



Testimony to
Joint Committee on State Building Construction
Kim Torrey, Chief Fiscal Officer
Kansas Highway Patrol

December 6, 2012

Mr. Chairman and Members of the Committee:

Good afternoon and thank you for the opportunity to appear before you today on behalf of the Kansas Highway Patrol (KHP) regarding the construction of a new Troop F Headquarters in the Wichita area.

Since the FY 1993 budget cycle, the KHP has made 21 unsuccessful attempts at securing funding for the construction of a new Troop F facility. The Troop has outgrown the current facilities and the KHP is not planning to make any further investment in these structures. In light of the anticipated future budget constraints and to resolve the immediate facility needs in Wichita, the Superintendent has authorized the use of the KHP's federal forfeiture funds to construct a new Troop F Headquarters.

At the time of the FY 2014 budget submission, the KHP had sought required formal approval from the United States Department of Justice (USDOJ) Asset Forfeiture and Money Laundering Section, to utilize KHP Federal Forfeiture funds to pay for the construction of a new Troop F Headquarter building. The formal approval to expend the funds was received from the USDOJ on November 16, 2012 (see attached).

The cost estimates are summarized below, with the details contained in the architect's report:

Description	Price w/o KDOT Participation	Price w/ KDOT Participation
General Site Development*	\$ 892,642	\$ -
Utilities	138,325	138,325
Building Dirt Work, Paving, Landscaping	292,465	292,465
Building	2,351,635	2,351,635
Subtotal	\$ 3,675,067	\$ 2,782,425
Design Contingency @ 10%	367,507	367,507
AEC Design Fees @ 8.5%	312,381	312,381
OFPM Fees @ 1%	36,751	36,751
Total Project Cost, as of March 2012	\$ 4,391,706	\$ 3,499,064

*General Site Development could possibly be completed by KDOT.

KDOT has tentatively agreed to complete the general site development work for the project. The federal fund balance is not sufficient to cover the project costs without KDOT's participation. Additionally, the proposed plan includes 5,338 square feet of space for the Kansas Bureau of Investigation (KBI). The KBI has tentatively agreed to reimburse the KHP up to \$50,000 annually for Troop F utilities and building maintenance costs, which are estimated to only be \$33,000 annually.

Again, thank you for your time and attention regarding this project. The KHP appreciates the support of this Committee in authorizing this expenditure. I will stand for any questions the Committee may have.



U.S. Department of Justice

Criminal Division

Washington, D.C. 20530

NOV 16 2012

Mr. Darian Dernovish
Legal Counsel and Records Custodian
Kansas Highway Patrol
122 SW 7th Street
Topeka, KS 66603

Dear Mr. Dernovish:

This letter is in response to your emails dated September 27, 2012, to the Asset Forfeiture and Money Laundering Section (AFMLS) requesting to use equitably shared funds to pay for the construction of a new building for the Kansas Highway Patrol's (KHP) Troop headquarters.

The policies governing the use of equitably shared funds are outlined in the *Guide to Equitable Sharing for State and Local Law Enforcement Agencies* (April 2009) (*Guide*). In addition to the limitations and conditions outlined within the *Guide*, all goods and services acquired with federal sharing funds must be in accordance with KHP's requirements governing procurement and competitive bid, with any title held accordingly. All federal sharing funds must be used prudently, which means in an ordinary, necessary and reasonable manner consistent with the principle that public costs should be controlled or reduced wherever possible.

The *Guide*, Section VIII.A.1.c states that an agency may use equitable sharing funds to support the costs associated with the construction and improvements of facilities used by law enforcement agencies and owned by the city, county, or state wherein the law enforcement agency operates. Based upon the information provided to AFMLS, KHP wants to use equitably shared funds to pay for the construction for a new Troopers headquarters. The building will be located on State owned land and the building will be used by KHP for law enforcement purposes only. The total estimated cost of the construction is \$3,499,063.00. KHP will be using existing contracts for the construction. Therefore, this expenditure is not subject to KHP's competitive bid process and was not a previously budgeted line-item expense. Accordingly, AFMLS has determined that the use of equitably shared funds to pay for the aforementioned construction is a permissible expenditure of equitably shared funds, within a reasonable range of the estimated cost.

If you have any questions, please forward a brief email to AFMLS Training Technician Kimlin Gonzalez at AFMLS.ACA@usdoj.gov.

Sincerely,

Gene Patton, Assistant Deputy Chief
Asset Forfeiture and Money
Laundering Section

10-3