
Idaho State Capitol Commission

Official Minutes January 20, 2005

A meeting of the Idaho State Capitol Commission was held on this date in the Attorney General's Conference Room, 2nd Floor, Statehouse. Pam Ahrens, Commission Secretary, called the meeting to order at about 10:00 a.m.

Attendees

Members Present:

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
Sandy Patano (via teleconference)
Evan Frasure
Stephen Hartgen

Members Absent:

Will Storey

Others Present:

Maria Barratt, Analyst, Division of Financial Management
Rick Thompson, Administrator, Div. of Internal Management Systems, Dept. of Administration
Jan Frew, Design & Construction Manager, Division of Public Works, Dept. of Administration
Tim Mason, State Facilities Manager, Division of Public Works, Department of Administration
Jan Cox, Administrator, Division of Purchasing, Department of Administration
Diane Blume, Management Assistant, Department of Administration
John Maulin, CSHQA Architects
Katie Butler, Site Representative, CSHQA Architects
Allison Lemley
Shawn Shaw

Approval of Minutes

MOTION: Commissioner Guerber moved and it was seconded by Commissioner Bianchi that the minutes of the October 21, 2004 Idaho State Capitol Commission meeting be approved as written. The motion passed unanimously.

Design/Construction Items

Drainage Improvements, Exterior Stone, Skylights, Dome Repairs, and Roof Replacement

Ms. Frew provided a status report on the \$2.9 million exterior project currently underway at the Statehouse. To date, \$266,000 of this amount has been expended for design and construction. Hydro-Tech Incorporated is conducting the work, and thus far drainage improvements around the building have been completed. Landscaping will be repaired after the masonry work is done. Grout is currently being ground out of the joints of the masonry to determine the integrity of the stonework.

Ms. Butler added that crews are also conducting prep work for additional exterior repairs that will occur during warmer weather. Crews will access the lower portion of the building with man-lifts, and construct scaffolding for the work on the drum and dome areas, scheduled to occur in the next month or two.

This project is the continuation of some re-pointing and replacing of damaged sandstone that was initiated in 2001 and 2002, Commissioner Erstad explained. Work was not completed at that time because funds were exhausted before all of the repairs could be done.

Commissioner Ahrens remarked how difficult it has been to conduct these repairs around the exterior of the building while trying to maintain a productive work environment for its tenants. The work is noisy, and dust and fumes find their way inside. This is why it would be best to approach the building restoration as one big project, rather than piecemeal, she said.

Landscape Master Site Plan

As requested by the Commission, CSHQA submitted a proposed scope of work for a landscape master site plan design. If approved by the Commission, the firm could conduct this work at an hourly rate during the initial study of the grounds;

subsequently, a fixed fee would be identified to complete the plan, which includes the following:

Goals:

1. Provide a framework to guide future campus development:
 - a. Campus includes the Capitol Grounds and adjoining state properties.
2. Create specific guidelines to provide consistency in campus development.
3. Develop guidelines for both anticipated and unanticipated strategic development.

Design Considerations:

1. Perform a thorough inventory of existing ground plane elements including but not limited to trees, planting beds, walks, benches, monuments, lighting, signage, utilities, etc.
2. Since the campus presents a variety of styles and types of architecture, a sense of place and uniformity must be achieved through the careful and deliberate design of the ground plane.

Implementation:

1. The master plan will refine and implement landscape standards;
2. Consistency of sidewalk patterns and materials;
3. Unity of street trees and streetscapes;
4. Common landscape furniture and lighting;
5. Recognizable, organized formal and informal planting zones;
6. Long-term guidelines of the organized layout of donated and dedicated sculptural elements, tree plantings, and other landscape elements.

Commissioner Erstad explained that this landscape proposal was requested after the Design and Construction Committee was presented several situations in regard to landscape issues, but had no guidelines to refer to, or clear direction for the future of the grounds surrounding the Capitol Building. Commissioner Ahrens cautioned that no further action should be taken on this proposal, and no design work initiated until the Legislature addresses the Capitol restoration. The Commission agreed, and determined that the firm could at least proceed with the investigative work.

MOTION: Commissioner Erstad moved and it was seconded by Commissioner Hartgen that the Commission authorize the Division of Public Works to enter into an agreement with CSHQA on an hourly rate not to exceed a total of \$10,000 to begin preliminary investigation and documentation of a Capitol grounds master plan with specifics to be defined through the Division of Public Works, specifically Jan Frew. The motion passed unanimously.

Updated Estimates for Restoration Project

Mr. Maulin distributed a cost analysis report for the Capitol restoration that illustrates the rate increase of the original estimate since 2000.

The estimate at that time was \$64 million, which included the \$5 million total cost for the east and west stair replacements, and the masonry work that is currently being finished. Completion of the \$5-million exterior repair work reduced the original 2000 cost estimate to \$59 million. To translate this estimate in today's terms, he said, an 11.8% (2.8% annually) escalation percentage (\$6,962,000 million) was added. This brings the new estimated restoration cost to \$65,962,000, provided the project was to have started November 2004.

To project this estimate further out into the future, he added a fairly conservative escalation percentage of 2.8% per year using the RS Means cost estimating guideline. Cost for materials has increased dramatically, he said. Should the Capitol Annex and the Capitol Building receive funding this year, work on the Annex would most likely be done first, delaying work on the Capitol until about 2007 when the escalated cost could reach about \$69,707,586.

Should the project be phased beginning in 2007, the total cost would be \$87,261,000, he said. In addition, there would be many problems involved with phasing such as security, internal environments, and periodic shutdowns of the Capitol during the three-year construction period. The Commission has previously gone on record to support conducting the restoration as a one-time project, and not phased, Commissioner Erstad explained.

Should funding be made available for the Capitol restoration, Commissioner Ahrens said, the Commission may want to consider pre-qualifying certain types of contractors who conduct specialty work. With the assistance of CSHQA, Commissioners Bianchi, Guerber, and Erstad agreed to draft language for possible introduction this legislative session.

Commissioner Ahrens expressed that the Commission cannot guarantee the Capitol continues to function between now and the time moneys are available for restoration. There could be unforeseen catastrophic events with plumbing or electrical, for example, that could happen at any time and causing a portion of the building to be shut down.

Governor's FY06 Recommendation

Commissioner Ahrens distributed the excerpt of the Governor's state-of-the-state speech where he expressed the need to restore the Capitol Building, and

expressed his support to complete it in conjunction with a Capitol Annex. He referred to this as the “Capitol Mall Remodel Project”.

She also provided the members a copy of the Permanent Building Fund (PBF) budget, which provides for agency-wide construction and maintenance projects. From this budget, the Governor recommends rehabilitation of the existing Blind Commission Building at \$2.2 million, and \$5.5 million toward the combined project of the Capitol restoration and the Capitol Annex addition or remodel (whichever the Legislature decides). He also recommends \$450,000 for Phase II of the Idaho History Center, and \$5,733,200 for the Operations Center at Ponderosa State Park.

Within the Department of Administration’s budget is an annual bond payment of \$7,665,000 for the Governor’s recommended Capitol Mall Remodel Project. Funds would come from the PBF, should it be enhanced by the extension of the tobacco tax during this legislative session.

Commissioner Bianchi reported that the day earlier, he introduced to the Senate State Affairs Committee two bills in regard to the Capitol Annex—one to remodel the old courthouse and the other to build new. Part of his presentation was to provide a history of the Capitol restoration plans, and how the state went about acquiring the old Ada County Courthouse. He indicated that the two buildings go hand-in-hand with the intent that people would be moved out of the Capitol Building into a remodeled or new Capitol Annex while the Capitol restoration is underway.

He presented legislators with a timeline illustrating that should moneys be funded this year to remodel the courthouse, completion of the project would be anticipated early in 2007, provided there are no delays. A new building would add six to eight months to that timeframe. The Capitol restoration would then take an additional two years, which would push completion to about the middle of 2009. Two legislative sessions would have to be held outside of the building.

Should the Legislature approve constructing a new building in the location of the old courthouse, proposals for design would be solicited. If a remodel of the existing building were approved, the same architect who completed the schematic work on the building up to this point—LKV Architects—would be able to complete the design work.

The courthouse is critical to the Capitol restoration because we would not be able to find 80,000 square feet in one location in which to temporarily move occupants of the Capitol, Commissioner Bianchi explained. The elected officials might possibly be spread-out across town requiring extra security in each location. It would cost about \$5 million alone just to move people out of the Capitol.

Budget and Funding Issues

Overview of Commission Funds

FY05 Operating Budget Report

Mr. Thompson, Administration's Internal Operations Administrator, reported that year-to-date, the Commission has expended \$4,367 of its operating budget—most of which has been for administrative support. He noted a total of \$25,541 in personnel, and \$56,311 in operating expenses have been carried over into FY05 from FY04, and is available for the Commission to spend.

The original Capitol Restoration project, temporarily funded with \$32 million from the General Fund, closed in October 2004. During FY05, \$11,495 was expended from that project, and \$118,794 still remains after the majority was returned to the General Fund to help balance the state budget.

Commission's Sources and Uses of Funds for Period Ending 12/31/04

A detailed report of the Commission's assets and liabilities was provided to the Commission. Mr. Thompson noted at the beginning of FY05 the Commission had about \$3.8 million in the Income Fund, and \$6.6 million in the Endowment Fund. To date, interest earned in the Income Fund is about \$80,602 and license plate revenues \$25,365. After expenses, the Commission's cash balance in its Income Fund is \$3.6 million. After liabilities and the potential \$275,000 transfer to the Endowment Fund, the cash balance would be reduced to \$1.4 million.

Land Management Fees

A letter was sent to Commissioner Ahrens from Department of Lands Director, Winston Wiggins explaining a billing oversight for FY01 and FY02 land management fees in the amount of \$129,359.62. The letter asked for full reimbursement from the Commission.

The Land's billing for FY04 is about \$84,000. Within the FY05 budget, Mr. Thompson explained, the Commission could pay the FY04 billing and one of the past-due management fees, which would cut the FY05 budget very close. The other billing could then be made with an amendment to the FY06 budget.

This issue was discussed at the last Land Board meeting, Ms. Barratt remarked; subsequently, the letter was sent to the Commission. Commissioner Bianchi suggested the past-due fees are pursued because since the Commission did not pay its share of the management fees, the other endowments were assessed more than they should have been. He reported that the income from the Capitol

endowment timberlands ranges anywhere from \$75 to \$700 annually, due to the management provided by Lands. Commissioner Frasure asked that the Commission be provided a history on returns from the Commission's endowment lands.

MOTION: Commissioner Bianchi moved that the Commission authorize payment of the past-due land management fees from FY01 and FY02 to the Department of Lands. The motion died for lack of a second, subsequent to the following discussion.

Commissioner Hartgen said the motion is premature and that further discussion is necessary. Commissioner Patano suggested perhaps the Commission be advised by the Attorney General's Office that it actually does owe the fees. For the Commission's next meeting, Commissioner Ahrens said, a representative from the Land Board will be asked to explain the rationale for the billings and provide legal documentation that supports what the Commission owes the Department of Lands.

Commissioner Bianchi suggested the Commission include in its FY06 request the entire \$129,359.62 to pay for the past-due land management fees, which will preserve the Commission's current funds. We would not be requesting new monies, he said, just requesting allocation of funds out of the Commission's Income Fund to pay the fees, should the Commission agree to do so.

MOTION: Commissioner Bianchi moved and it was seconded by Commissioner Frasure that the Commission request \$129,359.62 in its FY06 budget as a line item, based on the receipt of billing from the Department of Lands. The motion passed unanimously subsequent to the following discussion.

Commissioner Frasure expressed that the legislative intent in creating the Commission did not include paying for land management fees for FY01 and FY02. He said he doubts the Land Board has heard that side of the story.

In regard to the potential transfer of \$275,000 from the Income Fund to the Endowment Fund, Commissioner Bianchi noted the Commission has up until the end of June to determine whether it wants to transfer those funds or keep them in the Income Fund to expend toward restoration work.

Public Relations/Outreach

Commissioner Patano, Communications and Marketing Committee Chairman, noted that in following with the Governor's budget presentation, now is a good time for the Commission to promote the Capitol restoration project.

She said she would like to reinvigorate the Communications and Marketing Committee in anticipation of the 100-year celebration of the Statehouse on July 5th. This will provide an opportunity to highlight the need to move forward with the restoration and to promote license plate sales. She also noted that perhaps the Renewal News could address what individuals can do to help promote or fund the project. The challenge, she said, is to do this outside of the Boise area.

Commissioner Erstad mentioned that perhaps the Commission engage the assistance of constituents in other areas of the state to help move the outreach effort forward and to provide suggestions for the celebration. Commissioner Ahrens remarked that the contract currently in place with ES Drake could be utilized for marketing and outreach services. She added that it might be beneficial to focus on educating our new legislators by offering tours through the building.

Commissioner Patano indicated she would call a meeting in the near future of the Communications and Marketing Committee consisting of herself and Commissioners Hartgen and Guerber.

Commission License Plate

In order to eliminate any confusion, Commissioner Bianchi noted that the Capitol license plate extension legislation would be held until the Capitol Mall Remodel legislation has been acted upon.

Upcoming Meeting Date

Proposed dates for future Commission meetings are as follows: April 21, 2005; July 5, 2005; and, October 20, 2005.

Adjournment

The January 20, 2005 Idaho Capitol Commission meeting adjourned at 12:00 p.m.

Pamela I. Ahrens, Secretary
Idaho State Capitol Commission

Diane K. Blume, Management Assistant
Department of Administration