
Idaho State Capitol Commission

Official Minutes January 28, 2008

A meeting of the Idaho State Capitol Commission was held on this date in the first floor conference room at the Idaho State Historical Society, Boise, Idaho. Commissioner Stephen Hartgen served as acting chairman and called the meeting to order at 10:05 a.m.

Attendees

Members Present:

Stephen Hartgen, Acting Chairman

Dolores Crow

Andrew Erstad

Evan Frasure

Sandy Patano (via teleconference)

Janet Gallimore, Executive Director, Idaho State Historical Society, and Ex-Officio Member

Mike Gwartney, Director, Department of Administration, Secretary/Ex-Officio Member

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

Members Absent:

Major General (Retired) Jack Kane, Chairman

Others Present:

Gary Daniel, Communications Liaison, Idaho State Capitol Commission

Becky Henke, Communications Coordinator, Idaho State Capitol Commission

Tim Mason, Administrator, Division of Public Works, Dept. of Administration

Jan Frew, Executive Project Manager, Division of Public Works, Dept. of Administration

Joe Rutledge, Assistant Project Manager, Division of Public Works

Kelly Berard, Relocation Project Manager, Division of Public Works

Connie Smith, Fiscal Officer, Dept. of Administration

Teresa Luna, Communications Manager, Dept. of Administration

Brigitte Teets, Webmaster, Dept. of Administration

Carl Bianchi

Robyn Lockett, Relocation Specialist, Legislative Services Office

Lloyd Knight, DFM

Linda Morton-Keithly, Idaho State Historical Society

Ken Swanson, Idaho State Historical Society

Michelle Lynch, Idaho State Historical Society
Vivian Otero-Epley, Idaho State Building Authority
Rich Bauer, Lemley+3D/I
Jim Mallon, Lemley+3D/I
John Maulin, CSHQA
David Blenker, CSHQA
John Emery, Jacobsen Hunt Joint Venture (JHJV)
Dennis Sexauer, Jacobsen Hunt Joint Venture (JHJV)
Paul Lawrence, Jacobsen Hunt Joint Venture (JHJV)

General Commission Business

Commissioner Hartgen, introduced and welcomed Dolores Crow as the newest member of the Idaho Capitol Commission. He then expressed the Commission's appreciation to former Commissioner Carl Bianchi for his long and dedicated service. Mr. Bianchi was presented a certificate, the first drawing of the Capitol and a signed drawing of the current Capitol. Mr. Bianchi expressed his thanks and appreciation. Commissioner Youtz added for the record that he felt that the project wouldn't be where it is now if it weren't for Mr. Bianchi's hard work and again expressed his thanks.

Approval of Minutes

Commissioner Sandy Patano requested that the December 20 minutes be corrected to show that the second to the motion to adjourn be corrected to Commissioner Frasure.

MOTION: Commissioner Patano moved to approve the December 20, 2007 minutes as corrected. The second was by Commissioner Erstad; the motion passed unanimously.

Budget and Funding Issues

Revenue & Expenditures Report, *Connie Smith*

Ms. Smith referred to the FY 2007 Budget Worksheet and 2007 Sources and Uses of Funds reports for the period ending December 31, 2007 during her presentation, both available to the Commission. She gave the following report, saying that that December had few expenditures. Personnel costs year to date in the amount of \$69,015 have been spent from the FY2007 carry-over, leaving \$4,047 in spending authority. After the FY2007 carry-over is spent, the \$120,100 appropriation for FY2008 will be used.

Actual operating costs in the amount of \$164,094 have been expended year to date as of December, which leaves a balance of \$629,441 remaining for the fiscal year. Operating costs of \$24,937 have been spent from the FY 2007 Permanent Building Fund carry-over, leaving a balance of \$20,387 in those carry-over funds. All of the Capitol Income FY2007 carry-over funds (\$167,005) are still available for use in FY2008. The FY2007

Capitol Furnishings appropriation carries a balance of \$5,036,665.

Addressing the Sources and Uses spreadsheet, available funds in the Income Fund are \$1,876,562, available funds in the Permanent Building Fund are \$299,485, and \$5,170,638 is available in Capitol Furnishings Fund. Ms. Smith reported that in October interest in the amount of \$66,559 was transferred from the Income Fund to the Capitol Furnishing Funds to allow each fund to generate its own interest. Interest accrued in the Capitol Furnishings Fund to date is \$131,265. The total cash balance after liabilities for all funds is \$1,513,821 and the estimated market positions are \$1,263,690 for the Income Fund, \$131,265 for Capital Furnishings Funds, and \$18,201,513 for the Endowment Fund.

Commissioner Youtz informed the group that the bill supported by the Commission to eliminate the sunset clause on the Idaho Capitol Commission license plate program was approved in the House and is on its way to the Senate. Funds generated from the license plate program are deposited into the Income Fund.

Capitol Restoration Updates

Project Status, *Jan Frew*

Ms. Frew referred to the Executive Summary in the Lemley +3D/I program report for January, as she reported that salvage of the Capitol's marble is now complete and the remainder of the demolition inside the Capitol is continuing. Paint stripping on column capitals and in the window areas of the upper dome is underway. Where demolition is complete, the rough-in for the HVAC system is now underway.

Ms. Frew said that the Construction Manager At Risk (CMAR) continues to work through the phase 2 bid packages, refining designs as they review the bid estimates and aligning work within the project budget. Phase 3 bid packages, which include tenant improvements in the wings, are anticipated to go out in the next few weeks.

The wings expansion is still on schedule in spite of the adverse weather conditions. Most of the exterior walls for the wings are complete and work is beginning on the interior footings and rough-ins for plumbing and mechanical. Ms. Frew explained that work activity will increase as the interior work begins.

Commissioners Hartgen and Youtz asked if the project was tracking on schedule, noting some slippage in the schedule, and Ms. Frew explained that the Program Manager, Jim Mallon from Lemley+3D/I, the Architects, John Maulin and David Blenker from CSHQA, and the CMAR, John Emery, Dennis Sexauer, and Paul Lawrence from Jacobsen Hunt Joint Venture (JHJV) meets several times a week to work with budget and scheduling issues. She explained that the team continues with the goal of meeting the December 2009 completion date. That team intends to initiate schedule-critical contracts as soon as possible, so that long-lead items can begin. Mill work and hardware are examples of long-lead items because they take a long time to fabricate and transport to site.

Mr. Emery elaborated that getting the contracts in place on time represents the main schedule challenge. Value engineering and budget issues have cost the project time because decision-making time takes away from work time, delaying milestones that need to get underway. He reported that the number of schedule-critical activities has almost doubled as the completion time period gets tighter, and the burn rate has increased because the schedule has been compressed from 32 months to 28 months. Commissioner Hartgen asked for clarification of the “burn rate” and Mr. Emery explained that as the schedule compresses, the CMAR must push more work into less time, which increases the project cost, and that is called the “burn rate.”

Commissioner Hartgen then asked Commissioner Erstad if the design work is on schedule. Commissioner Erstad responded that the Design and Construction Committee is monitoring the progress of design work. Commissioner Hartgen referred to Construction Summary (page 9) in the December 2007 Lemley+3D/I Program Report and asked for clarification about schedule concerns expressed there. Commissioner Erstad explained that the Design and Construction Committee is working diligently to provide Jacobson Hunt and Lemley+3D/I all the information they need, and making decisions as quickly as possible to avoid affecting the schedule adversely. He explained that since the time the Lemley+3D/I report was written most of the design decisions have been made, and while there are some small components still unresolved, they are not holding up progress. Hardware and historical lighting are the only main issues remaining.

Commissioner Patano asked Commissioner Erstad when the cost information will be submitted and he responded that as the team uses value engineering to balance the budget, additional design work is required. Ms. Frew said that the project team has continued to implement the strategy plan she presented at the last Capitol Commission meeting. She gave the example that they are using as much of the original door hardware as possible to save costs, but that means that they have to work through every door in the Capitol. Commissioner Erstad said that the design and construction based decisions required by the CMAR to develop the guaranteed maximum price (GMP) have been made and no further obstacles of that nature stand in the way of developing the GMP. Development of the GMP depends on the outcome of the Title 44 legislation currently before the legislature.

Commissioner Patano commended the hard work of the Design and Construction Committee and the project team for their extra effort and more frequent meetings to resolve these decisions.

Budget Review, Jan Frew

Ms. Frew referred to the Project 30-Month Budget Report included in the Commissioners’ materials, which separates the project costs into Capitol Restoration and Expansion Wings. She reported that as of December 31, 2007, a total of \$8.5 million has been spent on Capitol Restoration and \$10.3 million has been spent on wings expansion. The report shows an accelerated expenditure rate on the Wings because the Capitol Restoration’s value engineering has slowed spending there. A revised budget (within the current \$120 million) and the GMP from Jacobson Hunt should be available for the next Capitol Commission meeting.

Commissioner Hartgen asked Ms. Frew to explain the contingency funds of the project. She explained that after the budget is revised to reflect the value engineering decisions, funds will be transferred from the contingency budget category into the construction budget category. She also said that the budget includes the construction contract amount and two “contingencies.” The first contingency is the funds allocated by the State for contingency expenses and is *not part of the contract* with Jacobson Hunt. The purpose of these funds is to cover the cost of unforeseen conditions, for which the State is responsible. The second contingency is the amount *within* the Jacobson Hunt contract called a contractor contingency, which will be used at their discretion, but for which they are accountable.

Commissioner Hartgen also requested clarification on the GMP and Ms. Frew explained that it includes all costs for work documented in the written contract. Commissioner Erstad elaborated that because demolition is complete; it is likely that most of the problems have been discovered, so the Design and Construction Committee is comfortable moving the contingency funds to construction costs in the new revised budget.

Furniture Update, Kelly Berard, Relocation Project Manager

Ms. Berard reported progress on the plan for returning Capitol items to the Capitol after the restoration. She said that staff is working to identify needs they may have, and have created a database that includes every item from every room of the Capitol. She will present a preliminary itemized budget for the Furnishings Funds at the February meeting. The cost of restoring the historical furnishings will be a significant part of that furnishings budget and the relocation team (Kelly Berard and Robyn Lockett), will work closely with Ken Swanson from the Idaho State Historical Society (ISHS), who will determine which pieces need to be returned to the Capitol, how much restoration is needed and the costs of that restoration, and then the relocation team will develop a course of action and timeline. Mr. Swanson agreed to provide budget information for the costs of restoring historic furnishings for the next Commission meeting.

Commissioner Youtz asked to what extent the tenants will be involved in choosing the furniture that will be returned to the Capitol and Ms. Berard explained that the relocation team is working with CSHQA, ISHS and vendors to select appropriate design(s). Once they have developed a plan, they will present it to the tenants and the Capitol Commission. Mr. Swanson requested input from the end users about the disposition of the historical furnishings and Commissioner Youtz suggested that he contact the tenants.

Ms. Berard explained that the relocation team is also working with the Division of Purchasing to identify three furniture vendors that can supply equal products. The interior design department from CSHQA is helping find suitable furnishings, carpet and window coverings. She said that their goal is to find a supply for standardized furniture that will meet everyone's needs and their challenge is to find good quality new furniture that keeps the quality and historical integrity of the Capitol. They plan to not have identical furniture in each room, but to provide two or three selections that will work together well and will also work for the tenant.

Commissioner Youtz reminded the commissioners that the Furnishings Funds are intended to include the cost of all furnishings and window coverings, and may also include some display materials.

Commissioner Youtz asked if Ms. Berard knew the amount of currently stored items and new furniture being made from the harvested Capitol trees. Ms. Berard explained that she does not know what will be available from the tree harvest, but all historically appropriate and restored furniture will be returned to the Capitol first. The elected officials have defined their needs and she is working with Robyn Lockett, the Legislative Relocation Specialist, to establish their needs. Commissioner Gallimore explained that the bulk of the tree harvest items would be object-based, and would be on exhibit or displayed as accessories in offices and probably should not be looked at as furniture options.

Mr. Swanson detailed that they have completed the historical furnishings inventory and they are now working on choosing coloration and getting pricing information for the historical pieces that need restoration. He reported that they have located 30 to 40 additional pieces that were original to the Capitol and can now be returned after the restoration.

Disposition of Capitol Materials, *Jan Frew*

Ms. Frew reported that the hardware from doors is not planned for disposal, but will be saved for maintenance of the historic hardware that will be reinstalled. Ms. Frew asked the Commission's preference for the disposition of replaced items, which includes over 400 windows and sashes, and numerous doors. Commissioner Gallimore explained that she and her staff are developing protocols for the proper disposition of materials that are removed from the building to comply with Secretary Interior Standards for disposition of materials and other professional guidelines for historic buildings.

Public Outreach, Art & Culture

Public Relations/Outreach Activities, *Commissioner Sandy Patano*

Commissioner Patano reported that the presentation to JFAC by Ms. Frew in early January went very well. Unfortunately one media source incorrectly reported that the project was over budget and this prompted the Outreach/Public Relations Committee to discuss communication issues and how to ensure that the media has accurate information. Gary Daniel, Communications Liaison, will continue to provide updated and timely information to the media and will make tours of the project available for them. Mr. Daniel reported that because more reporters are present during the Legislative Session, he will continue to provide needed information to the media and to address any access issues by offering individual and group media tours on most Friday's with prior arrangements. After the legislative session is over, group tours will be offered once a month again. Mr. Daniel also reported that he will make a presentation on the legislative information kiosk at the February meeting.

Project Budget Reporting on Capitol Commission Website, *Gary Daniel*

This agenda item was deferred until the GMP has been submitted.

Art, History and Culture Committee, *Commissioner Janet Gallimore*

Commissioner Gallimore reported that the key concern from the Art, History, and Culture Committee meeting was how to handle the Visual Artists Rights Act (VARA) waiver for temporary displays in the Capitol. This need will apply to displaying the objects created from the harvested Capitol trees, but will also apply to other objects displayed in the Capitol temporarily. The waiver, which is currently under legal review, will make it clear that if an item is donated to the collection, the artist or donor shouldn't assume it will be on permanent exhibition in the Capitol.

Representative Max Black, who is the primary contact with most of the woodworkers, met with Ms. Gallimore's staff to ensure that he fully understood the waiver, that all objects may or may not be used in exhibits throughout the Capitol and they could also become part of a tour explaining the tree harvesting project.

At the next meeting of the Art, History & Culture Committee, they plan to invite the project architects to discuss where space for exhibitions can be provided in the wings, and how they will reinstall historical photographs and artwork. They will also discuss a strategy for community engagement. The meeting is tentative planned for some time in February.

Monthly Meeting Schedule, *Commissioner Hartgen*

The next scheduled meetings will begin at 10:00 am on the following dates:

- February 21, 2008 (includes a tour of the Capitol)
- March 20, 2008
- April 17, 2008 (tentative)

Adjournment

MOTION: Commissioner Gallimore moved and Commissioner Erstad seconded the motion that the January 18, 2008 meeting of the Idaho State Capitol Commission adjourn at 11:20 a.m.

Becky Henke, Communications Coordinator
Idaho Capitol Commission