

LONG RANGE CAPITAL PLANNING COMMISSION
Meeting Minutes
August 7, 2014
Oklahoma State Capitol
Room 419C, 1:00 p.m.
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
Charles Ford, President, Charles Ford Company
Kirkland Hall, CEO and Vice-Chairman, Hall Capital
Grant Humphreys, President/CEO, of The Humphrey's Company
John Woods, President/CEO, Norman Chamber of Commerce

MEMBERS ABSENT: Ted Fisher, Economic Development Director, City of Sapulpa
Tad Jones, Executive Director, Grand Lake Association
Jeff Stava, Chief Operating Officer, Tulsa Community Foundation
Jerry Winchester, Senior Vice President, Oilfield Services and CEO
of Chesapeake Oilfield Services

GUESTS: Ben Davis, OMES/DCAM/Construction and Properties
Kimberlee Williams, OMES/DCAM/Legal Division
Tim Tuck, OMES/DCAM/Legal Division
Beverly Hicks, OMES/DCAM/Administration
Mike Jones, OMES/DCAM/Construction & Properties Director
Travis Monroe, OMES/DCAM/ OCIA Administrator
Jennifer Ramsey, OMES/DCAM/Construction & Properties
Carie Caman, OMES/DCAM/Construction & Properties
Jim Joseph, State Bond Advisor
Dana Webb, OMES
Dedra Blackwell, OMES
Shawn Ashley, E-Capitol

I. Call to order and confirmation of quorum. [Jeff Davis]

Chairman Davis called the meeting to order at 1:00 p.m. A roll was called, and it was ascertained that a quorum was present. Chairman Davis was advised that notice of the meeting had been given, and an agenda posted in accordance with the Open Meeting Act.

II. Approval of Minutes from the May 1, 2014 Commission meetings. [Jeff Davis]

Charles Ford moved to approve the minutes of the meeting held May 1, 2014. Grant Humphreys seconded the motion, the minutes passed and the following votes were recorded:

Jeffrey Davis - aye; Charles Ford - aye; Kirkland Hall - aye; Grant Humphreys - aye; John Woods - aye.

III. Recognition of new, reappointed, or departing Long Range Capital Planning Commission Members. [Jeff Davis]

Mr. Ben Davis made the commission aware that terms for Jerry Winchester and Ted Fisher have expired and new appointments have yet to be made. Tad Jones has resigned and taken a position as executive director of the Will Rogers Commission.

IV. 2014 Legislative Update. [Dana Webb]

Ms. Webb updated the commission on two pieces of legislation that passed this session. House Bill 3050 is a request bill intended to clarify language that was in House Bill 1910 that reestablished the Long-Range Capital Planning Commission and set forth some guidelines for state properties and the oversight and sale of state properties. The purpose of the bill is to clarify that sales proceeds of any transfer or sale of state-owned property must be deposited into the Maintenance of State Buildings Revolving Fund.

The bill also clarifies that the Department of Transportation, the Turnpike Authority, and the Commissioners of Land Office are exempted.

Ms. Webb informed the commission that language has been put into the statute to give more leeway on the sale of state properties that gives the opportunity to sale if it is less than ninety percent (90%) of the appraisal value.

Ms. Webb said that the bill also changes the length of surface lease terms from three to five years.

Ms. Webb informed that property located by a college in El Reno, owned by the Historical Society, will at some point be given to the college, as the Historical Society has no use for it. This legislation allows giving the college control of that property.

Ms. Webb gave some brief history of how Senate Bill 1254 originated as a request bill of Senator David because of her interest in historical buildings. Office of Management and Enterprise Services (OMES) were allowed to insert their language into this bill that allows OMES and the leasing division to use a Request for Proposal (RFP) process if a property meets certain conditions, being, it has to be listed on the National Register of Historic Places, or designated by the Oklahoma Historical Society as a place of historic interest or significance located within the Oklahoma State Capitol complex, or located within a campus owned by the state of Oklahoma. The law states that one member of this commission has to be involved in the RFP process with the leasing division.

Ms. Webb said the other language in this bill by Senator Griffin says that any time the state intends to sell a property that has historical significance or is included on the National Register of Historic Places, the sale has to be approved by the historical society before the state can sale the property.

V. Update on Capitol Restoration project. [Trait Thompson]

Mr. Thompson made the commission aware of his new position as state Capitol Project Manager as a result of language passed in House Joint Resolution (HJR) 1033, which legislation authorized One Hundred and Twenty Million Dollars (\$120,000,000) of bond funding for the repair and restoration of the state capitol building, that splits out the exterior and the interior of the building and creates an oversight committee to establish guidelines for the interior restoration of the building.

VI. Consideration and possible action to approve a draft update to the Commission's Administrative Rules to be distributed for public comment. [Ben Davis]

Below are listed the changes updated by Mr. Davis:

- General information about office location, phone numbers and staff information.
- Made some additions to the end of the rules to incorporate statutory changes from the 2013 and 2014 legislative sessions.
- Updated the definition of capital project as was approved from the last meeting.
- Added the Office of Management and Enterprise Services (OMES) as managing the implementation process for the Capital Improvements Plan and that any changes that are made to approve projects must be approved on a case-by-case basis by the Long-Range Capital Planning Commission (LRCPC) using a process administrated by the Division of Capital Assets Management (DCAM).
- Put in a deadline for implementation of projects that requires projects be initiated by the end of the fiscal year in which they are approved or they are considered void.

Mr. Davis asked the Commission to approve the draft update of the rules and direct staff to distribute those for public comment.

Grant Humphreys moved to approve, Kirkland Hall seconded the motion, the motion passed and the following votes were recorded:

Jeffrey Davis - aye; Charles Ford - aye; Kirkland Hall - aye; Grant Humphreys - aye; John Woods - aye.

VII. Update on FY2015 Capital Budget implementation. [Ben Davis]

As requested from the last meeting, Mr. Davis provided a formal report to the Commission. Construction and Properties (CAP) is managing implementation of the projects July 1st. As of July 23rd, twelve projects are formally in the process of construction or are in the bidding process. Mr. Davis informed that there is \$2.9 million in process, which is almost ten percent of the total approved projects for the year. Construction and Properties are in communication with all sixteen agencies that were approved for projects.

Mr. Davis provided the Commission with a revenue and expenses report for the Maintenance of State Buildings Revolving Fund. To date, the total amount in appropriations is Forty-Five Million (\$45,000,000). To date, the total amount of funds deposited from underutilized property sales is Two Hundred and Forty-Four Thousand, One Hundred, and Forty-One Dollars and Thirty-Nine Cents (\$244,141.39). Mr. Davis informed that there have been no expenditures against the monies but will so change as Construction and Properties projects progress.

As a reminder to the Commission, Mr. Davis informed that the total of approved projects for this year is Twenty-Nine Million, Four Hundred Eighty-Four Thousand Dollars (29,484,000). The majority of that amount will be spent by the end of FY 2015.

VIII. Overview and discussion of the FY2016 Capital Outlay Requests. [Justin Henry]

Mr. Henry stated that 1,374 projects were submitted for the FY2016 cycle, of those projects 815 came from higher education and 559 from other agencies. Project requests total approximately \$5.3 billion.

Mr. Henry stated a large portion of the requests are for appropriations and General Obligation Bonds (GO).

Mr. Henry related agency participation is improving and justifications that accompany requests have significantly improved. Agencies are starting to recognize that funding is available through the plan and they are cleaning up their submittals. Mr. Henry pointed out that there are still important projects out there that do not quite have enough justification, in which he and Mr. Davis are meeting with those agencies to help them along.

Mr. Henry updated the Commissioners of various agencies' statuses, needs, improvements. A slide presentation hand out was given to the Commissioners with information Mr. Henry presented to them at the meeting.

IX. Discussion of possible 2015 regular meeting dates and possible special meeting in 2014. [Jeff Davis]

The 2015 proposed dates provided by Mr. Ben Davis were not approved due to conflict in schedules of the Commissioners. No date was decided for a special meeting in 2014.

X. Subcommittee reports.

- **Capital Improvements Plan Subcommittee [John Woods]**
- **Maintenance Standards and Facilities Strategy Subcommittee [Jerry Winchester]**
- **Policy and Funding Subcommittee [Grant Humphreys]**

No subcommittee reports.

XI. Updates and discussion. [Jeff Davis]

None.

XII. Adjournment. [Jeff Davis]

There being no further business; Kirkland Hall made a motion to adjourn. Jeff Davis seconded the motion. Motion carried unanimously. The meeting adjourned at 2:15 p.m.