



State Capital Expenditure Oversight Committee
Feb. 11, 2016
1:30 p.m., Room 419C
Oklahoma State Capitol Building

A meeting notice was filed with the secretary of state and agenda posted in accordance with the Open Meeting Act.

MEMBERS PRESENT: Sen. Corey Brooks
Phillip Kennedy
Stephen Mason
Rep. Mark McBride
Rep. R.C. Pruett
Rep. Earl Sears
Sen. Greg Treat

MEMBERS ABSENT: Sen. Susan Paddock
David Thompson

GUESTS: Trait Thompson, OMES State Capitol Project Manager
John Estus, OMES Public Affairs Director
Dan Ross, OMES Capital Assets Management Administrator
Craig Cherry, OMES State Facilities Director
Mark Sauchuk, OMES CAM Facilities Director
Melissa Milburn, OMES Real Estate and Leasing Services Director
Beverly Hicks, OMES Capital Assets Management
Kathy Pendarvis, OMES General Counsel
Jim Joseph, Oklahoma State Bond Advisor
Jordan Perdue, Bond Advisor's Office
Travis Monroe, OCIA Administrator
Doug Kellogg, OMES Capitol Superintendent
Duane Mass, Capitol Architect/Mass Architects
Xavier Neira, Manhattan Construction Co. (MCC)
Fred Schmidt, Frankfurt Short Bruza (FSB)
Amber Sharples, Oklahoma Arts Council, Director
Shawn Ashley, ECapitol
Matthew Radcliffe, Mass Architects

1. Roll call. [Steve Mason]

Chairman, Steve Mason called the meeting to order at 1:30 p.m. A roll call was taken and a quorum was established. Mr. Mason was advised that notice of the meeting had been given, and an agenda posted in accordance with the Open Meeting Act.

2. Approval of December minutes. [Steve Mason]

Sen. Brooks moved to approve the Dec. 3, 2015, meeting minutes. Mr. Kennedy seconded the motion, the motion passed and the following votes were recorded:

Sen. Brooks - aye; Phillip Kennedy - aye; Steve Mason - aye; Rep. McBride - aye; Rep. Pruett - aye; Rep. Sears - aye; Sen. Treat - abstain.

Sen. Treat entered the room at 1:38 p.m.; Rep. Sears entered the room at 1:40 p.m.

3. Update from Manhattan Construction on conclusion of prerequisite phase of interior construction. [Steve Mason]

Mr. Nelson informed the committee of the several milestone achievements that their team had been able to deliver since the meeting in December. Prerequisites began August of last year and the early phase of construction has been completed. In the tenth month of involvement with the Capitol Restoration since they were released with the notice to proceed last April, their recommendation in jump start construction with the prerequisite phase had expedited many decisions necessary to continue to proceed and drive some of their critical path activities. This started the process a year ahead of schedule of what anyone would've anticipated for a start date for an interior rehabilitation.

The prerequisites were able to be delivered ahead of schedule and on budget. He noted the extreme level of dedication and commitment from design partners Frankfurt Short Bruza (FSB), and their team on site worked countless hours throughout the week and on holidays.

A thirty-five percent (35%) preliminary planning scope development schematic design document was submitted and a majority of it had been reviewed with the Committee last summer. It lays out the master plan, delineates some of the funding components, long-range vision, and addresses a comprehensive approach to achieving goals and criteria approved by the Committee as well as specifically responding to requirements within the Request for Proposal (RFP) that they're contractually obligated to provide.

Mr. Schmidt with FSB presented several before and after photos of the prerequisite phase as it nears an end, that illustrates visually what had been accomplished in terms of goals, not only of the committee but the project in general, addressing and respecting the historic fabric and

character of the building but also intergrading the infrastructure of the engineering systems in a very meaningful and thoughtful way.

Mr. Nelson noted one of the biggest benefits of the prerequisite phase is has allowed their team to visit their performance in an early phase before they embarked on the full priority one scope of work.

They presented information contained within a nearly 15,000 page technical submission that was delivered to the Office of Management and Enterprise Services (OMES) and have condensed to a 40 page outline executive summary deliverable.

Mr. Nelson recapped on the Priority One Scope of Work having \$85.5 million dollars for the interior restoration, the funding component of the master plan. It is specific to addressing infrastructure, the back bone of the primary distribution systems; the mechanical, electrical, plumbing, life safety. Everything that feeds in and under the basement, the life lines to the building and up through the core of the rotunda, the dog houses and elevators. They've addressed public access and security through a secured entrance level. They've conditioned the rotunda for the first time in the Capitol's history, so all the priceless works of art that are in the rotunda now have environmental conditions. They've addressed the public corridors, and public restrooms, adding fire suppression, fire alarms, replacing four elevators, creating a functional enhancement with a freight elevator so tables and chairs can be moved out of the corridors, providing vertical access for art not to be walked down the stairs. It addresses the prerequisite areas; breaks natural gas service with some of the efficiency and enhancements that it brings to a state capitol with condition to the rotunda and some of the efficiencies there. They have emergency backup generator system and those components that deal with the infrastructure that are not available right now. Mr. Nelson concluded the priority one scope of work encompasses the foundation for a comprehensive master plan and sets the stage for a successful restoration with or without future funding.

Chairman Mason asked Mr. Mass, State Capitol Architect to read a letter of opinion from his Senior Project Manager, Mathew Radcliff that has been involved with the delivery team on this project. In the letter Mr. Radcliff gave his go ahead moving forward with this project. Mr. Mass said a good path as been set for the most prioritized items. Noting, they spent a year crafting a list of what is wrong and the needs for the building that was given to the team. The team spent the past year looking for solutions. Mr. Mass and Mr. Radcliff are confident in the solutions the team has brought forth is the best expenditure of the money, the most expedient path to the repair of the items that require repairs and more importantly gives the back bone, the infrastructure that the building needs to go forward.

The priority scope one is still the same as was presented in the December 2015 meeting.

Update only. No action taken.

4. Discussion and possible action on the scope of work for the interior project under current funding parameters. [Steve Mason]

This action allows the team to move forward with the priority one scope of work.

Rep. Sears moved to approve that the committee direct the construction firm to move forward and implement priority one. Rep. McBride seconded the motion, the motion passed and the following votes were recorded:

Sen. Brooks - aye; Phillip Kennedy - aye; Steve Mason - aye; Rep. McBride - aye; Rep. Pruett - aye; Rep. Sears - aye; Sen. Treat - aye.

5. Project manager's report. [Trait Thompson]

Mr. Thompson, State Capitol Project Manager, thanked Manhattan Construction on their wrap up of the prerequisite phase. They were responsive in time of need and respectful to the surroundings going on in the Capitol. He commended them on their diligent hard work in turning a lot of space in a monumental time frame.

Mr. Thompson addressed a concern that the committee had from the December 2015 meeting relating to windows and to avoid bringing back the scaffolding a second time due to JE Dunn's projected cost of \$3.5 million dollars. He explained when the exterior team, JE Dunn made their presentation on the windows, they set aside a \$5 million dollar cushion. They estimated \$10 million dollars to implement their solution on the windows, which was to restore the windows in place. This is preferred from a historical perspective. Initially, in the investigation, it was thought that they had to tear out every window in the building. JE Dunn's investigation revealed it could be done in the vast majority of the cases by restoring in place and by putting in an appropriate storm window on the inside of the building to seal it up from air and leakage. That would be a cost of \$10 million dollars as opposed to a \$20 million dollars cost of complete removal and installation of new windows.

The financial mechanism of the project is that the bonds are being sold at a premium while also earning interest on the bonds. It's actually generating some additional monies which can be put into the project. With those additional monies being generated in the project and JE Dunn's \$5 million dollar cushion, the team is relatively confident that they will be able to move the windows in to the tier one package. Mr. Thompson noted that JE Dunn's numbers still have to hold when they go out into the market in the next few months. If everything holds as is expected, and the bonds generate some additional funding because they were sold at a premium, they believe they'll be able to get those windows into tier one.

Mr. Thompson shared that they've had several meetings with the Arts Council and working closely with them on the proper handling of the art throughout the Capitol during the time of restoration when removing and restoring back in place.

Mr. Thompson mentioned that their team has been reaching out to the legislature to educate them on what's going on with the project. They presented at the House Republican Caucus retreat in December. They had several meetings that they opened up to republican senators to come and see the project. They'll be speaking with the House Democratic Caucus lunch in February. He continues visiting various Rotary clubs throughout the state in educating them on the project. Rep. Sears and Sen. Treat applauded the work that has been done. Sen. Treat emphasized the importance of public trust that we're going to do what we say we're going to do.

7. Adjournment. [Steve Mason]

There being no further business, Rep. McBride made the motion to adjourn. Sen. Brooks seconded the motion. Seeing no opposition, the meeting adjourned at 2:13 p.m.