

LONG RANGE CAPITAL PLANNING COMMISSION
Special Meeting Minutes
February 27, 2014
Meeting Room 512A, 1:00 p.m.
State Capitol Building
Oklahoma City, Oklahoma

A meeting notice was filed with the Secretary of State and Agenda posted in accordance with the Open Meeting Act.

MEMBERS PRESENT: Jeffrey Davis, Partner, Acorn Growth Companies
Ted Fisher, Economic Development Director, City of Sapulpa
Charles Ford, President, Charles Ford Company
Kirkland Hall, CEO and Vice-Chairman, Hall Capital
Jerry Winchester, Senior Vice President, Oilfield Services and CEO
of Chesapeake Oilfield Services
John Woods, President/CEO, Norman Chamber of Commerce

ABSENT: Grant Humphreys, President/CEO, The Humphrey's Company
Tad Jones, Executive Director, Grand Lake Association
Jeff Stava, Chief Operating Officer, Tulsa Community Foundation

GUESTS: Michelle Day, OMES/DCAM/Administration
Ben Davis, OMES/DCAM/Construction and Properties
Mike Jones, OMES/DCAM/Construction and Properties
Justin Henry, OMES/DCAM/Construction and Properties
Travis Monroe, OMES/OCIA
Melissa Milburn, OMES/DCAM/State Leasing
Tim Tuck, OMES/DCAM/Legal Division
Beverly Hicks, OMES/DCAM/Administration
Jim Joseph, State Bond Advisor
Shaun Ashley, eCapitol
Marie Price, Journal Record
Randy Ellis, The Oklahoman
Trait Thompson, Capitol Preservation Commission
John Estes, OMES
Caroline Dennis, Senate

Agenda Item 1 - Call to order and confirmation of quorum

The meeting was called to order by Chairman Davis. Chairman Davis was advised that notice of the meeting had been given, and an agenda posted in accordance with the Open Meeting Act. The roll was taken and it was ascertained that a quorum was present.

Agenda Item 2 – Discussion and possible action to send a letter recommending approval of a \$160 million bond issue to repair the Oklahoma State Capitol

The expected cost for repair to the Capitol, based on a 2009 study by OMES, was originally \$118 million. That estimate did not include certain additional costs. An additional \$42 million was added (a 4% cost increase per year for 5 years, relocation costs for Capitol staff based on square footage of the Capitol, computer relocation and cabling, etc.). There are still costs that are unknown, and won't be known until the project is actually begun, and so the \$160 million is a high estimate for the repairs. Mr. Woods stated that he would like to see the item rephrased to read "approval of up to \$160 million bond issue."

The process related to the repair begins with the selection of a construction firm. Project management would then follow through with OMES/DCAM. The process for bond issue begins with OCIA issuing a lease revenue bond, the security provided for the bond would be the lease money through the state agency, in this case OMES. The payment would then be made back to OCIA. That money would be transferred to the trustee until the debt service payment is due.

Motion was made by Mr. Fisher to accept the item amended to state "approval of up to \$160 million bond issue." Mr. Hall seconded the motion. The following votes were recorded: Jeffrey Davis - aye; Ted Fisher - aye; Charles Ford - aye; Kirkland Hall – aye; Jerry Winchester – aye; John Woods - aye. Motion passed as amended.

Agenda Item 3 – Overview, discussion and possible action to adopt the "Capital Outlay Request Submittal and Evaluation Guidelines" to replace the "Project Rating Criteria Sheet"

This item was tabled from the last meeting so that the principles adopted from the last meeting could be integrated into the guidelines. The rating scale was simplified to be more objective and the criteria now have more emphasis on money issues, and less emphasis on strategical items that are no longer outlined in any state documents.

Agencies have previously been allowed to self-score their projects, and those scores would be used to prioritize projects. The new proposal is that the Capital Planning staff does the scoring of the criteria.

Motion was made by Mr. Fisher to accept the item as stated. Mr. Winchester seconded the motion. The following votes were recorded: Jeffrey Davis - aye; Ted Fisher - aye; Charles Ford - aye; Kirkland Hall – aye; Jerry Winchester – aye; John Woods - aye. Motion passed.

Agenda Item 4 – Subcommittee reports

A. Capital Improvements Plan Subcommittee:

None

B. Maintenance Standards and Facilities Strategy Subcommittee:

None

C. Policy and Funding Subcommittee:

None

Agenda Item 5 – Updates and discussion

A. Executive Budget Recommendations:

There was a recommendation by the Governor in the Executive Budget that \$2 million be appropriated to the LRCPC to begin performing the state's infrastructure and capital planning processes. That money would be focused on trying to improve the way the state deals with real property assets.

B. Capital Improvements Plan:

There is no FY15 money proposed in the Governor's budget for the Capital Improvements Plan. However, the FY15 annual capital budget is currently being considered by the legislature. There was no FY14 budget that was approved, so the \$30 million that was appropriated last year is still there and waiting for the current Capital Improvements Plan to be approved by the legislature. That \$30 million will implement the plan once it is approved.

Agenda Item 9 – Adjournment

There being no further business, the meeting adjourned at 1:49 p.m.