

PRESENTATION TO THE INTERIM JOINT COMMITTEE ON STATE GOVERNMENT

Wednesday, Aug. 22, 2018

Presented by

WILLIAM M. LANDRUM III, Secretary

Finance & Administration Cabinet

MIKE BURNSIDE, Commissioner
Department for Facilities & Support Services





Cabinet Overview

- Primary support agency for state government
- Central fiscal management, serving administrative needs of agencies; operate state tax processes
- Diverse customer base of state agencies, local governments, businesses, vendors & individual taxpayers
- \$925.7 Million (FY19)
- 1,595 employees; 412 contract employees

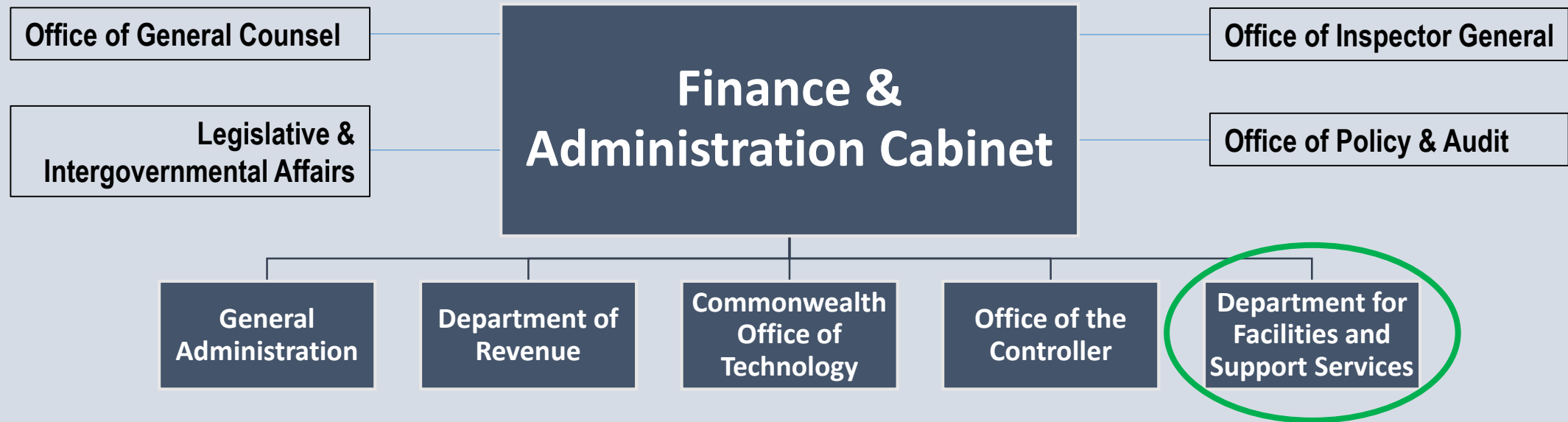


FAC Secretary Statutory Obligations

- Interpretation
 - KRS 48.500
 - State budget
- Purchasing
 - Contracts/Master Agreements
 - Small Purchase Authority
 - GCRC
- Protests
 - Determinations
- Land & Facilities
 - Leases
 - Construction
 - Maintenance
- Bonds
 - Issuance
 - Credit Ratings
- Investigations
 - Enforcement
 - Access to documents
 - Issue subpoenas

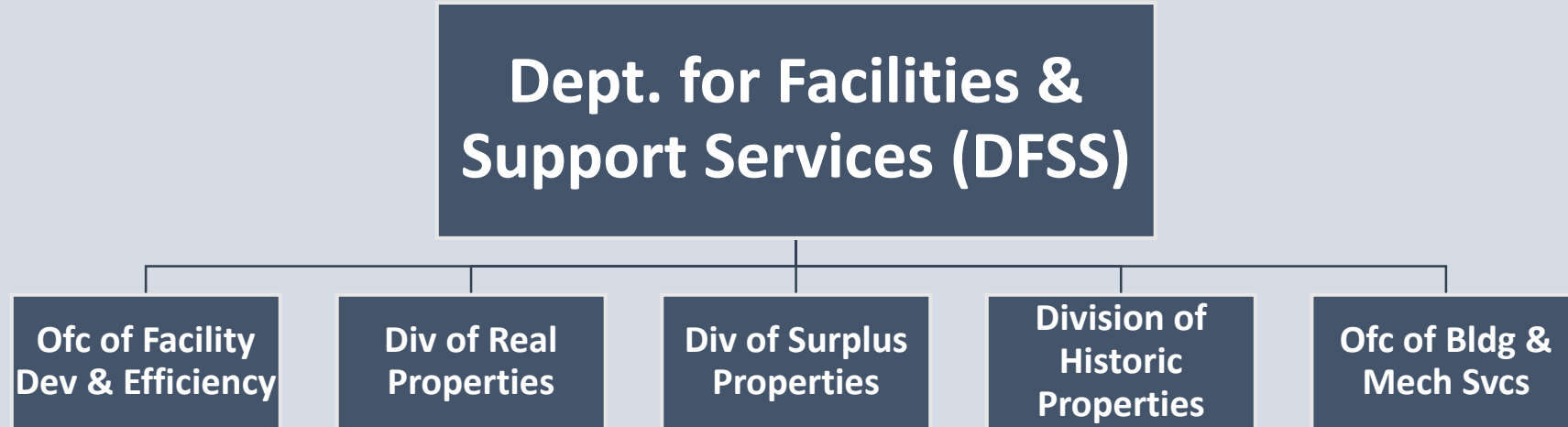


Finance Cabinet Organizational Structure



Department for Facilities & Support Services

Organizational Structure



- Div. Of Engineering & Contract Administration
- Div. of Facility Efficiency

- Div. Of Building Services Administration
- Div. of Mechanical Services

Things You May Not Think of When Thinking of Facilities...



Derby Breakfast
Christmas Tree Lighting
Governor's Prayer Breakfast
Inaugurations
Frankfort Friday Evening Concerts

Floral Clock & Other Plantings
Landscape Design
Value Added Engineering
Project Management
Contracting and Procurement

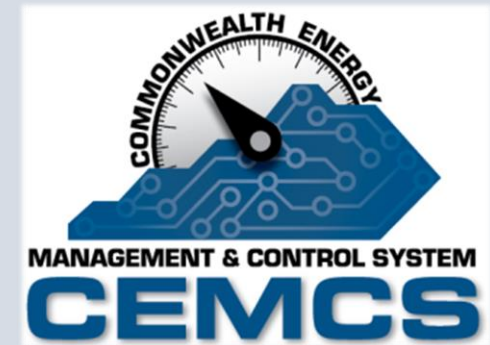
Our professional staff have the skills and expertise to manage a variety of jobs.

- ✓ Architects
- ✓ Engineers
- ✓ Realtors
- ✓ Cabinet/Furniture Makers
- ✓ Carpenters/Woodworkers
- ✓ Carpet Layers
- ✓ HVAC Technicians
- ✓ Electricians
- ✓ General Contractor Trades
- ✓ Landscape Architects
- ✓ Turf Management
- ✓ American Rose Society Consulting Rosarians
- ✓ Certified Florist
- ✓ Certified Arborist
- ✓ Certified Horticulturalists



Office of Facility Development & Efficiency

- Division of Engineering and Contract Administration
 - Oversee all capital construction projects for state agencies, except:
 - Highway Projects
 - Administrative Office of the Courts
 - K-12 school
 - Universities that have opted out
 - Help agencies implement their 6-yr capital plans
- Division of Facility Efficiency
 - Track energy usage and expenditures through CEMCS
 - Manage the Energy Savings Performance Contracting (ESPC) program for the Commonwealth
 - Procure and provide project management for all ESPC contracts
 - Projects funded through guaranteed savings from energy savings measures



kyenergydashboard.ky.gov

Division of Real Properties

- Acquire all interest in real property except Universities, KCTCS & highway right-of-way
- Maintain inventory of all owned/leased real properties
- Manage Finance administered parking facilities in Frankfort area
- Lease land/buildings for state use
- Dispose of all surplus real property
- Grant easements on/across state property
- Maintain space assignment records and complete quarterly billing of rent and utilities for agencies in Finance administered facilities
- Approve all building renovations/alterations involving Finance-owned buildings



Division of Surplus Properties

- Surplus Property

- Conducted gross sales of \$5.5 M (FY18)
- Generated \$3.8 M returned to state agencies
- Sales occur through live auctions, spot sales and online
- Fleet sales/F&W/KYTC
- Federal Surplus Personal Property Program
- GovDeals.com online sales efficiency
- Special projects such as Capital Plaza Tower



Division of Historic Properties

- Preservation and maintenance of state-owned historic buildings/sites:
 - Executive Mansion
 - Old Governor's Mansion
 - Capitol public areas
 - Berry Hill Mansion
 - Vest-Lindsey House
- Managing/advising on preservation of all Finance-owned structures over 50 years old
- State curator
- Member of Historic Properties Advisory Commission
- Inventory and maintenance of state-owned furnishings, artifacts, objects of art



Office of Building and Mechanical Services

- Manage 4+ million sq. ft. of office space & 497 acres
- Division of Mechanical Services
 - Mechanical, electrical and plumbing services for all Finance-owned buildings
 - Electronic security for all state-owned buildings
 - Manage security badge system for all state employees
 - Security cameras, electronic security devices
- Division of Building Services
 - Janitorial services
 - Construction projects \leq \$250,000 in all Finance-owned buildings
 - Landscaping and grounds maintenance for all Finance-owned buildings





Facilities Management Reform

- Reduce footprint of state government
- Take care of what we have
 - Develop and maintain partnerships



Reducing Footprint of State Government

- **Sell or Convey Finance-owned properties**

- Pedways
- Garages
- Buildings
- Land



- **Help agencies dispose of real properties**

- KYTC
- State Parks



Taking care of what we have

- Boone Gravesite Cleanup
- U.S. 60 Overlook Cleanup, Resurfacing, Lighting & Plantings
- Capitol Façade & Balustrade Cleaning
- Capitol Annex Terrace Brick Replacement
- Annex Parking Garage Ramp Repair & Resurfacing
- Major Electrical Upgrades/Repair from Annex Garage Fire
- YMCA Garage Lighting Upgrades
- L&N Building Renovations
- Beaver Dam Rest Area
- Kentucky Center for the Arts Fire Restoration
- Capitol-Annex Tunnel ADA Lifts
- Capitol Bill Room
- Annex-Speaker's Office



INFRASTRUCTURE

- Aging Facilities
- Deferred Maintenance
 - = \$282.5 M (FAC/CHFS-KY/KSFB/KHP)
 - = \$276.0 M (KYTC)



Develop & Maintain Partnerships

- Private Sector
- Frankfort & Franklin County
- Department for the Blind
- Personnel Cabinet
- Local 1st Responders
- Department of Agriculture
- City of Louisville & Louisville Tourism
- Bardstown/Nelson County
- Huck's



