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# Idaho State Capitol Commission

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## Official Minutes

December 18, 2000

A meeting of the Idaho State Capitol Commission was held on this date in the Senate Caucus Room, #350, Idaho State Capitol Building. Chairman Eiguren called the meeting to order at 10:35 a.m.

## Attendees

### Members Present:

Roy Lewis Eiguren, Chairman

Pam Ahrens, Director, Department of Administration, and Secretary/Ex-Officio Member

Carl Bianchi, Director, Legislative Services Office and Ex-Officio Member

Andrew Erstad

Steve Guerber, Director, Idaho State Historical Society, and Ex-Officio Member

Stephen Hartgen (via teleconference)

Sandy Patano (via teleconference)

Skip Smyser

Will M. Storey (via teleconference)

### Others Present:

Donna Hartmans, Capitol Architect, Arrow Rock Architects

Jeff Shneider, CSHQA Architects

Jerry Lowe, CSHQA Architects

Jim Glass, First Counsel Inc.

Jan Frew, Manager, Design/Construction, Dept. of Administration, Div. of Public Works

Mike Despot, Facilities Management Manager, Dept. of Administration, Div. of Public Works

Rick Thompson, Administrator, Div. of Internal Management Systems, Dept. of Administration

Jan Cox, Administrator, Division of Purchasing, Department of Administration

Jennifer Carrington, Analyst, Legislative Services Office

## **Approval of Minutes**

**MOTION: Mr. Erstad moved and Ms. Patano seconded that the minutes of the November 1, 2000 Idaho Capitol Commission meeting be approved as written. The motion unanimously passed.**

## **Presentation of Fundraising Feasibility Study**

Approximately nine months ago, the Commission retained as a fundraising consultant, the firm of First Counsel Incorporated. Over the past several months, Mr. Jim Glass and Barbara Hemmingway from First Counsel, have been involved in a detailed review of prospects for engaging in private sector fundraising for the Capitol Restoration Project, and thus prepared a report for presentation to the Commission (attached).

Mr. Glass explained that a total of 43 interviews were conducted, an additional 25 were attempted of which 9 declined and 16 did not respond. As promised, he said, interviews were made in all areas of the state.

### **Summary of Findings**

The Commission has an extremely high reputation, Mr. Glass observed. This is a high profile project, and people appreciate what the Commission is doing. There was concern, however, that the \$10 million fundraising goal was not tied to any specific element of the project. There was also the expressed opinion that the State Legislature should have primary responsibility for providing the funding for this type of endeavor. Other individuals across the state felt that the \$10 million campaign, if conducted in a traditional way, would have an impact on their own fundraising endeavors for local initiatives and programs.

Consequently, it is a recommendation of First Counsel that the master plan be refined in terms of identifying specific items that might be used in a meaningful and creative capacity for fundraising. In that same regard, he said, another general feeling surfaced that donors should not be able to apply their name to aspects of the restoration based on their donation amount.

He offered another recommendation that there be continued work on behalf of the Commission to communicate processes and aspects that need to be addressed as the project unfolds, such as whether or not the work can be phased.

The bottom line, he reported, is the study showed expressed levels of donor support were not adequate for a \$10 million campaign in the traditional sense. Individuals would be willing to give money towards various components of the project which could add up to costs totaling millions of dollars, but to say at this time the Commission can raise \$10 million is an unsubstantiated assumption. In fact, because of the nature of some responses, First Counsel is not in a position to give an estimate as to how much could be raised. This is due to three missing pieces of the plan, he pointed out.

- 1) A “leadership group” must be formed of individuals to act as campaign managers and who have no other vested interest than that of the people of the State of Idaho;
- 2) There is currently no definition as to what specific pieces of the project the Commission may be raising funds, and
- 3) A donor source for a major lead gift has yet to be committed to the campaign.

Once these pieces are in place, he said, it will then be possible to conduct meaningful fundraising on a smaller scale using leveraging and matching gifts in order to generate funds to complete the funding component of the master plan. To do so, he said, phased funding goals would be appropriate, but they should come out of the Commission’s “leadership group”, consisting of a fundraising chairman and bi-partisan members representing the different regions of the state.

Mr. Hartgen suggested the fundraising endeavor include a school children’s fundraising component perhaps in partnership with the State Department of Education.

**MOTION: Mr. Storey moved and seconded by Mr. Smyser that the Commission receive the report as presented by First Counsel Inc. It was passed unanimously.**

At his request, Chairman Eiguren noted, the Legislative Services Office created a listing that documents which states are currently in the process, or have already completed the process of restoring their state capitol buildings. The document shows that 46 out of the 50 states have either begun or completed the restoration of their capitols. Of that amount, seven have engaged in some type of private sector fundraising to defray costs.

## **Approval of Funding Program/ Schematic Design Phase Budget**

A draft funding program was dispersed at the prior Commission meeting, Chairman Eiguren noted. However, based on additional research, a final version of the program

was distributed to the members (attached). This funding program supports the Schematic Design Phase Budget completed by CSHQA Architects (also attached).

### **Schematic Design Phase Budget**

With the help of Commission members during past work sessions, Mr. Shneider explained, the entire restoration project was broken down into line items of construction representing five prioritized “bundles of work”. Mr. Lowe added that at the suggestion of Mr. Storey, the design firm further refined and prioritized these elements of work based on what they felt were critical, as well as options that could be considered in different sequences. The main category driving the project, he stressed, is the upgrade and repair of the infrastructure which includes lifesafety, firesafety, structural repairs, mechanical, electrical, and technology. Initiating work on any of these elements would require demolition to the building. For the *infrastructure* bundle alone, he said, the cost would be about \$49 million.

Work on the *exterior envelope* bundle would cost about \$2.5 million, the *site* bundle is estimated at \$1 million, the *interior finishes* bundle (rotunda, public corridors) \$5.5 million, and the *furnishings* bundle (window treatments, furniture and signage) about \$6 million. Should all the different bundles be completed separately, he said, there would be a premium to be paid.

The Commission was asked by the Joint Finance and Appropriations Committee (JFAC) to present the restoration budget in the context of these work bundles, Chairman Eiguren noted. It is now necessary to provide JFAC with the recommendation of the Commission as to what bundles of work should to be done. CSHQA had advised that the practical way to do the restoration is to go forward with the entire infrastructure portion of the work since it involves demolishing and later restoring portions of the building. If the Legislature chooses not to adopt the \$49 million-infrastructure package, there are other elements they could approve outside of that scope, such as the exterior envelope and/or the interior preservation work, for example, which are not contingent on the infrastructure work.

Mr. Storey expressed the \$49 million-infrastructure portion is really the main bundle of work that needs to be done. The Commission has more of a choice whether or not to do the remaining bundles, he said. Mr. Shneider reiterated that unit prices increase if the smaller bundles of work are spread-put over a period of time.

Mr. Hartgen inquired whether these estimates presented include costs for relocation of agencies from the Capitol, and agency costs while outside of the building. Director Ahrens responded this budget does not include those expenses. She indicated it needs to be determined who will be moved from the Capitol on a permanent basis, and what

is to be done with the Ada County Courthouse. There will be costs involved with the relocation of agencies, but first there are some decision points to be made. The Legislature must determine how it will fund this effort, and whether or not it is going to fund the effort at all.

The Ada County Court House plays a role, she said, because some of the agencies that will be moved from the Capitol may go into the Courthouse permanently, but that has not been determined. Director Bianchi offered that much of the moving out costs will be sought during Fiscal Year 2003, and the moving back-in costs during Fiscal Year 2004. *Based on a request by Mr. Storey, he asked that CSHQA include a notation on the project budget documents the state's relocation costs are not included, and that they are being separately estimated.*

Director Ahrens noted discussions with the Legislature, Governor, and elected officials have addressed not only the refurbishment of the Capitol Building, but also the projected facility needs of state government for the next 50 to 100 years. It is really a bigger picture than the renovation of the Capitol Building alone.

Chairman Eiguren noted it is CSHQA's recommendation, contingent upon funding, to commence work on the exterior envelope of the building as early as April in order to be completed as early as the following July. The interior work would not commence until the end of the legislative session in the year 2003 with intended completion by 2005

### **Final Capitol Restoration Funding Program**

When the Commission last met, Chairman Eiguren said, it accepted the \$64 million budget estimated by the schematic design, and it was requested that he, along with Directors Ahrens and Bianchi, engage in discussions with the Governor's Division of Financial Management Staff and Legislative Leadership to ask guidance in processing the restoration budget. As a result, it was their strong suggestion, he said, that the Commission approach the funding in a holistic fashion and take to the 2001 session of the Legislature the entire budget for the complete restoration.

Based on this advice, the best approach would be to seek a general fund appropriation request of \$32 million and authorization to enter into bonding issues up to \$32 million. This amount could then be reduced by other Commission-funded initiatives, such as special license plates, maximization of income from the Capitol Endowment Fund, CARA or other federal funds, and private fundraising. These initiatives could later be used for an ongoing stream of operations and maintenance dollars to be placed in the Capitol Endowment Fund, which does not currently receive a constant stream of revenue.

Director Ahrens noted that by April, 2003 the Commission will need to identify all funds available for this project. If we are going to begin a project of this magnitude, we want to be sure we have money identified, she stressed. Chairman Eiguren recommended if the Commission adopts this proposed fundraising program, it will pursue elements outlined to obtain the necessary funds and once doing so, will then make the commitment to proceed.

**MOTION: Mr. Storey moved and Mr. Erstad seconded that the final draft of the *Capitol Restoration Funding Program* be adopted as the Commission's final funding program. The motion passed unanimously.**

## **Concurrent Resolution**

Director Bianchi noted a concurrent resolution will be presented for legislative approval this session for the purpose of having on record the Legislature's support of the Commission's initiatives. In doing so, it would also indicate legislative support of the Commission's pursuit of an appropriation, to support efforts to raise private funds, to use Capitol Endowment Fund moneys, and perhaps to proceed with a special design license plate. The concurrent resolution would not commit the Legislature to any one of those items by a certain dollar amount, but would merely show support. It would also authorize the Commission, which is required by code, to enter into any agreements necessary with the Idaho State Building Authority to restore the Capitol.

Being no objection from the Commission, Chairman Eiguren directed proceeding with processing the Concurrent Resolution.

## **Legislative Space Allocation Progress**

Director Bianchi explained there has not yet been a space allocation decision made for the Legislative branch within the Statehouse. Several focus groups have been established, including legislative staff, the House Clerk, Secretary of the Senate, the Sergeant of Arms from both bodies, and representatives of the Legislative Services Office, and leadership offices to determine what spaces are needed for the Legislature.

The focus groups have developed three options. One option is to keep and remodel all the hearing rooms on the fourth floor as they now exist; the second option is to move all hearing rooms to the Ada County Court House, and the third option is a hybrid solution where some hearing rooms remain on the fourth floor and some are moved to the Ada

County Courthouse. These options will be provided to leadership early in January so final recommendations can be made to the architects in order for plans to proceed.

Director Ahrens reported there have been some tentative space allocation agreements with Executive Branch tenants, although negotiations are still underway.

## **Miscellaneous Reports**

### **Appraisal of the Statehouse**

The Department of Administration has the function of Insurance Management for state government, Director Ahrens reported. It has become evident that an appraisal should be done on the State Capitol Building for insurance purposes, and also prior to its major restoration project. The appraisal results will be presented to the Commission at a future meeting.

### **Update on Harrison Tree**

Mr. Despot reported that out of the 1000 acorns collected from the Harrison tree last fall to cultivate a second generation of Harrison trees, only about 5% seem to be viable for reproduction. The tree has also increased its foliage by about 20%, and the other trees on the grounds have also improved as a result of the new water source and ground fracturing. Mr. Hartgen requested a letter be sent to Mr. Zamzow thanking him for his help in efforts to enhance the vitality of the Capitol grounds.

### **Flying of Flags**

Again this year, Chairman Eiguren noted, the Idaho flags will be flown over both the House and Senate chambers during the time that the bodies are in session. Additional ceremonial events involving the flags may be added this year, he said.

## **Schedule Next Commission Meeting**

The Commission will present its fiscal year 2002 budget request to JFAC on February 5<sup>th</sup>. Subsequent to the presentation, the subcommittee to select a communications consultant will conduct oral interviews, a luncheon will then be planned followed by a business meeting of the Commission. Later in the day, a legislative reception will be hosted.

# Adjournment

The meeting was adjourned at about 11:45 p.m.

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Roy Lewis Eiguren, Chairman  
Idaho State Capitol Commission

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Diane K. Garcia, Management Assistant  
Department of Administration