

**EHB 1618**

**THE STATE SENATE**  
**Wednesday, April 13, 2005**

**ENGROSSED**

**House Bill No. 1618**

**As Amended**

ENGROSSED HOUSE BILL NO. 1618 - By: BERGE, LAMONS and DUNCAN of the House and RILEY of the Senate.

**[ state government - Hisson Memorial Treatment Center -  
modifying lease agreement - disbursement of funds -  
effective date ]**

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 74 O.S. 2001, Section 6201, is amended to read as follows:

Section 6201. A. The Department of Central Services shall enter into a lease agreement with the Greater Sand Springs Trust Authority for a term of ninety-nine (99) years with respect to the real property and improvements constituting the former Hisson Memorial Treatment Center, as more particularly described by subsection C of this section.

B. The lease agreement described in subsection A of this section:

1. Shall allow the Greater Sand Springs Trust Authority to enter into agreements regarding the property described in subsection C of this section with third parties without the express consent of the Department of Central Services, including the right of the

1 Authority to sublease all or any part of the real property described  
2 in subsection C of this section;

3 2. Shall provide for the unrestricted access, use and  
4 development of the real property described in subsection C of this  
5 section by the Greater Sand Springs Trust Authority in order for the  
6 Authority to fulfill its purposes according to the terms of its  
7 trust indenture, including, but not limited to, the right of the  
8 Authority to construct capital improvements on, above or under the  
9 property to fulfill the purposes stated in the indenture of the  
10 Authority. The lease shall provide that the Authority owns and  
11 maintains capital improvements constructed upon the real property  
12 with the funds of the Authority;

13 3. Shall provide for the conveyance by the Department of  
14 Central Services to the Greater Sand Springs Trust Authority, by  
15 quit claim deed or by such other instrument of conveyance as the  
16 Department of Central Services and the Authority may mutually agree,  
17 for not more than a payment by the Authority to the Department of a  
18 nominal consideration not to exceed Ten Dollars (\$10.00), of any  
19 parcel of real property described by the Authority and certified, by  
20 a majority of the trustees of the Authority, to be necessary for a  
21 complete development of the property described in subsection C of  
22 this section and necessary for the Authority to fulfill any purpose  
23 specified in its trust indenture. A rebuttable presumption shall

1 exist that any conveyance made pursuant to the provisions of this  
2 paragraph shall be considered to have been made for the general  
3 economic benefit of the residents of the beneficiary of the Greater  
4 Sand Springs Trust Authority and that the disposition of the parcel  
5 by the Authority is in furtherance of an essential governmental  
6 function by making a productive use of the parcel. After conveyance  
7 of a parcel of real property to the Authority pursuant to this  
8 paragraph, the Authority shall have the exclusive right to exercise  
9 all powers, rights and privileges with respect to the parcel as  
10 authorized by law to the owner of any real property, including, but  
11 not limited to, the right to sell the parcel as provided by  
12 paragraph 4 of this subsection;

13 4. Shall provide for the conveyance by the Authority to another  
14 legal entity, by quit claim deed or by such other instrument of  
15 conveyance as the Authority and the other legal entity may mutually  
16 agree, of any parcel of real property described by the Authority the  
17 proposed conveyance of which to be certified, by a majority of the  
18 trustees of the Authority, as necessary for a complete development  
19 of the property described in subsection C of this section and  
20 necessary for the Authority to fulfill any purpose specified in its  
21 trust indenture. A rebuttable presumption shall exist that any  
22 conveyance made pursuant to the provisions of this paragraph shall  
23 be considered to have been made for the general economic benefit of

1 the residents of the beneficiary of the Greater Sand Springs Trust  
2 Authority and that the disposition of the parcel by the Authority is  
3 in furtherance of an essential governmental function by making a  
4 productive use of the parcel. If the Authority sells any part or  
5 all of the real property or improvements described in subsection C  
6 of this section subsequent to the conveyance to the Authority by the  
7 Department of Central Services, the Authority shall determine the  
8 value of the real property sold separate and apart from the value of  
9 the improvements, if any. The Authority shall determine its direct  
10 and indirect costs for acquisition, maintenance, improvement,  
11 marketing and sale of any parcel of real property conveyed to a  
12 legal entity pursuant to this paragraph. The Authority shall pay to  
13 the Department of Central Services the amount of consideration  
14 received by the Authority from the sale of the real property in  
15 excess of the direct and indirect costs incurred by the Authority.  
16 The Department of Central Services shall budget all funds received  
17 from the sale of any parcel pursuant to this section. These funds  
18 shall be expended by the Department of Central Services for the sole  
19 purpose of additional maintenance or improvements for the remainder  
20 of the real property or for improvements at the property described  
21 in this section. Upon sale of the final parcel or real property and  
22 improvements pursuant to this section, the Department of Central  
23 Services shall remit the amount received and all remaining funds

1 from previous sales for deposit to the credit of the Hissom Memorial  
2 Treatment Center Surplus Fund for appropriation pursuant to law;

3 5. Shall provide that the Department of Central Services shall  
4 maintain the real property and the improvements located on the real  
5 property described in subsection C of this section in a manner  
6 conducive to the preservation of existing economic value of the real  
7 property and improvements, subject to the ordinary depreciation of  
8 the improvements, until such time as the Authority acquires  
9 ownership of a parcel whereupon the Authority and the Department of  
10 Central Services, by mutual written agreement, shall amend the lease  
11 to provide for proportionately diminished maintenance expenses to be  
12 incurred by the Department of Central Services or some other legal  
13 entity;

14 6. Shall not require the payment of rent by the Greater Sand  
15 Springs Trust Authority in excess of One Dollar (\$1.00) per year;

16 7. Shall not require a purchase price for any option granted to  
17 the Greater Sand Springs Trust Authority to acquire any parcel of  
18 the property described by subsection C of this section in excess of  
19 Ten Dollars (\$10.00);

20 8. Shall not require the Department of Central Services to  
21 consent to a sublease of the property described by subsection C of  
22 this section by the Authority to any other legal entity; and

1           9. Shall not impose the expense of maintenance or repair of the  
2 real property or improvements located on the property described by  
3 subsection C of this section upon the Greater Sand Springs Trust  
4 Authority, except as otherwise provided by paragraph 5 of this  
5 subsection.

6           C. The real property and improvements which shall be leased by  
7 the Department of Central Services to the Greater Sand Springs Trust  
8 Authority as required by subsection A of this section are described  
9 as follows:

10          1. "Tract 2" identified as:

11           a. a part of the North Half (N 1/2) of Section 16 and  
12                Part of the South Half (S 1/2) of Section 9, Township  
13                19 North, Range 11 East of Indian Meridian, Tulsa  
14                County, Oklahoma, more particularly described as  
15                follows: beginning at a point that is 430.00 feet  
16                east and 330.00 feet south of the northwest corner of  
17                the northeast quarter (NE 1/4) of Section 16, said  
18                point is 20.00 feet east of the east edge of an  
19                existing road; thence south and 20.00 feet east of the  
20                east edge of an existing road and said line extended  
21                south to a point on the northerly right-of-way line of  
22                the Burlington North Railroad right-of-way (formerly  
23                the S.L. & S.F. Railroad right-of-way); thence

1 northwesterly on the northerly right-of-way line of  
2 said railroad right-of-way to a point on the west line  
3 of the northeast quarter (NE 1/4), said point being  
4 approximately 880.00 feet north from the center of  
5 Section 16; thence north on the west line of the  
6 northeast quarter (NE 1/4) to a point that is  
7 approximately 935.00 feet north of the center of  
8 Section 16 and said point is also on the northerly  
9 right-of-way line of said railroad right-of-way;  
10 thence northwesterly on said northerly right-of-way  
11 line of a point that is south 71 degrees 00' 59" east  
12 and 376.44 feet from the westerly line of Section 16;  
13 thence north 01 degrees 13' 03" west for a distance of  
14 691.51 feet; thence south 88 degrees 57' 23" west for  
15 a distance of 353.00 feet to a point on the west line  
16 of said Section 16; thence north a distance of 85.00  
17 feet on the west line of Section 16 to the northwest  
18 corner of Section 16; thence east on the north line of  
19 said Section 16 to the northeast corner of the  
20 northwest quarter (NW 1/4) of the northwest quarter  
21 (NW 1/4) of Section 16, same being the southwest  
22 corner of the southeast quarter (SE 1/4) of the  
23 southwest quarter (SW 1/4) of Section 9, Township 19

1 North, Range 11 East of I.M.; thence north on the west  
2 line of government lots 7 and 5 to the south bank  
3 (Meander Line of Right Bank) of the Arkansas River;  
4 thence southeasterly on the south bank (Meander Line  
5 of Right Bank) of the Arkansas River through  
6 government lots 4, 7 & 8 in Section 9 to the south  
7 line of Section 9; thence continuing southeasterly  
8 south bank (Meander Line of Right Bank) of Arkansas  
9 River and along the northeasterly line of government  
10 lot 2 (Meander Line of Right Bank) of Arkansas River  
11 and into the northeast quarter (NE 1/4) of Section 16  
12 to a point that is 330.00 feet south of the north line  
13 of Section 16; thence west and parallel to the north  
14 line of a point that is 430.00 feet east and 330.00  
15 feet south of the northwest corner of Section 16 to  
16 the point or place of beginning, and

17 b. together with all the improvements thereon and the  
18 appurtenances thereto belonging to such property; and

19 2. "Tract A" identified as:

20 a. a part of the northeast quarter (NE 1/4) of Section  
21 16, Township 19 North, Range 11 East of Indian  
22 Meridian, Tulsa County, Oklahoma, more particularly  
23 described as follows: beginning at a point 430.00

1 feet east and 330.00 feet south of the northwest  
2 corner of the northeast quarter (NE 1/4); thence east  
3 and parallel to the north line of said northeast  
4 quarter (NE 1/4) to the south bank (Meander Line of  
5 Right Bank) of the Arkansas River; thence  
6 southeasterly on said south bank (Meander Line of  
7 Right Bank) of the Arkansas River to a point that is  
8 20.00 feet northerly of an existing concrete channel;  
9 thence southwesterly parallel with and 20.00 feet  
10 northerly of said concrete channel for a distance of  
11 approximately 370.00 feet; thence west on a line that  
12 is 1100.00 feet south of the north line of said  
13 northeast quarter (NE 1/4) to a point that is 20.00  
14 feet east of the east edge of an existing road, said  
15 point also being 430.00 feet east of the west line of  
16 said northeast quarter (NE 1/4); thence northerly and  
17 20 feet east of the east edge of said road to the  
18 point or place of beginning, and

19 b. together with all the improvements thereon and the  
20 appurtenances thereto belonging to such property.

21 D. The Authority shall have the right to access, ingress,  
22 egress, use and enjoyment of the roads existing on the property

1 described by subsection C of this section as of the effective date  
2 of this act.

3 E. With respect to the real property and improvements described  
4 in subsection C of this section and the lease agreement required by  
5 subsection A of this section, or any transfer of the property to the  
6 Authority, the Department of Central Services shall not be subject  
7 to the requirements of:

8 1. Section 387 of Title 60 of the Oklahoma Statutes;

9 2. Section 241 of Title 64 of the Oklahoma Statutes;

10 3. Section 126.2 of ~~Title 74 of the Oklahoma Statutes~~ this  
11 title;

12 4. Section 129.4 of ~~Title 74 of the Oklahoma Statutes~~ this  
13 title; or

14 5. Section 456.7 of ~~Title 74 of the Oklahoma Statutes~~ this  
15 title.

16 F. With respect to the lease or sale of any part or all of the  
17 real property or improvements described in subsection C of this  
18 section, the Greater Sand Springs Trust Authority shall not be  
19 subject to the requirements of:

20 1. Section 387 of Title 60 of the Oklahoma Statutes;

21 2. Section 241 of Title 64 of the Oklahoma Statutes;

22 3. Section 129.4 of ~~Title 74 of the Oklahoma Statutes~~ this  
23 title; or

1        4. Section 456.7 of ~~Title 74 of the Oklahoma Statutes~~ this  
2 title.

3        SECTION 2. This act shall become effective November 1, 2005.

4        COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 4-6-05 - DO  
5        PASS, As Amended.