



STATE CAPITOL COMMITTEE

**Legislative Building
Senate Rules Room
Olympia, Washington 98504
September 26, 2013**

MEMBERS PRESENT

Brad Owen, Lieutenant Governor
Kelly Wicker, Governor Inslee's Designee (via telecon)
Kim Wyman, Secretary of State
Peter Goldmark, Commissioner of Public Lands

OTHERS PRESENT

Paul Campos, Senate
Tom Gow, Puget Sound Meeting Services
Tom Henderson, Department of Enterprise Service
Bob Jacobs, Citizen
Nouk Leap, Department of Enterprise Services
Chris Liu, Department of Enterprise Services
Bonnie Scheel, Department of Enterprise Services

Welcome and Introductions

Lieutenant Governor Brad Owen called the State Capitol Committee (SCC) meeting to order at 11:20 a.m. A quorum was present.

Lt. Governor Owen welcomed new members Kelly Wicker as Governor Inslee's designee, Secretary of State Kim Wyman, and the Christopher Liu, Director of Department of Enterprise Services (DES).

Approval of Agenda

The agenda was approved as published.

SCC will review two items on the agenda for Action: Approval of the December 6, 2012 minutes; and the 600 Franklin Street Building - *Sale of building and land*.

Approval of Minutes

Commissioner Goldmark moved, seconded by Secretary of State Wyman, to approve the December 6, 2012 minutes as presented. Motion carried.

600 Franklin Street Building

Tom Henderson, Assistant Director with the DES Facilities Division, reported that the 600 Franklin Street Building was vacated in June 2011 by the Department of Personnel. The building has been vacant since that time and was determined to be surplus by the state and placed on the market. A buyer is interested in purchasing the building with a closing date scheduled on September 30. The purchase price is \$2.6 million. The property will be used for retailing purposes and residential apartments on the upper floors.

The committee is requested to approve moving forward on the final property sale and closing.

In response to Commissioner Goldmark inquiry regarding whether a formal appraisal was completed on the property, Mr. Henderson advised that the appraisal was set using a broker's opinion by NAI Puget Sound Properties. Commissioner Goldmark asked whether the state is constrained from selling the property less than the appraisal amount. Mr. Henderson replied that the state has sold properties within 10 percent of an appraisal value unless there are other circumstances. In this situation, DES considered deferred maintenance in a building that reduced the price. The proposed price falls within the allowable range.

The following motioned was approved:

The State Capitol Committee hereby approves sale of the land and building located at 600 Franklin Street SE in Olympia, Washington.

Commissioner Goldmark moved, seconded by Secretary of State Wyman. Motion carried.

Other Business

Director Liu acknowledged and thanked Governor Inslee for his appointment as the Director of DES. Director Liu served in Washington State government for approximately 12 years. DES is a relatively new agency that recently completed its period of transition. The department is seeking some visionary steps in supplying services more efficiently and effectively, as well as leading projects on Capitol Campus. He is blessed to work with a team of professionals well tenured in their respective positions and who have the vision for the future of the department.

Director Liu shared that he spent 32 years in the private sector in retail and retail distribution for a number of different companies with some experience in small businesses. He spent 10 years as a venture capitalist and was involved in the formation of Office Depot. He spent nine years with the Walmart Corporation in the International Division as an operations analyst.

Director Liu commented that with the recent change in the direction of the nation, states will begin assuming a primary lead in what happens to the country. It's an exciting time to be in state government and he is looking forward to opportunities for the state.

Adjournment

With there being no further business, Lt. Governor Owen adjourned the meeting at 11:27 a.m.

Prepared by Valerie L. Gow, Recording Secretary/President
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