A meeting of the Idaho State Capitol Commission was held on this date in the Attorney General’s Conference Room, 2nd Floor, Statehouse. Chairman Eiguren called the meeting to order at 11:05 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, State Historical Society, & Ex-Officio Member
Stephen Hartgen (via teleconference)
Sandy Patano (via teleconference)

Members Absent:

Skip Smyser
Will Storey

Others Present:

Darrell Manning, Division of Financial Management
Maria Barrett, Division of Financial Management
Jan Frew, Design/Construction Manager, Division of Public Works, Dept. of Administration
Tim Mason, State Facilities Manager, Division of Public Works, Department of Administration
Rick Thompson, Administrator, Div. of Internal Management Systems, Dept. of Administration
Jan Cox, Administrator, Division of Purchasing, Department of Administration
Approval of Minutes

MOTION: Commissioner Erstad moved and Commissioner Guerber seconded that the minutes of the December 16, 2002 Idaho State Capitol Commission meeting be approved as written. The motion unanimously passed.

Budget and Funding Issues

Revenue/Expenditures

The only change on the Commission’s Sources and Uses of Funds Statement since its last meeting in December, Mr. Thompson reported, is in the amount of interest earned from the Capitol Income Fund. The cash balance of General Fund and Capitol Income Fund moneys combined, as of December 31st, is $6,955,405. This balance also reflects the $6.4 million transferred earlier this year to the General Fund to help balance the state’s budget, and it shows $1.8 million that has been transferred to the Capitol Restoration Project Account.

The cash flow statement prepared for each Commission meeting from now on will also include the balance of the Capitol Permanent Endowment Fund, which as of December 31, 2002 is $3,262,452, he said.

One purpose of the Commission meeting this day, Chairman Eiguren explained, is to consider a recommendation to the Joint Finance and Appropriations Committee (JFAC) that any remaining obligated funds from the professional service contracts with CSHQA and 3DI/Lemley Associates Inc., be returned to the General Fund.

Ms. Frew indicated she has reviewed all billings that have been submitted to date from CSHQA Architects and 3DI/Lemley and Associates, Inc., plus anticipated any invoices that are yet to be billed for work on construction documents, design review, and a status report. Based on this review, she estimates there would be about $1.5 million that could be unobligated from the contracts and made available for re-appropriation. These professional services contracts, however,
could be left open for use in conducting future projects in the building, Commissioner Ahrens added.

Chairman Eiguren noted he intends to prepare a financial statement to present to members of JFAC as part of his FY04 budget presentation. The statement will show receipt into the Capitol Income Fund of $32 million that was appropriated two years ago. From that balance he will show all of the disbursements including dollars re-appropriated back into the General Fund as well as dollars the Commission continues to expend to complete the design work and the project review.

He pointed out from the cash flow statement that during the first six months of FY03, about $400,000 has been collected from interest on the Capitol Income Fund, timber sales, and license plate sales—assets dedicated to the Capitol Building.

Commissioner Bianchi remarked that Commission license plate revenues to date actually total about $25,000. There is a lag between the time that the Idaho Transportation Department collects the funds and the time that they are transferred into the Income Fund, which only shows that about $16,000 has been received thus far.

Several Commissioners expressed concern that the Legislature this year might consider applying funds in both the Capitol Income Fund and Capitol Permanent Endowment Fund toward the state’s budget shortfall. Commissioner Bianchi suggested that when responding to any legislative inquiry, Commissioners should stress that the Capitol Building has serious immediate needs that must be resolved whether or not the restoration project moves forward. The existing funds, he said, are moneys identified by the Legislature to take care of the building’s needs, but they are not enough to last many years in the future. If this money were transferred to the General Fund, we would be in a serious position should a major problem occur and there not be resources available to respond.

Specifically, those critical problems, which currently exist, include a leaking roof, basement flooding, and antiquated plumbing, Commissioner Ahrens pointed-out. Should there be no reserve moneys, short of a supplemental, we would not be able to respond to any facility emergencies, especially now when funds for maintenance of all state buildings are in jeopardy. Chairman Eiguren commented, however, that dealing with problems in the Capitol on a piecemeal basis would most likely impact the ability of the Commission to get the entire restoration completed.

Design/Construction
Commissioner Erstad reported the Design Construction Committee met earlier in the week to consider cost reconciliation between the estimates generated by CSHQA and 3DI/Lemley and Associates, Inc., which were done independently. Although the firms are still in the process of reconciliation the Committee is fairly confident that the $64 million project budget is attainable, as both estimates fall within this range, he said. The construction documents will be 100% complete, once reconciliation is has been achieved.

The Committee feels the completed plans have a 2-year shelf life. Should they be utilized within the next two years, the design and cost estimate would require minimal modifications. After two years, however, the costs would increase and more extensive review and modifications would be necessary on the plans.

During his upcoming JFAC presentation, Chairman Eiguren said, members of JFAC will also be educated on milestones the Commission has accomplished, such as completion of the master plan, architect’s schematics, and design work, with the idea that it would all be brought back to the Legislature this year for bonding consideration. Although this is not the session to pursue bonding, he said, the Commission must present to the Legislature the work that has been completed, and then put the project in mothballs.

Mr. Shneider commented that milestones in the design process are finite levels of design achieved with each step—under completion now is the actual preparation of construction documents. Ordinarily, the next phase would be bidding the work and seeking appropriate construction contracts. Since it is likely completed construction documents will be placed on a shelf, it is important to understand, he said, that along with the actual documents are agreements that were achieved with the various oversight bodies in regard to the documents. Over time, however, personalities and agencies will change and some of these agreements may not be honored in the next few years. The plans are all glued together right now, he stressed, but it will make a difference if the plans sit for one, two or more years.

Mr. Lemley remarked the two firms have been able to bring together the project estimates in a generally satisfactory manor, and expects within the next two weeks will have a harmonized budget that is substantially below what was originally estimated.

Chairman Eiguren noted that 3DI/Lemley Associates, Inc., has been asked to prepare a report for the Commission that will be transmitted to the Governor and the Legislature outlining key elements that have come out of this process to date with focus on the need to move forward with the project at the earliest possible time.
MOTION: Commissioner Hartgen moved and Commissioner Patano seconded that the Commission recommend to JFAC that $1.5 million of remaining contract dollars be re-appropriated to the General Fund, that the contracts with both CSHQA Architects and 3DI/Lemley and Associates, Inc. remain open for future use, and that 3DI/Lemley and Associates, Inc. complete a status report for presentation to the 2003 Legislature. The motion unanimously passed.

Chairman Eiguren added that once the status report is complete in early March, he will present it to legislative leadership and other interested legislators at a forum so Commissioners can respond to questions. At that time, the reconciled cost estimate for the project will be reported.

Access Use and Administration

Recommendations for DAR Tree Replacement on the Capitol West Lawn, and Status of Planting White Pine on the Capitol Grounds

Commissioner Guerber explained plantings of both trees will be scheduled to take place on the same day in April. He said he would continue to work with the University of Idaho on locating a white pine, the Daughters of the American Revolution, as well as Facilities Services in planning for this event. The next meeting of the Commission will be coordinated on this same day.

Adjournment

The January 31, 2002 Idaho Capitol Commission meeting adjourned 11:45 a.m.

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Roy Lewis Eiguren, Chairman
Idaho State Capitol Commission

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Diane K. Blume, Management Assistant
Department of Administration