

LONG-RANGE CAPITAL PLANNING COMMISSION  
SPECIAL MEETING MINUTES

July 30, 2025, 1 p.m.

Oklahoma State Capitol Building

Senate Conference Room 230

2300 N. Lincoln Blvd., Oklahoma City, OK 73105 45:52

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:**

Josh Cruzan, CEO of Rimrock Energy Partners, LLC, Governor Appointee

Brandon Ersteniuk, CEO of Ersteniuk Insurance Agency, Senate Appointee

Bailey Cook, Wm. Bailey Cook III, P.C., House Speaker Appointee

Travis Mason, Director of Commercial Oklahoma, Governor Appointee

Anthony Sammons, Director of Fiscal Staff of Senate, Pro Tempore Appointee

Jeff Wills, Managing Partner, Wills Holdings LLC, Governor Appointee

**MEMBERS ABSENT:**

Gary Hamer, Director of Strategic Planning, PartnerTulsa, Pro Tempore Appointee

**GUESTS:**

Beverly Hicks, OMES

Nathan Wald, OMES

David John, OMES

Carie Carman, OMES

Mary Jackson, OMES Legal

Steven Birkes, OMES IS

Maria Maule, OAG

Lia Tepker-McHughes, OTRD

Rebecca Hobbed, LOFT

Lyle Walters, LOFT

Jeremy Knapp, LOFT

Jamie Manoles, OCIA

Adelia Gueringer, OCIA

**1. Announcement of filing of meeting notice and posting of the agenda in accordance with the Open Meeting Act.** [Travis Mason, Chair]

Chairman Mason confirmed that this meeting complied with the Open Meeting Act.

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

Chairman Travis Mason called the meeting to order at 1:03 PM. A roll call was taken, and a quorum was established. Commissioner Mason was advised that notice of the meeting had been filed with the Secretary of State, and the agenda had been posted in accordance with the Open Meeting Act.

**3. Welcome/Introductions.** [Chair]

Mr. Mason welcomed guests and the members to the meeting.

**4. Presentation, discussion, and possible action regarding deferred maintenance and Oklahoma Capital Assets Maintenance and Protection Fund.** [Brandy Manek, OMES; Nathan Wald, Administrator of OMES Capital Assets Management (CAM)]

- OMES deferred maintenance history, plan, and progress.

- Oklahoma Capital Assets Maintenance and Protection Fund and Long-Range Capital Planning Commission role.
- OMES plan for gathering data.

The chairman informed the commission members and guests about the purpose of the special meeting regarding the new legislation, SB 1169, passed in the first session of the 60th Legislature, which concerns OMES's role. He emphasized the need for a cohesive business plan, clarity on the changes, and proposed funding. He then introduced Nathan Wald, OMES Capital Assets Management Administrator, who oversees the operation, for further explanation.

Mr. Wald told the commission members that the presentation he gave at the LRCPC June 19 meeting remained unchanged. During that meeting, it was decided that no action could be taken on this matter at that time because the legislation would not take effect until July 1, 2025. Therefore, the Commission postponed business to a special meeting that needed to be scheduled for July due to the urgent nature of the matter, which could not wait until the Commission's next regular meeting on September 11.

Mr. Wald discussed developing a comprehensive eight-year plan for state-owned properties, similar to the Oklahoma Department of Transportation (ODOT), to standardize maintenance across the state with annual updates. He described an interactive system as a living plan that uses Power BI and incorporates ArcGIS to label and prioritize maintenance needs based on usable life and criticality, offering transparency on how funds are allocated. The system includes a dashboard for accountability, which he displayed during the meeting. The plan covers 43 agencies' real property (excluding Tourism and Higher Education), managing over 30 million square feet and 4,437 agency-owned structures. OMES plans to work with state agencies to gather data on all state-owned properties and assets, and intends to use the system as a tool for agencies to submit their forms for deferred maintenance.

Mr. Wald proposed a unified plan, emphasizing the need for a system guided by priorities rather than feelings. He discussed touring and inspecting all twenty-nine OMES state-owned properties, identifying issues, and fixing problems such as the HVAC failure at the Agriculture Building, which he discovered shortly after arriving. Changes were made through an emergency project, and luckily, funds were available to support those efforts.

A commissioner asked Mr. Wald if there was a way during his investigation of buildings to find out whether other states have implemented procedures or processes considered effective, which we might learn from or consider.

Mr. Wald mentioned he has limited access, but there are some associations that states collaborate with, using your information. He has not found one he truly prefers. He has asked other states about the software they use for deferred or preventive maintenance, but opinions vary, and some rely on spreadsheets. Some states are particularly fond of the software we use,

called Unifier. It is very powerful, but he does not believe it is used to its full potential. He finds it a bit cumbersome and not very user-friendly. For tech-savvy users, like his maintenance team, Unifier can be difficult to navigate. They need a solution that works and is widely used, and that is the goal. He has looked into some options, but there is no consistent standard. He could develop one himself, but it would be based on manufactured data rather than his own.

Mr. Wald further explained that OMES is governed by Title 61, which requires certain legal procedures before he can participate in construction projects. He told the commission that if the funding request is approved today, the plan presented will take quite some time to complete. It is expected to take up to six months or possibly a year, as it must undergo review and thorough vetting.

Mr. Wald proposed a \$33 million budget for immediate projects, with an additional \$5 million set aside for emergencies and contingencies. The goal is to standardize maintenance procedures and establish a single source of truth for state-owned property data. The plan aims for completion and deployment in fiscal year 2027. His reason for including extra contingency funds is to cover urgent needs (e.g., a leaking roof) when other agencies lack funding or when no funds are available. If funds cannot be accessed due to state/open meeting restrictions or if there are limits for OMES (Office of Management and Enterprise Services), he is open to alternatives or working within existing constraints. It acts as a reserve or backup fund to address unforeseen needs or events if necessary.

A commission member asked if a contingency is included in the \$33 million. Mr. Wald explained that the amount reflects their best estimate, which they have planned for to some extent. If they receive an estimate from an architect or engineer that doesn't match their own, they might adjust it downward or consider canceling the project, depending on needs. Therefore, the estimate does not include a contingency. As projects grow larger, they would consider adding one.

The commissioner understood but noted that the \$5 million could also act as a contingency fund, not just for emergencies. Mr. Wald agreed but stated he would hesitate to use the \$5 million, maybe until the latter half of the year or even at the very end, because he did not want it to be depleted, especially if other agencies might need it more. Still, he thought it was a good idea.

Another commissioner asked whether allocated funds sit in the bank account or remain in the treasury account and if any interest is earned on them. Mr. Wald explained that the funds are held in the Oklahoma Capital Asset Maintenance Preservation (OCAMP) fund, a revolving fund, and that all interest generated is returned to the general fund.

Mr. Wald was asked by the commission to provide examples of how the \$5 million allocated for emergencies would be used. He explained that it pertains to state buildings, where efforts

are made to maintain funds, and mentioned that the state's insurance coverage is involved. He referenced the Department of Human Services (DHS) as an example and explained that if one of their facilities has a leak, or if it was discovered that they had mold, asbestos, or another issue, it becomes a life safety concern or something that could cause further damage to state-owned property. At that point, OMES can immediately step in and say, "Let's get before the commission and request this money. Let's get this fixed and move forward." He believes there will be many discoveries as they continue. He suspects that this is why these agencies have never fully inspected these buildings; they do not understand the full scope and scale of their operations, which is why he plans to work with other state agencies to develop a comprehensive plan. He would prefer to handle the \$33 million and \$5 million separately if that is acceptable to the commission.

Mr. Wald was asked if there was a specific item that could help highlight the importance of this funding. He responded that he was unsure if there was one particular project. It is the overall effort, so we do not relive what happened with the Jim Thorpe Building. We allowed a building to completely fall apart, then had to invest \$70 million to restore it. That is the cost of doing nothing, and that cost increases every year we delay action, especially with rising inflation, sometimes tariffs, and fluctuating construction costs. Since the COVID pandemic, costs have been unstable, and by not acting, we end up spending more money later.

Another commissioner asked Mr. Wald about the eight-year plan, specifically referring to the Oklahoma Department of Transportation's (ODOT) concept of their eight-year plan. The commissioner shared some background on his experience representing ODOT for about 28 years on a limited basis, especially concerning highway projects. ODOT has a system where shovel-ready projects are already engineered and ready for implementation. The survey is complete, but they are waiting for funding. Do we have anything similar that we would call shovel-ready?

Mr. Wald appreciated the question and explained that his main issue is that sometimes the shovel-ready plans work for civil work, but when codes change, he has to pay someone to redo the plans he already paid for once before. Recently, HVAC systems have undergone changes, along with the regulations outlined in codes passed in January. He had a plan that eventually required a change order. Although this was six months before the new law, HVAC modifications caused him to pay again. He tries to avoid that as much as possible. In some cases, there are plans that are ready, but he wants to make sure that when they plan and the estimates he had at that time are still accurate when he asks for funding because he has seen instances where departments, like the Department of Libraries, have \$26 million allocated for a project, but doing it right could cost double. For example, when he was given funds for the tunnels, it was \$17 million; to do it properly, it was \$36 million. So, the short answer is no, I try to keep the plans ready and off the shelf, and act when there is funding so we can spend the money once, without having to go back for reviews with architects or engineers.

The commissioner asked if money was spent on engineering or planning projects, whether those costs are outdated or no longer applicable, and if there's a risk of double-paying for repair work, or if some costs have already been paid and are now included in current estimates.

Mr. Wald explained that when they started last year, he had four projects they would call shovel-ready. They prioritized those four projects first because they had already paid for the plans. For any projects beyond those, they have done new planning with an architect or engineer to avoid paying for the same work twice due to their inaction.

The chairman requested that the \$33 million be voted on separately from the \$5 million.

1. Discussion and possible action on recommendation 1: Approval of fiscal year 2026 funding to be allocated to OMES to continue deferred maintenance work in the 29 OMES-managed facilities:

Josh Cruzan moved to approve item 4.1, FY26 funding of \$33 million solely to the Office of Management and Enterprise Services (OMES) to continue deferred maintenance work in 29 OMES-managed facilities. Jeff Wills seconded the motion. The motion passed, and the following votes were recorded:

Mr. Cruzan, aye; Mr. Ersteniuk, aye; Mr. Cook, aye; Mr. Wills, aye; Mr. Sammons, aye; Mr. Mason, aye.

The chairman asked Mr. Wald about the emergency contingency fund OMES plans to use and stated that OMES will seek approval from the LRCPC before proceeding. Mr. Wald responded that he believes it is in the best interest of the funds and that the Commission holds him accountable. He does not want direct access to the funds; he prefers the Commission to vote on how the money should be used.

The chairman then asked whether the money is tied to FY26 or if there is a specific deadline. Mr. Wald said they can carry it over from year to year if it is not used. He just wants to have some reserve so they do not find themselves in a tight spot.

A commissioner noted that the Commission does not always convene every two months, but it will approve emergency fund requests when needed. Since it involves public funds, accountability is essential. If the Commission allocates \$5 million to the state experts for real emergencies, they should be trusted to use that money without requiring second approval, as delays can be critical. Mr. Wald agreed, adding that if there are conditions such as informing the Commission during use for accountability or obtaining the chairman's approval, he is willing to do so.

A commissioner asked Mr. Wald if the contingency is only for the 29 state-owned properties or if it also covers Mental Health, and Vinita has a problem and needs \$2 million. Mr. Wald responded that the money used by the state would not be limited solely to the 29 properties he oversees. He explained his reasoning and said he thinks OMES should keep a reserve for

specific situations to support other agencies that may or may not have funding. His idea behind the \$5 million was to set aside a reserve, preferably in an interest-bearing account, to be used when these other agencies face a problem they overlooked or just discovered, and lack the funding to fix it. This approach addresses that funding issue.

A commissioner noted that if it is a true emergency, the agency can cover expenses, and the LRCPC can then authorize OMES to pay the invoice. This allows for the payment of the invoice while ensuring proper documentation to justify the emergency. For example, if a boiler fails, the agency can proceed with repairs and documentation, which will be reviewed later by the LRCPC. Mr. Wald explained that there is a state process for applying for an emergency, and it is approved or denied based on circumstances, which must also meet legal requirements. He is good with proper documentation; he just wants to keep a reserve in case something is discovered later, and that money may never need to be used.

A commissioner discussed with Mr. Wald his earlier statement that it would take six months for his staff to gather all relevant information from the other state buildings. He added that, within those six months, items would be identified as credible so that \$5 million could be allocated for that, scheduling it toward the end of the year, and asked him if that timeframe was realistic.

Mr. Wald responded that no, it was optimistic to expect 43 agencies to cooperate and follow the same plan. It will be difficult. It will be added. Even if he had full cooperation and all agencies agreed, it would still take time. Agencies want the funds to repair their facilities, but creating a coordinated plan will require time. He believes it will take most of 12 months just to ensure complete alignment.

The chairman expressed support for a \$5 million cap on the emergency fund. He favors the paper aspect of it, and if Mr. Wald has a process for this and communicates it to us, it should be acceptable. He acknowledges that there are times when the LRCPC does not meet or may not meet for two months, and emergencies can happen at any time. Nonetheless, he believes the LRCPC meets often enough that it will come up in discussion within this group.

The chairman entertained a motion to establish a \$5 million emergency fund. It would remain in place throughout the term, so it is not just for 2026; it would apply to all state-owned facilities. It would not be limited to OMES, and we need to receive notification when the \$5 million is used.

A commissioner asked for more discussion or description about what parameters this motion involves. Is it just, 'Here it is, and you decide,' or do we have any constraints on this?

The chairman mentioned that part of this involves trusting and empowering the team at OMES, such as Nathan Wald and his group, to decide what qualifies as an emergency. Although he doesn't have a specific definition available, he believes emergencies will be



identified and verbalized within OMES. He suggests that establishing a formal definition, especially for life-safety or ADA-related issues, would be beneficial.

Mr. Wald emphasized that life safety is the top priority, but we must also evaluate whether there is an immediate threat to state property that could cause further damage to the assets.

Mary Jackson, legal counsel for the LRCPC, stated that there is a process for state agencies to submit emergency projects related to the existing state capital outlay that the LRCPC manages for the Maintenance of State Buildings Revolving Fund. She mentioned that such a process has been established. Currently, LRCPC does not have any administrative rules or procedures for the OCAMP funds.

The Commission decided to postpone the \$5 million emergency contingency fund request until the September meeting, suggesting it would help them better understand the process. OMES can provide more detailed information on the process, such as a written framework they can review. This framework would ensure everyone is mutually guided regarding the parameters and might include an option to approve or disapprove items based on conditions that define an emergency, which would then trigger the ability to use that money.

2. Discussion and possible action on recommendation 2: Approval of all property-owning agencies to follow OMES' model and conduct thorough evaluations of all state-owned facilities and their respective assets as a requirement for participation in funding to be completed by March 31, 2026.

Josh Cruzan moved to approve item 4.2. Jeff Wills seconded the motion. The motion passed, and the following votes were recorded:

Mr. Cruzan, aye; Mr. Ersteniuk, aye; Mr. Cook, aye; Mr. Wills, aye; Mr. Sammons, aye; Mr. Mason, aye.

3. Discussion and possible action on recommendation 3: Approval of OMES to compile agency data and develop a comprehensive plan for state-wide deferred maintenance, beginning with fiscal year 2027.

Bailey moved to approve item 4.3. Jeff Wills seconded the motion. The motion passed, and the following votes were recorded:

Mr. Cruzan, aye; Mr. Ersteniuk, aye; Mr. Cook, aye; Mr. Wills, aye; Mr. Sammons, aye; Mr. Mason, aye.

**5. Discussion limited to agenda items and 3 minutes in duration.**

Maria Maule, AAG, an attorney representing the Oklahoma Capital Improvement Authority (OCIA), addressed the commission members and emphasized the need for a detailed and concrete plan to be adopted. She believes that OCIA cannot make any disbursements until such a plan is in place. She also suggests that it would be helpful for this work to be guided by OMES counsel as needed for everyone involved. Topics such as interest-bearing accounts,

how OMES deals with agencies with differing ideas, and the process for emergency expenditures were discussed, including considerations for the upcoming legislative session and the five-year plan. She believes that the sooner these details are worked out, the sooner costs can be approved by OCIA.

Jamie Manoles, Director of OCIA, said that one of the statutory requirements is to adopt a five-year plan, from which allocations are then made. She wanted to ensure members understood that part of the total process involves OMES setting a five-year plan as part of the full State plan, along with enabling Tourism and the Regents to develop their own five-year plans.

The chairman thanked the ladies for their input and expressed enthusiasm about the upcoming mission for the commission. He emphasized that everyone present will play an important role and expressed eagerness for approval, noting that we have a great team.

**6. Adjournment:**

There being no further business, Jeff Wills motioned to adjourn the meeting. Josh Cruzan seconded the motion. Seeing no opposition, the meeting adjourned at 2:00 PM.