

LONG-RANGE CAPITAL PLANNING COMMISSION
REGULAR MEETING

Feb. 17, 2022, 1 p.m.

Oklahoma State Capitol Building
Senate Conference Room 4S.9 (419-C)
2300 N. Lincoln Blvd., Oklahoma City, OK 73105

A meeting notice was filed with the Secretary of State, and an agenda has been posted in accordance with the Open Meeting Act.

MEMBERS PRESENT: Kirkland Hall, CEO and Vice Chairman of Hall Capital
Brandon Ersteniuk, CEO of Ersteniuk Insurance Agency
Gary Hamer, Pro Tempore Appointee
Mark Selvidge, Pro Tempore Appointee
Jason Sutton, Speaker Appointee

MEMBERS ABSENT: Josh Cruzan, CEO of Rimrock Energy Partners, LLC
Travis Mason, Director of Commercial Oklahoma

GUESTS:

John Gilbert, OMES	Jarica Walsh, OK Arts Council
James Kentopp, OMES	Melissa Milburn, OMES REALS
Beverly Hicks, OMES	Eva Thurman, OMES REALS
Joshua Gibson, OMES	Kimberlee Williams, OMES Legal
Dan Melton, OSBI	Joshua Huckleberry, OMES Legal
	Jonathan Hernandez, OK State Senate

1. Announcement of filing of meeting notice and posting of the agenda in accordance with the Open Meeting Act. [Kirkland Hall, Chairman]

Ms. Hicks, the meeting clerk, confirmed that the meeting complied with the Open Meeting Act.

2. Call to order and confirmation of quorum. [Chair]:

Chairman Hall called this meeting to order at 1:03 p.m. A roll call was taken, and a quorum was established. Meeting notice was filed with the Secretary of State, and the agenda was posted in accordance with the Open Meeting Act.

3. Welcome/Introductions.

Chairman Hall welcomed the members and guests to the meeting.

4. Approval of minutes from the Jan. 13, 2022, Commission meeting. [Chair]:

Gary Hamer moved to approve the meeting minutes of January. Brandon Ersteniuk seconded the motion. The motion passed, and the following votes were recorded:

Mr. Ersteniuk, aye; Mr. Hall, aye; Mr. Hamer, aye; Mr. Selvidge, aye; Mr. Sutton, aye.

5. Discussion and possible action to approve the transfer of state-owned property. [Melissa Milburn]

OMES requests the approval of the Long-Range Capital Planning Commission for the transfer of the following property:

- 1. 6128 E. 38th Street, located in Tulsa, Tulsa County, Oklahoma.**
 - a. The property is owned by the Department of Human Services**
 - b. The property consists of an office building and an overflow parking lot. The office building consists of 122,269 square feet of office space and an underground parking garage on 2.56 acres, and an overflow parking lot with 157 striped spaces on 1.38 acres.**
 - c. Two previous auction attempts resulted in no bids for the required 90% of the appraised value. The auction dates were May 27, 2021, and November 18, 2021.**
 - d. The property will be liquidated through an auction with a request for sealed bids.**
 - e. Proceeds will be deposited in the Maintenance of State Buildings Revolving Fund.**

After two previous auction attempts, Ms. Milburn reported that the property owned by the Department of Human Services failed to receive any bids to purchase the property. By statute, the property can be liquidated giving the State the ability to accept a bid of less than the required 90% of the appraised value through an auction requesting sealed bids. She requests approval from the Commission to proceed with the liquidation sale of the property.

Chairman Hall commented that one of this Commission's objectives is to ensure that owners maintain their buildings regularly. Proper maintenance is imperative to preserving not only the asset and protecting the building and its occupants, but resale values are higher for properties that keep up with regular maintenance. Unfortunately, that is not the case for this property and is a perfect example of what happens to a facility when routine maintenance is not done correctly. Thus, resulting in a loss of value for the property, which is not what we want.

Chairman Hall requested that Ms. Milburn provide a follow-up report regarding the property's final sale details to the commission.

Mark Selvidge moved to approve. Brandon Ersteniuk seconded the motion. The motion passed, and the following votes were recorded:

Mr. Ersteniuk, aye; Mr. Hall, aye; Mr. Hamer, aye; Mr. Selvidge, aye; Mr. Sutton, aye.

6. Discussion on financial and project updates: [Brandy Manek]

Mr. Kentopp, a State Budget Analyst who works for Ms. Manek, updated the members on building projects' year-to-date expenditures and revenues. He reported the current year-to-date revenue total is \$3,490,294.42, and in FY2022, expenditures beginning July 1, 2021 totaled \$1,362,653.17.

In January 2022, for the Department of Human Services (DHS), the State received about 2.5 million dollars, which increased to 3.49 million dollars. The proceeds of this building and land

will be solely reserved for the Service First Program project. He and Ms. Manek plan to meet later in the month with the DHS finance team to discuss the plans of their Service First project and give a report back to the Commission in April on their findings.

In January 2022, the State had 175 thousand dollars of expenses used on the Department of Mental Health and Substance Abuse Services for their roof replacement project in Norman, Oklahoma, at the Griffin Memorial Hospital, Building #53. Those were the only expenses that occurred in January.

Ms. Manek is working on creating a detailed report on the breakdown of projects by agency. They will work with agencies to provide them with the necessary information needed for their report. The spreadsheet will include the current status of each project, the amount awarded, how the money is being allocated, and whether it is reimbursement on the State's end or if the OMES Construction and Properties Division will be paying vendors directly. A more detailed report will be given to the Commission in April.

Discussion and update only.

7. Consideration of adoption of permanent changes to rules of the Long-Range Capital Planning Commission; possible vote: [Kimberlee Williams, Deputy General Counsel]

Ms. Williams reported that the members of the Commission, last fall, approved for OMES to start the rulemaking process for permanent changes to the rules of the Long-Range Capital Planning Commission. During the comment period at the hearing, no comments were received from the public in person or writing. The main changes made to the rules were correcting some scrivener's errors, deadline dates were moved back a month to make it more reasonable for OMES and agencies submitting projects, and allowing agencies to pay their bills without having to come through OMES, which enables state agencies to pay vendors in a more efficient and timely manner.

Brandon Ersteniuk moved to approve the adoption of permanent rule changes. Gary Hamer seconded the motion. The motion passed, and the following votes were recorded:

Mr. Ersteniuk, aye; Mr. Hall, aye; Mr. Hamer, aye; Mr. Selvidge, aye; Mr. Sutton, aye.

8. Discussion limited to agenda items and 3 minutes in duration.

9. Adjournment.

There being no further business, Brandon Ersteniuk made a motion to adjourn. Mark Selvidge seconded the motion, the motion carried, and the meeting adjourned at 1:21 p.m.