
Idaho State Capitol Commission

Official Minutes October 21, 2004

A meeting of the Idaho State Capitol Commission was held on this date in the House Caucus Room #311, 3rd Floor, Statehouse. Pam Ahrens, Commission Secretary, called the meeting to order at about 9:10 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
Will Storey

Members Absent:

Evan Frasure
Stephen Hartgen

Others Present:

Rick Thompson, Administrator, Div. of Internal Management Systems, 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
Eric Milstead, Analyst, Legislative Budget Office
Shawn Nydeggar, Treasurer's Office
John Maulin, CSHQA Architects
Katie Butler, CSHQA Architects
Jake Clark

Approval of Minutes

MOTION: Commissioner Storey moved and it was seconded by Commissioner Erstad that the minutes of the July 28, 2004 Idaho State Capitol Commission meeting be approved as written. The motion passed unanimously.

Budget and Funding Issues

Report from the Finance Committee

Treasurer's Investment

The Finance Committee was charged with reviewing the Commission's investments in the Treasurer's accounts. Specifically, whether or not the Income Fund assets should be moved from long-term to short-term investments, given the known interest rate projections, Commissioner Bianchi explained.

He distributed a breakdown from Liza Carberry, State Treasurer's Investment Manager, showing current balances for both long-term funds (\$1,950,313) and short-term funds (\$2,477,893). Ms. Carberry concluded that if the Commission does not need the moneys right away, it would benefit by leaving them in the long-term fund.

Commissioner Bianchi then reviewed a cash flow analysis that identified funds the Commission will require for the short term, estimated at about \$2.2 million. Short-term cash available is estimated at \$2.5, he said. The Finance Committee concluded there is sufficient cash available in the short-term account to cover the Commission's immediate needs without having to utilize funds from the long-term account. It is the Committee's recommendation, and the Commission agreed, that the investments remain as they are.

Extension of Commission License Plates

The time allowed for issuance of new Capitol Commission license plates will expire on December 31, 2006. Due to the delay of the restoration, Commissioner Bianchi drafted legislation to be considered this next legislative session that would extend the plates for six additional years. The plates would then expire in 2012.

He visited with the Chairs of both House and Senate Transportation Committees and feels that this legislation will receive support. When the Legislative Council

meets next month, he said, he will seek its support as well. The plates have earned annually about \$30,000 toward the restoration budget.

MOTION: Commissioner Storey moved and seconded by Commissioner Erstad that the Commission approve the proposal to extend the Capitol Commission license plate to 2012. The Commission passed it unanimously.

Overview of Commission Funds

FY05 Operating Budget Report

Mr. Thompson, Administration's Internal Operations Administrator, reported that year-to-date, the Commission has expended \$2,958 of its operating budget—most of which has been for administrative support.

He directed the members' attention to the \$69,260 line item for FY04 endowment land management fees for the Department of Lands. This is the amount the Commission had previously approved for payment, based on estimates from Lands. However, the actual billing received was \$80,529. Administration does not have authorization from the Commission to pay that much, he said.

He noted as of September 30, the Commission's total operating budget available was \$210,952, which includes \$25,541 of FY04 carryover funds for personnel, and \$56,311 of FY04 carryover funds for operating expenditures. Also noted on the statement is \$2,006,900 appropriated for the exterior work on the Capitol, which is just getting underway. This brings the total allocated Commission budget to \$2,217,852. Including expenditures for the repair work, \$39,336 of this amount has been spent through the end of September.

The Commission asked Mr. Thompson to investigate and report back why the invoice submitted by the Department of Lands is so much higher than originally estimated.

Commission's Sources and Uses of Funds for Period Ending 9/30/04

A detailed report of the Commission's assets and liabilities was provided to the Commission. Mr. Thompson noted the balance for the Endowment Fund reflects the sale of short-term investments and purchase of long-term investments when the transfer of \$2,750,000 was made at the beginning of this year. The new investments are considered "book value"--about \$6.6 million. The total cash balance as of September 30th, including both the Income and Endowment Funds was \$10,469,602, he said. However, after applying all known liabilities at that time, the net cash balance was \$7,998,335.

The market balances for both funds, he explained, show a loss--the result of market conditions over the past few months.

FY06 Operating Budget

Mr. Thompson distributed a proposed Commission operating budget for FY06. The budget is similar to the FY05 budget but has been adjusted to accommodate the mandated change in personnel compensation as well as inflationary adjustments, which brings the total to \$131,500. This budget will be included with the Administration's FY06 budget request to the Legislature this next year.

It was discussed that should a firm be hired to help with a communications plan, the Commission would have to request from the Legislature that funds be appropriated for this purpose from the Income Fund.

MOTION: Commissioner Bianchi moved and seconded by Commissioner Storey that the Commission approve the operating budget request for FY06 as presented in the amount of \$131,500 with the understanding that after the appropriation is made and at a later date, the Commission can allocate the funds. The motion passed unanimously.

MOTION: Commissioner Bianchi moved and seconded by Commissioner Patano that the Commission include in its appropriation request the transfer of \$275,000 from the Capitol Income Fund to the Capitol Endowment Fund, which brings the total transfer to about \$3 million, as originally intended. The motion passed unanimously.

Design/Construction Items

Report from the Design and Construction Committee

Contract Award and Proposed Schedule, DPW Project #05-008

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

Commissioner Erstad, Committee Chair, reported this project will get underway on October 25th with initiation of the drainage enhancement work. The contract architect assigned to this project is Katie Butler of CSHQA Architects.

The current schedule, he said, anticipates drainage work to be complete by the end of November. The rose garden, located next to the building on the south side, has been successfully relocated until next spring when the bushes will be returned to the same location.

The balance of the work involved with this project—repairs to exterior stonework, skylights, dome, parapets, and roof replacement—will be initiated next spring. He reiterated how critical this work is to protect the structure of the building, but it does not in any way remedy the critical interior repairs needed on the building’s major systems—electrical, plumbing, and mechanical.

Master Site Plan

The Design and Construction Committee also discussed the fact that there is no master plan design for the grounds of the Capitol Building, as there is for the interior, Commissioner Erstad said. This topic was raised in efforts to identify a plan for managing the placement of statues, plaques, and plantings on the Capitol grounds, as occasionally requested by organizations and the general public.

The Design Committee asked the Capitol design team, CSHQA Architects, and the Capitol Mall design team, LKV Architects, to collaborate in providing the Committee an estimate for a landscape master plan for the Capitol Building grounds and the Capitol Mall grounds to accommodate future placement of monuments, statues, and plantings, for example. The Committee will also review the Commission-approved *Guideline for Objects of Art, Memorials, Statues, & Exhibits at the Idaho State Capitol and its Grounds* to make sure it incorporates measures which allow the state, on behalf of Idaho citizens, to maintain the aesthetic symbol originally intended for the Capitol.

Public Relations/Outreach

Commissioner Erstad continued to report that CSHQA Architects was also tasked with re-evaluating some of the original restoration estimates in anticipation of including an updated figure in a Commission’s communications plan.

Commissioner Patano, Communications and Marketing Committee Chairman, expressed how vital a communications plan is right now. It is the Commission’s responsibility to highlight the progressive deterioration of the Capitol to the Legislature, state administration, and the general public.

The new cost estimates to be included in the plan will articulate how original estimates have inflated over the last few years, and how much those costs will continue to increase over time if the building’s problems are not addressed. A replacement cost for the building could also be included, although there is no way to place a value on the historical aspect of the Statehouse, Commissioner Ahrens added.

Sometime in December, Commissioner Patano proposed, she will arrange for the entire Commission to meet with members of the Legislature and officials in the Governor's office to discuss the findings of the Commission. Perhaps legislative hearings should be scheduled to talk about the current condition of the Capitol, especially with new legislators soon taking office. Commissioner Ahrens suggested Commission members meet by conference call in November to discuss the estimated cost for a landscape master plan, a communications plan, and possible dates to meet with legislative leadership.

In the meantime, Commissioner Patano asked that the *Renewal News* newsletter, which is provided to tenants of the building to report progress of the work on the Capitol, also be provided to all legislators as well as members of the media outside of Boise. Commissioner Storey asked that the publication include a statement indicating that the work being done is a very small part of the overall renovation needs.

Upcoming Meeting Date

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

Adjournment

The October 21, 2004 Idaho Capitol Commission meeting adjourned at 11:10 a.m.

Pamela I. Ahrens, Secretary
Idaho State Capitol Commission

Diane K. Blume, Management Assistant
Department of Administration