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# Idaho State Capitol Commission

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## Official Minutes January 30, 2007

A meeting of the Idaho State Capitol Commission was held on this date in the Conference Room #302, 3<sup>rd</sup> Floor, Len B. Jordan Building. Major General Jack Kane, Commission Chairman, called the meeting to order at 9:05 a.m.

### **Attendees**

#### **Members Present:**

Major General Jack Kane, Chairman

Andrew Erstad

Stephen Hartgen

Evan Frasure

Carl Bianchi

Sandy Patano (via teleconference)

Jeff Youtz, Director, Legislative Services Office, and Ex-Officio Member

Keith Petersen, Interim Director, Idaho State Historical Society, and Ex-Officio Member

Keith Johnson, Director, Department of Administration, Secretary/Ex-Officio Member

#### **Others Present:**

Robert Geddes, President Pro Tem

Lawrence Denney, Speaker of the House

Senator Joe Stegner,

Senator Charles Coiner,

Senator John Andreason,

Representative Scott Bedke.

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

Tim Mason, Administrator, Division of Public Works (DPW), Department of Administration

Jan Frew, Deputy Administrator & Capitol Restoration Project Manager, DPW, Dept. of Administration

Kelly Schlieper, Relocation Specialist, DPW, Dept. of Administration

Gary Daniel, Idaho Capitol Commission, Communications Liaison/Coordinator

Diane Blume, Management Assistant, Department of Administration  
Becky Henke, Idaho Capitol Commission, Project Communications Assistant  
Eric Milstead, Analyst, Legislative Services Office  
Robyn Davis, Relocation Specialist, Legislative Services Office  
Sheila Ison, Legislative Services Office  
Dawn Hall, Division of Financial Management  
Wayne Mueleman, Idaho State Building Authority (ISBA)  
Vivian Otero-Epley, Idaho State Building Authority  
Linda Morton-Keithly, Public Archives & Research Library Administrator,  
Idaho State Historical Society  
Rich Bauer, Lemley International  
Jeff Maulin, CSHQA Architects  
Dennis Sexauer, Jacobsen Hunt Joint Venture  
John Emery, Jacobsen Hunt Joint Venture  
Penny Davis, McAlvain Construction Company  
Ron Pisaneschi, Idaho Public Television (IPTV)  
Jeff Tucker, Idaho Public Television  
Fred Riggers  
Shea Anderson, Boise Weekly  
Greg Hahn, Idaho Statesman  
John Miller, Associated Press  
Betsy Russell, Spokesman Review  
Don Wemberley, NPR  
Bill Yardley, New York Times, Seattle Bureau  
Adam Atchison, KTVB

## **General Commission Business**

### **Introductions**

Chairman Kane introduced Keith Johnson, Director of the Department of Administration and Secretary of the Capitol Commission. He also introduced Gary Daniel, the Communications Coordinator for the Idaho Capitol Commission.

### **Approval of Minutes**

**MOTION: Commissioner Patano moved to approve the minutes of the December 1, 2006 Idaho State Capitol Commission meeting. Second by Commissioner Erstad, the motion passed.**

# Capitol Master Plan Updates

## Revenue & Expenditures Report

Rick Thompson addressed the handouts in the commissioner's packets, which included the FY2007 Budget and the FY 2007 Sources and Uses of Funds worksheets. The original budget report reflects both the Capitol Income Fund and the Permanent Building Fund appropriations. To date, the total expenditures from both funding sources is \$116,950.00, including the first quarter fee from the Endowment Fund Investment Board in the amount of \$16,487 and the fee charged by the Department of Lands in the amount of \$88,890 for the full year. The costs of recruiting and staffing the Outreach Office for the Capitol Commission were in the amount of \$4,377. The Sources and Uses of Funds statement shows the beginning fund balances in FY 07. Mr. Thompson explained the transfers into the fund, noting that the \$413,132 was a statutory transfer from the Permanent Endowment Fund and the \$570,000 transferred to the ISBA was a requirement of the bonding.

## Capitol Master Plan Compromise Update

Commissioners Johnson and Youtz reported on the compromise between the Legislature and the Governor. After a series of meetings and discussions, a compromise in spirit was reached to move forward in the appropriate direction. A Compromise Framework handout was distributed showing the eight points of the compromise, recognizing that there are details that will still need to be worked out. The eight points are as follows:

1. Construction of two single-story underground atrium wings on the east and west ends of the Capitol Building to accommodate larger hearing rooms. Total square footage of the two wings will be approximately 50,000 square feet, plus or minus 5%.
2. The first floor of the Capitol Building will be allocated to the Legislature for additional space.
3. Existing square foot cost estimates for the interior of the wings should be locked-in to the extent possible, to avoid using any savings from the reduced scope of the wings project to enhance the original interior design.
4. Any money saved as a result of cost reductions from the reduced scope of the wings should be held as surety to complete the renovation of the Capitol building proper.
5. Upon completion of the Capitol building renovation and expansion plan, any remaining moneys should be spent on the Capitol Annex.
6. Remodeling and renovating the Borah Building should be placed on the Permanent Building Fund list as a priority.
7. All requests for change orders will go through a single source – the Department of Administration.
8. Additional details are to be developed by the Department of Administration, the Capitol Commission and the contractors.

The highest priority of the Legislature in this project is increased hearing room space to accommodate public participation, which will be accomplished by this compromise. Discussion was held regarding the State Treasurer's vault on the first floor of the Capitol, which is built-in and cannot be moved, so the State Treasurer may retain that office space. With regard to item #5, from the existing bond payment cannot be used to fund other buildings. However, savings can be used to pay off the existing bond early and then use the cigarette taxes that would have gone toward the bond payment to fund the upgrade to the Capitol Annex.

President Pro Tem Geddes expressed appreciation to the Capitol Commission for the work on the restoration project. He expressed both the desire of the Legislature that the Idaho State Capitol continue to be a working Capitol rather than becoming a museum and they are concerned about the critical timing for the project so that no more than two legislative sessions are held outside of the Capitol building. President Pro Tem Geddes affirmed that the Legislature's primary goal of the expansion is to allow additional space for public hearing rooms to allow the public to participate in the legislative process. The Capitol Commission was reformulated in 1998 to make this a less political and a more effective process, he reminded the group. He expressed his hope that the Capitol Commission would still be involved as decisions are made and plans are drawn up to ensure that the function and utility of the building remain as intended. Under those conditions, the Senate agrees with the compromise, if the Capitol Commission chooses to agree with it as well.

Speaker Denney agreed, and affirmed that the House of Representatives also does want to see the Capitol remain as a working Capitol and that they are party to the agreement to move forward.

Senator Coiner expressed concern about whether financial due diligence had been done with regard to the compromise. He felt strongly that the financial impact should be studied before moving forward with the compromise. In response, Commissioner Youtz described the process for moving forward by explaining that the intended motion to be put before the Commission will only accept the framework of the compromise. This will allow the Department of Administration to proceed with the redesign work and financial impact estimates. The Capitol Commission, by law, must approve a revised Capitol Master Plan, which cannot be done without that information.

Commissioner Hartgen asked if compromise point #7 would require a legislative change from the requirement that changes must be approved by the Capitol Commission. It was clarified that the Compromise Framework, point #7 addresses a procedural understanding for change orders rather than Capitol Master Plan revisions. Ms. Frew explained the previously developed design protocol whereby the Design and Construction Committee (DCC) decides whether changes should be brought before the Capitol Commission. During project construction the DCC will be meeting weekly. Point #7 clarifies that all directions to contractors go through the Department of Administration. Senator Stegner agreed that Point #7 was not intended to change the authority of the Capitol Commission and does not require any legislative action.

Commissioner Erstad, Chairman of the DCC, which is a committee of the Capitol Commission, clarified that the DCC classifies changes as to programmatic or material changes. The DCC will be looking at the material changes but will refer programmatic changes back to the Capitol Commission.

Commissioner Petersen asked if Points #5 and #6, involving the Capitol Annex and the Borah Building, are part of the Master Plan. Commissioner Youtz clarified that any motion before the Capitol Commission today will involve only Points #1 and #2.

### **HCR 47 and Idaho State Building Authority (ISBA) Revenue Bonds Q & A**

Wayne Mueleman reviewed the compromise from the perspective of the ISBA. The compromise framework is within the general scope of the project described for the bond purposes. It is the type of change that is within the discretionary authority for the ISBA Board of Commissioners to approve without seeking outside consent because it doesn't change the general character of the project.

Mr. Mueleman explained that Point #4 illustrates the natural outcome of savings to be held as surety for renovation of the Capitol. At the completion of the project funded by bonding, the agreement provides that money goes to a debt service account as a full credit against the rentals due in that year.

Point #5 is the natural consequence of freeing up money that would otherwise have been used for rent, to instead be used for the Capitol Annex or other projects. The ISBA could be requested to divert the bond funds to another project, but that would require a legislative concurrent resolution authorizing the new project to be funded. ISBA Board would address this issue if endorsed by the Capitol Commission and defined more specifically in terms of monetary consequence.

Under the development agreement with the State, where Public Works has taken responsibility for design and construction, ISBA's role is consent authority over change orders that exceed \$100,000 individually or \$1,000,000 aggregately. The cigarette tax money was specifically earmarked for improvements, not only to the Capitol, but also to the Capitol Mall area.

**Motion:** Recognizing the Capitol Commission is the authority for developing the capitol master plan and that proceeding to the next step cannot occur until the Capitol Commission is in agreement with the compromise framework, **Commissioner Youtz moved that the Capitol Commission endorse the compromise frame work to include the construction of two single-story underground atrium wings on the east and west ends of the Capitol Building to accommodate larger hearing rooms, total square footage of the two wings will be approximately 50,000 square feet, plus or minus 5%, and that the first floor of the Capitol Building will be allocated to the Legislature for additional space. Second by Commissioner Bianchi, the motion passed.**

## Other Design & Construction Elements

### Capitol Restoration Update

Jan Frew reported that when project efforts were suspended, project designs were 80 percent complete for expansion of the underground wings. Investigative drilling had been initiated, the Capitol floor plans were final and details for the bid packages and preliminary bid schedule were being developed.

The effect of the proposed changes is that the expansion plans will start over because the required foundation will change. Programming for the wings will also begin again. When it has been decided what will be located there, revisions to the Capitol floor plan can begin. Getting approval on new floor plans will significantly impact the project schedule as we begin the space allocation process again.

Once these new planning efforts are completed, the project team will come back to the Capitol Commission for approval of a revised Master Plan. Ms. Frew reported that these changes will most likely extend the construction schedule and may require a third legislative session outside of the Capitol building. It is anticipated that work will begin at the same time as previously planned, but the Capitol restoration activities are the most time consuming piece of the project.

Commissioner Youtz reported that the Legislature's Design Advisory Committee will deliver decisions to the Project Manager without delay. Commissioner Erstad stated that, from his experience in the construction industry, all extensions in the schedule will increase project cost.

**Motion: Commissioner Erstad moved to ask the Project Team to provide the Design and Construction Committee with the cost to date for design and documentation of the restoration, design and documentation for the wings; new costs for revising the master plan and new costs for the design of the wings, the new design of the wings and modifications to the calendar. Second by Commissioner Hartgen, the motion passed.**

Discussion: Commissioner Frasure commented that it is important to know the cost involved and the faster we can get the information, the sooner we can move forward. Commissioner Patano commented that it is not solely up to the Commission to make these decisions. After her recent tour of the Capitol Annex, she felt that it will take more funding to bring the Capitol Annex up to standard. President Pro Tem Geddes stated that the Legislature is committed to ending the session no later than March 23 so that construction can begin on time. Commissioner Erstad acknowledged the difficulty of gathering this information in the time given. President Pro Tem Geddes was asked by Commissioner Hartgen inquired if Legislature was prepared to stay in the swing space for a third year. President Pro Tem Geddes replied that because of the desire for public participation, two sessions would be significantly more desirable.

### **Swing Space Update**

Ms. Frew reviewed the handout of the project organization chart, identifying who is doing what on the project. Capitol Annex swing space work is continuing. Phase 1 is on schedule and progressing very well. The supplemental for additional funding for Phase 2 work has passed the House and is in third reading in the Senate.

The State Library is proceeding on schedule and is nearing completion. This space will be occupied by Secretary of State offices.

The Borah Building work is continuing and has presented some challenges. Ms. Frew reported that asbestos had to be removed from the building, and in the process some of the floors were destroyed. Because of unanticipated floor repairs, the scheduled has been delayed. We are preparing to begin the full remodel of the building. This building will house the Governor's office, the Lt. Governor, Treasurer, Secretary of State and Division of Financial Management. This building is scheduled last in the relocation activities, so we anticipate that the Borah Building will be ready for occupancy on time.

The JR Williams Building basement server room is nearly complete. Plans are being developed for the rest of the building and it is anticipated that construction will begin in mid-February. This has been the most difficult space to prepare and we are concerned that this space will not be ready by April to house the Attorney General's Office (AG). It has been challenging to meet all of the tenant desires, so they are still making changes to the floor plans. Chairman Kane asked Commissioner Johnson to work with the AG's office to resolve the issue and to prepare a letter to them on behalf of the Commission urging a resolution.

### **Membership of the Design and Construction Committee**

Commissioner Erstad clarified that Commissioners Erstad, Youtz and Bianchi are the official members of the Design and Construction Committee, since it will be meeting on a weekly basis now. Commissioner Johnson is also available to participate. Commissioner Erstad pointed out that the meetings are held on a regular schedule and agreed to send notice of the meetings to all of the Commissioners.

## **Public Outreach, Art & Display**

### **January Outreach Committee Meeting Report**

Sandy Patano clarified that the members of the Outreach Committee are Commissioners Patano, Hartgen and Petersen, along with Gary Daniel, Communications Coordinator for the Capitol Commission. Becky Henke, Communications Assistant also attends Committee meetings.

Commissioner Patano reported that at its last meeting, the Committee explored ways in which to communicate with the public about the restoration of the Capitol by utilizing technology and people, including staff, Commissioners and other interested members of

the public. Commissioner Patano asked Mr. Daniel to report on the priorities of the Outreach Committee.

Mr. Daniel reported on his meeting with Idaho Public Television (IPTV), in which they discussed how to develop a documentary about the restoration, to be published after completion of the restoration. Funding sources need to be identified for this project. Mr. Daniel announced that the committee is looking for someone to help with a 360-degree-view camera to provide online views of the Capitol during the time the building will be closed to the public. The State of Virginia has a similar type of presentation on its web site. Also being investigated is the installation of a continuous “daylight hours” construction camera to help document and publicize how construction is proceeding.

The Committee discussed presenting information at town hall meetings around the State with a desire to capture some of the spirit of the presentations previously given, including information about how the Commission was established, he continued. The presentation, which will be available in three presentation levels from simple to complex, is about 85% ready now. We plan to have volunteer ambassadors around Idaho who want to present the story of the Capitol restoration and expansion. These could be Commissioners, interested Legislators and other civic leaders.

The Capitol Construction Bulletin has a new format and more editions are forthcoming. The Frequently Asked Questions are growing and we are exploring a blog format for publishing the information. Mr. Daniel mentioned that it is time to plan a groundbreaking ceremony, and asked for Commissioner’s input on those plans.

Commissioner Patano closed the Outreach Committee presentation by recapping that the civic component of this program will include public information open house meetings across the State and contacts with local media, civic leaders, and civic clubs, plus training Ambassadors to make presentations. The Committee will give the Commission more information when it has a confirmed agenda and program, and as additional details are gathered on the cost of this outreach program, the Committee will request a small budget.

Chairman Kane suggested that the Committee explore renting some Kiosk type space in public places, such as malls, for video presentations about the capitol restoration. He asked the Committee to report back on progress of outreach activities.

On behalf of IPTV, Ron Pisaneschi volunteered assistance with the continuous “daylight hours” construction camera discussed earlier. IPTV could provide the equipment and live streaming in the same way that legislative activities are streamed, at next to no cost. He also said that IPTV would be happy to help put together a short video for the public presentations across the state.

Commissioner Youtz mentioned that matching funds may be available from the Idaho Heritage Foundation for the documentary. He suggested the Committee find out if any IPTV federal funds were available. Commissioner Patano asked the Commissioners for any other suggestions to support outreach/communications plan.

### **Art/Displays Research**

Chairman Kane felt that the former "Display Committee" needs to be rejuvenated and appointed Commissioner Petersen to participate on the newly named "Art and Culture Committee." Chairman Kane will contact Representative Jaquet and have her meet with Commissioner Petersen. Becky Henke provided research on art displays in State Capitols around the nation to the Commissioners.

## **Upcoming Meeting Schedule**

The Joint Finance-Appropriation Committee hearing for the Capitol Commission FY 2008 budget is scheduled for February 9. Chairman Kane thought that it would be appropriate for as many Commissioners as are able to attend the meeting. Commissioner Hartgen asked that materials be sent to Commissioners before the presentation.

The next two meetings of the Commission are scheduled for February 28 in the Gold Room on the fourth floor of the State Capitol and on March 28, 2007 in the Senate Caucus Room; both meetings are schedule to begin at 9:00 a.m.

## **Adjournment**

**MOTION: Commissioner Frasure moved that the January 30, 2007 meeting of the Idaho State Capitol Commission adjourn at 10:52 a.m. Second by Commissioner Erstad, the motion passed.**

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Becky Henke, Project Communications Assistant  
Idaho Capitol Commission