

# **JOINT OVERSIGHT COMMITTEE ON GOVERNMENT FACILITIES**



## **BIANNUAL LEGISLATIVE REPORT**

**October 2018**

**Senator Kelly Hancock, Chair**  
**Senator Paul Bettencourt**  
**Senator Kirk Watson**

**Representative John Cyrier**  
**Representative Charlie Geren**  
**Representative Donna Howard**

SENATOR KELLY HANCOCK, CHAIR  
SENATOR PAUL BETTENCOURT  
SENATOR KIRK WATSON



REPRESENTATIVE JOHN CYRIER  
REPRESENTATIVE CHARLIE GEREN  
REPRESENTATIVE DONNA HOWARD

## JOINT OVERSIGHT COMMITTEE ON GOVERNMENT FACILITIES

Dear Lieutenant Governor, Speaker, and Members:

The Joint Oversight Committee on Government Facilities hereby submits its October biannual report for consideration by the eighty-sixth Legislature.

Respectfully submitted,

Handwritten signature of Kelly Hancock in black ink.

Senator Kelly Hancock, Chair

Handwritten signature of Paul Bettencourt in black ink.

Senator Paul Bettencourt

Handwritten signature of Kirk Watson in black ink.

Senator Kirk Watson

Handwritten signature of John Cyrier in black ink.

Representative John Cyrier

Handwritten signature of Charlie Geren in black ink.

Representative Charlie Geren

Handwritten signature of Donna Howard in black ink.

Representative Donna Howard

## Joint Oversight Committee on Government Facilities

During the 84th Legislative Session, Senate and House leadership made state-owned facilities, and specifically deferred maintenance, a priority. Through the General Appropriations Act, over \$500 million was ultimately appropriated to address deferred maintenance needs. The 84th Legislature also approved funding for the first new buildings in the Capitol Complex in nearly 20 years.

The 85th Legislature continued its dedication to funding deferred maintenance by appropriating over \$400 million and including 5 new agencies, bringing the total to 11 agencies receiving deferred maintenance funding.

In accordance with SB 2004 (84R) and the committee guidelines of the Joint Oversight Committee on Government Facilities (JOC), the JOC shall:

- Submit biannual reports to the legislature due in April and October, including:
  - The amount of money expended from the deferred maintenance fund;
  - The maintenance projects to be completed through expenditures from the fund; and
  - The status of ongoing and completed projects.
- Provide a biennium budget recommendation
  - Not later than October 1 in even numbered years the committee shall issue deferred maintenance funding recommendations for the next biennium to the Legislature and Legislative Budget Board for all agencies listed in Article IX, Section 17.14 of the General Appropriations Act, 85th Legislature.
  - The JOC will utilize each agency's quarterly prioritized reports and annual report in developing future funding recommendations.
- Capitol Complex
  - The committee, along with the State Preservation Board, will review and approve conceptual design, schematic design, and the end of design development for new buildings and the Texas Mall in the Capitol Complex.

## Agency Reporting Requirements

In conjunction with the passage of SB 2004; Article IX, Section 18.09 and 18.10, General Appropriations Act, 84th Legislature; Article IX, Section 17.14 and 11.08, General Appropriations Act, 85th Legislature; and committee rules of the JOC, the Department of Public Safety, Texas Military Department, Texas Parks and Wildlife, Texas Department of Criminal Justice, Texas Facilities Commission, Texas Department of Transportation, Texas Historical Commission, State Preservation Board, Texas Department of State Health Services, Texas Health and Human Services Commission, and the Texas Juvenile Justice Department shall provide the following:

- Quarterly Prioritized Reports of Identified Deferred Maintenance Projects

Each project receiving an appropriation from the deferred maintenance fund must be included in the prioritized quarterly report. Below are the reporting agencies along with the current budget amounts available during FY 2016-17 for reported prioritized deferred maintenance.

### FY2016-17 Funds - Totals

Department of Public Safety	\$38,778,877
Texas Military Department	\$19,559,181
Texas Parks and Wildlife	\$89,194,804
Texas Department of Criminal Justice	\$67,380,574
Texas Facilities Commission	\$217,156,348
Texas Department of Transportation	\$67,198,859
TOTAL	\$499,268,643

These 6 Agencies have submitted twelve prioritized quarterly reports of deferred maintenance projects. Through the September 15, 2018 reporting period, over 93 percent of funds, or roughly \$464 million, has been encumbered or expended.

The eleven agencies that received funds from the General Appropriations Act of the 85th Legislature submitted their most recent deferred maintenance report to the Committee on September 15, 2018. Below are the current budget totals for FY 2018-19.

**FY 2018-19 - Totals**

Department of Public Safety	\$12,000,000
Texas Military Department	\$10,558,578
Texas Parks and Wildlife	\$66,185,665
Texas Department of Criminal Justice	\$43,195,270
Texas Facilities Commission	\$90,000,000
Texas Department of Transportation	\$62,500,000
Texas Historical Commission	\$6,350,000
State Preservation Board	\$4,700,000
Department of State Health Services	\$1,800,000
Texas Health and Human Services	\$144,650,511
Texas Juvenile Justice Department	\$12,100,000
<b>Total</b>	<b>\$454,040,024</b>

The prioritized deferred maintenance reports are posted at the following link: [Prioritized Quarterly Reports](#)

## Agency Prioritized Quarterly Reports

Each agency's quarterly report includes the following: project name and location, project description, source of funding, original estimated project funding, original estimated project budget, current estimated project budget, estimated substantial completion, percent design completion, percent construction completion, FY 2016-17 and FY 2018-19 encumbered, FY 2016-17 and FY 2018-19 expended, remaining project balance, and supplemental notes.

**To view specific details about projects in your district and statewide you may review each agency's prioritized quarterly report. The prioritized deferred maintenance reports are available at the following link: [Prioritized Quarterly Reports](#)**

### **FY 16-17 Funds**

Through September 15, 2018, deferred maintenance projects totaling \$499,268,643 have been prioritized. Over \$314 million has been expended from the fund, and over \$149 million has been encumbered.

### **FY 18-19 Priority Projects**

Through September 15, 2018, deferred maintenance projects totaling \$454,040,024 have been prioritized. Over \$26 million has been expended, and over \$58 million has been encumbered.

<b>FY 2016-17 Report</b>								
	Original Estimated Project Budget	Current Estimated Project Budget	FY 2016-17 Encumbered	Percent Encumbered	FY 2016-17 Expended	Percent Expended	Remaining Project Balance	Percent Remaining
<b>September 2018 Quarterly Report</b>								
DPS 6/18	\$38,778,877	\$38,778,877	\$2,011,618	5.19%	\$22,492,344	58.00%	\$14,274,915	36.81%
TMD 6/18	\$19,562,500	\$19,559,181	\$667,864	3.41%	\$18,891,317	96.59%	\$0	0.00%
TPWD 6/18	\$91,000,000	\$89,194,804	\$18,516,437	20.76%	\$70,678,367	79.24%	\$0	0.00%
TDCJ 6/18	\$56,393,901	\$67,380,574	\$6,712,902	9.96%	\$60,667,672	90.04%	\$0	0.00%
TFC 6/18	\$217,156,348	\$217,156,348	\$114,616,725	52.78%	\$82,186,973	37.85%	\$20,352,650	9.37%
TXDOT 6/18	\$40,127,926	\$67,198,859	\$7,456,311	11.10%	\$59,742,548	88.90%	\$0	0.00%
<b>Totals</b>	<b>\$463,019,552</b>	<b>\$499,268,643</b>	<b>\$149,981,857</b>	<b>30.04%</b>	<b>\$314,659,221</b>	<b>63.02%</b>	<b>\$34,627,565</b>	<b>6.94%</b>

<b>FY 18-19 Report</b>								
	Original Estimated Project Budget	Current Estimated Project Budget	FY 2018-19 Encumbered	Percent Encumbered	FY 2018-19 Expended	Percent Expended	Remaining Project Balance	Percent Remaining
<b>September 2018 Quarterly Report</b>								
DPS	\$12,000,000	\$12,000,000	\$4,803,191	40.03%	\$641,061	5.34%	\$6,555,748	54.63%
TMD	\$11,000,000	\$10,558,578	\$4,787,398	45.34%	\$909,682	8.62%	\$4,861,498	46.04%
TPWD	\$66,185,665	\$66,185,665	\$6,150,187	9.29%	\$6,090,016	9.20%	\$53,945,462	81.51%
TDCJ	\$41,635,989	\$43,195,270	\$9,170,956	21.23%	\$7,056,107	16.34%	\$26,968,207	62.43%
TFC	\$90,000,000	\$90,000,000	\$11,871,398	13.19%	\$4,058,054	4.51%	\$74,070,548	82.30%
TXDOT	\$62,500,000	\$62,500,000	\$10,671,431	17.07%	\$1,185,572	1.90%	\$50,642,997	81.03%
THC	\$6,350,000	\$6,350,000	\$2,069,372	32.59%	\$2,327,473	36.65%	\$1,953,155	30.76%
SPB	\$4,700,000	\$4,700,000	\$193,190	4.11%	\$315,782	6.72%	\$4,191,028	89.17%
DSHS	\$1,800,000	\$1,800,000	\$503,982	28.00%	\$14,741	0.82%	\$1,281,277	71.18%
HHSC- Sta	\$80,000,000	\$74,231,531	\$4,364,654	5.88%	\$2,589,326	3.49%	\$67,277,551	90.63%
HHSC- Sta	\$78,600,000	\$70,418,980	\$3,480,845	4.94%	\$996,642	1.42%	\$65,941,493	93.64%
JJD	\$12,100,000	\$12,100,000	\$541,402	4.47%	\$326,696	2.70%	\$11,231,902	92.83%
<b>Totals</b>	<b>\$466,871,654</b>	<b>\$454,040,024</b>	<b>\$58,608,006</b>	<b>12.91%</b>	<b>\$26,511,152</b>	<b>5.84%</b>	<b>\$368,920,866</b>	<b>81.25%</b>

## **Space Needs Reporting**

Pursuant to Article IX, Section 11.08, General Appropriations Act, 85th Legislature, state agencies or the Facilities Commission on behalf of state agencies "shall notify the joint committee of any change of space expected to be needed within the next: (1) four years, if the change of needed space equals to or is less than 50,000 square feet; and (2) ten years, if the change of needed space exceeds 50,000 square feet."

A report regarding space needs is available at the following [Link](#).

## **Biennium Budget Recommendations**

- The Joint Oversight Committee recommends the 86th Legislature fund each agency's deferred maintenance baseline and exceptional budget requests as appropriate funds are deemed available.
- All agencies receiving FY2016-17 & FY2018-19 deferred maintenance funding should continue following the quarterly reporting process.
- Should the legislature decide to appropriate additional deferred maintenance funding in the 86th legislative session, agencies receiving funding should continue following the previously adopted reporting requirements.
- These reports should also be made available to the Senate Finance and House Appropriations Committees during session.
- Due to the expiration date in statute, we recommend the legislature reestablish the Joint Oversight Committee on Government Facilities until all deferred maintenance funding has been expended.