

**DRAFT**  
**SIX-YEAR CAPITAL OUTLAY PLAN ADVISORY COMMITTEE**  
**Meeting Minutes**  
**September 23, 2024**  
**Patrick Henry Building 1111 East Broad Street, Richmond, Virginia**  
**3:00 pm to 5:00 pm**

**Members Present**

Stephen E. Cummings, Secretary of Finance  
Michael Maul, Director, Department of Planning and Budget  
April Kees, Staff Director, Senate Finance and Appropriations Committee  
Banci Tewolde, Director, Department of General Services  
Andrea Peeks, representing Anne Oman, Staff Director, House Appropriations Committee  
Scott Fleming, Director, State Council of Higher Education for Virginia

**Agency Staff in Attendance**

Mike Coppa- Department of General Services	Matthew Wiggins– Planning and Budget
Mike Gray- General Services	Emily Erlichman– Planning and Budget
Ron Semel—General Services	Ryan Ramirez– Planning and Budget
Anoop Kaul—General Services	Ximena Tagle– Planning and Budget
Isaac Abraham- General Services	Amruta Binoy– Planning and Budget
Allie Kotula- General Services	Morgan Deckert– Planning and Budget
Mike Nolan- General Services	Matt Jones– Planning and Budget
Mike Tweedy- Senate Finance and Appropriations Committee	Nick Pisanti– Planning and Budget
Catie Robertson- Senate Finance and Appropriations Committee	Joshua Byrd – Planning and Budget
Grace Khattar - State Council of Higher Education for Virginia	Zach Villegas – Planning and Budget
Flora Hezel- Office of the Attorney General	Maddie Campbell- Planning and Budget
Aimie Gindi – Planning and Budget	Hollis Bannister– Planning and Budget
Jon Howe - Planning and Budget	Jake Galla– Planning and Budget
Emily Grimes- Planning and Budget	Gillian Richmond-Assistant Secretary of Administration
Ainsley Walker- Planning and Budget	Josh Humphries- Deputy Secretary of Public Safety and Homeland Security
Jason Powell- Deputy Secretary of Finance	Richard Rhodemyre- Treasury
John Markowitz- Deputy Secretary of Finance	Justin Ferrell- Auditor of Public Accounts
	Ellen Davenport – Community Colleges

**Other Members of the Public**

Margaret Rockwell – McGuire Woods Consulting

Mr. Maul called the meeting to order and moved to approve the minutes of the previous meeting. The motion was approved by a vote of the Committee.

Mr. Maul asked if there were any comments from the public. There were none.

The next order of business was reviewing the quarterly pool reports. Mr. Coppa gave an overview of the reports as of the second quarter of the calendar year. Mr. Coppa noted that there is more money available in older pools, as projects are closed out and any balances from CO-14s are reflected back into the pool. Mr. Coppa noted that the Chapter 2 higher education pool has had more projects authorized for award of funds.

Mr. Maul reminded the group that \$280 million is coming into the supplement pool from Chapter 2 (2024), which is not yet reflected in the quarterly report because the report is dated through June. He also noted that additional balances have been identified as DPB is trying to reconcile older pools and found a few misplaced things. Mr. Maul estimated that \$20 million will be available from equipment that was comingled with a construction pool.

Ms. Grimes explained that about \$1.4 million of Chapter 665 balances was from bonds that were later authorized to supplant general funds. Because these bonds were from a separate item/project code, a transfer of the bond appropriation must be approved from the supplanting item back to the Chapter 665 pool for Treasury's purposes. Ms. Grimes confirmed that the supplanting item is listed in the table of other construction pools where transfers may be authorized by the Department of Planning and Budget (DPB) Director, in consultation with the Committee. There were no objections from Committee members.

Mr. Maul reminded members about the budget language that allows the DPB Director to transfer between pools. Mr. Maul stated that in general, as DPB reconciles pools it will move money to pools where there is a need. Mr. Maul provided Chapter 1 (2008) as an example of a pool that has been reconciled and has amounts that can be moved to another pool where there is a need. Mr. Maul asked if there is a need, it is okay for the DPB Director to approve transfers. Ms. Peeks asked that notification be provided before moving, which Mr. Maul agreed to. No other concerns were raised.

Mr. Coppa concluded the pool status updates by stating that the annual bond issuance limit caps have already passed for all pools with caps; therefore, the caps and associated graphs in the quarterly report are not of concern.

Mr. Maul asked if there is any update on the open projects list. Mr. Coppa stated that it is being updated but there was nothing notable other than a Jamestown Yorktown Foundation scope question on page 5.

Secretary Cummings asked about the amount of available supplement pool funds after taking into account the additional \$280 million that is new as of July 1. Ms. Peeks and Ms. Kees stated

they were assuming \$155 million is available after accounting for amounts on page 6 of the quarterly pool report of variance from schematic reports. Mr. Gray reminded the committee that this estimate doesn't account for future actions that DEB used to calculate the \$280 million supplement as the need.

The next order of business was the Six Year Capital Outlay Plan Report. Mr. Maul introduced the report and reminded the committee that there used to be legislation to pass the plan, and this past session it was changed so that a report can be issued after session. Mr. Maul provided a list of all projects that have had a planning authorization but no construction authorization. Mr. Maul stated the committee does not need to formally vote on the plan. Ms. Kees asked for confirmation that the list is only projects that have had planning authorized. Mr. Maul clarified there are a few projects on the list that are exceptions, like funding for Amazon that is an ongoing commitment but most items on the list are projects that have only been funded for planning and that all new items on the list are planning only. Ms. Peeks asked if the amounts listed are based on estimates. Mr. Maul answered that yes, the amounts are based on the best available estimate, which is sometimes just the agency request. Ms. Kees asked for a memo or cover letter for the plan that describes what is included and how estimates are made. Mr. Maul agreed.

The next order of business was an update to the electronic meeting policy. Mr. Maul presented the new policy, which was prompted by legislation which allows electronic meetings to occur for 50% of meetings or two meetings per calendar year, whichever is greater. The committee has to review quarterly pool updates at least four times a year, so two meetings could be electronic meetings. Mr. Maul moved to adopt policy, Ms. Tewolde seconded, and the committee voted to approve the motion.

Mr. Maul asked about the Committee meeting schedule and if any members felt that an electronic meeting would be possible during the legislative session. Ms. Kees stated she prefers early January or in the late spring. Ms. Peeks agreed, and stated that she would like another meeting before session. Mr. Coppa stated that DEB would need three weeks' notice of a meeting to have time to prepare documents. The committee had general agreement on a meeting in November on the same day as GACRE.

The next order of business was capital budget requests. The committee has a statutory requirement to have a list of capital project recommendations for the General Assembly and the Governor. Mr. Maul provided a list of all requests from agencies, with categorizations by DPB. Mr. Maul suggested going through the list page by page for anything that should be taken out and not considered by the General Assembly and the Governor. Mr. Maul added that in addition to DPB categorizations, the list also includes data for higher education requests for 3 elements that SCHEV compiled.

Mr. Fleming stated that the SCHEV information is not recommendations or evaluations but just intended to provide more context with space usage and enrollment data. Ms. Khattar reminded

the committee that the SCHEV space analysis is based on data from fall 2022 with the data analyzed spring 2023, so there is no significant update. Enrollment data is also from last year. Age of facility is for specific building renovation projects, not new building requests.

Ms. Kees asked what the purpose of the list is. Mr. Maul stated that it is the list of projects for possible consideration by the General Assembly and the Governor. Mr. Maul reminded the Committee that last year DPB tried to sort the list by criteria from the capital budget request instructions, but this year chose to just provide a more general list given the feedback from last year. Mr. Maul stated that the recommendations don't get formally transmitted and generally staff is responsible for communicating the list.

Ms. Kees asked about the DGS request to renovate Patrick Henry Building Administration offices. She asked if a bigger renovation is necessary and if the request should be aligned with the next Governor for timing and space needs. Ms. Tewolde stated that the intent is to renovate just the POD of the Governor's Office itself, and to align with the next Governor by keeping the new Governor in the transition office for up to four months so the POD can be renovated. Ms. Kees asked if the renovation request is just security improvements. DGS staff answered that the request is mostly security but does include some other renovation elements, such as updating the atrium and other dated areas. Ms. Tewolde agreed that renovating other areas of the building would be a good idea and Ms. Kees agreed it would be better to do a bigger project but raised possible swing space issues. Ms. Tewolde stated that DGS will revise the request.

Secretary Cummings asked about the purpose of going through the requests and the process and if the committee delivers requests to the Governor and General Assembly. Mr. Maul stated that it is just intended to be a list of requests that are desirable to be considered. Ms. Peeks stated that staff cannot really say what is not feasible. Mr. Fleming asked if there is a scoring mechanism or if the committee is just intended to transmit information, stating that the Committee should improve the process. Ms. Kees stated that SCHEV information is used by her staff and that her recommendation is to not move forward with projects if planning isn't complete. Ms. Kees stated that the committee could look at the code requirement to review requests and make changes. Mr. Maul explained the history of reviewing requests. In the end, no action was taken on providing a list of projects for funding consideration by the General Assembly and the Governor.

Ms. Kees asked for information to be provided later on how much currently is expended for existing umbrella projects, like the Fort Monroe project. Ms. Kees asked about Norfolk State University (NSU) Living Learning Facility, stating that the budget language provided \$2 million the first year for planning a facility that has E&G and auxiliary, and that NSU is supposed to have auxiliary revenues to support the auxiliary portions. Ms. Kees asked if they have done the feasibility study required by the budget language. Ms. Gindi stated that NSU is revising the request because the submitted request was actually for a different building, and they will be revising the request to submit the original intended building. Ms. Gindi stated that NSU is planning to submit another request that includes wellness and physical education, which they also submitted last year. Mr. Maul reminded the committee that any requests submitted or revised

and resubmitted to DPB will be on the DPB website. Ms. Peeks asked for the feasibility report whenever it is submitted. Ms. Gindi stated that NSU did not submit a 9(c) feasibility study to Treasury.

Ms. Kees asked about the Science Museum of Virginia request, if the supplement requested is a real number based on actual costs or is it still too early to know the real costs. DGS staff stated that it is a real number from the GMP but does not include value engineering that is still to be done. Ms. Kees asked if the request included a fund split as originally intended. Mr. Maul reminded the Committee that the original fund split was state support for the entire building and private support for the fittings and exhibits, therefore the supplement would be state supported.

Ms. Kees asked if DGS manages the Department of Behavioral Health and Developmental Services (DBHDS) projects and if DBHDS has capacity for the several large projects they requested. Ms. Ehrlichmann stated that DBHDS wanted to present the full request, but the projects could be phased. Ms. Kees stated that there are multiple requests for umbrella projects under DOC, and that she would like a summary of expenditures on current projects.

The next order of business is four reports that were required to come before the committee, which include two reports to be made to the public and two in executive section. These presentations are not for projects that are included in the list of capital budget requests.

The first presentation was by the Department of Corrections (DOC) on the Beaumont facility. The Beaumont facility was transferred from the Department of Juvenile Justice to DOC in 2020. DOC wants to transfer beds from the State Farm Infirmary and State Farm Infirmary Annex to Beaumont in the short term and further analyze medical bed needs to see if additional beds are needed at Beaumont in the long term. DOC requested any feedback before a final recommendation is provided from the workgroup on this issue. DOC clarified that they are not asking for capital funds at this time.

Mr. Maul asked if there is any feedback from the committee. Mr. Maul added that though there might be more capital costs, there are also two other planning projects are on hold. Mr. Maul clarified that DOC is looking for approval to move inmates from State Farm to Beaumont and potentially may request future authorization for a capital project.

Ms. Kees asked how much has been spent already at Beaumont. DOC staff stated that an estimated \$13 million has been spent from a combination of maintenance reserve and correctional construction unit funds.

Ms. Kees asked how much more it is estimated to cost for any desired construction at Beaumont and if there are expected increased operational costs. DOC answered that there may be cost avoidance due to lower security and transportation costs as well as from avoiding the high maintenance costs at the State Farm Infirmary, currently estimated at about \$9.25 million.

Ms. Peeks asked if the two DOC planning projects are in the pool and if they should be removed or deauthorized. Mr. Maul answered that deauthorization was an option, but more time is needed to determine if the projects would have a large enough change in scope that reauthorization would be required if the projects were not deauthorized in the meantime.

Ms. Kees asked if DOC would need demolition money at State Farm or if the infirmary would be closed but not demolished. DOC staff answered that the building could be demolished with inmate labor at no additional cost.

The next presentation was by Virginia State Police (VSP) on their training academy. Ms. Peeks asked when VSP will have a full project scope and request for consideration. VSP staff answered they believe it will be available in the next couple weeks. Ms. Tewolde asked if there will need to be another meeting to receive the update scope. Mr. Maul stated that the committee needs to receive options and then the committee is supposed to vote to approve an option. Secretary Cummings asked about what to expect for options. VSP stated they will have a purpose built needs assessment.

Next, Mr. Maul moved that the committee move into closed session pursuant to Virginia Code § 2.2-3711(A)(6) for the purpose of discussing the investment of public funds where competition or bargaining will be involved, and where, if made public initially, the financial interest of the government would be adversely affected. Ms. Kees seconded the motion and it was so moved by the Committee. Upon returning from closed session, Mr. Maul asked each member to certify, to the best of his or her knowledge, that only public business matters lawfully exempt from open meeting requirements under the Freedom of Information Act and only those public business matters identified in the motion convening the closed meeting were heard, discussed or considered in the closed meeting; each member so certified.

Mr. Maul moved to go forward with the scope identified in closed session for the Commonwealth Courts building. Ms. Tewolde seconded. The motion was approved by a vote of the Committee.

Mr. Maul asked for any other business. Ms. Tewolde asked if DGS should submit a budget request for the state lab project and there was support among the Committee.

There being no further business, the meeting was adjourned.