earlier this fall in testimony to the Joint Budget Committee that if the SPTP census grows at a pace of 1½ persons per month the current program capacity would be exceeded by December 2009 and additional residential and program space would be needed at that time. The SPTP census growth continues to be reviewed and potential alternatives to addressing the program's census growth are being discussed. SRS' FY 2008 Five Year Plan will include a capital improvement request that responds to the conclusions made by these discussions.

We thank the Committee for its support of these vital capital improvement projects. This concludes my testimony. I will gladly stand for questions.