
Idaho State Capitol Commission

Official Minutes, January 21, 2009

A meeting of the Idaho State Capitol Commission was held on this date Idaho State Historical Society main conference room, Boise, Idaho. (Acting) Chairman Steve Hartgen called the meeting to order at 10:00 a.m.

Attendees

Members Present:

Stephen Hartgen

Andrew Erstad

Sandy Patano

Evan Frasure (via teleconference)

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

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

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

Members Absent:

Dolores Crow

Others Present:

Gary Daniel, Communications Liaison, Idaho State Capitol Commission

Becky Henke, Communications Coordinator, Idaho State Capitol Commission

Tim Mason, Division of Public Works

Jan Frew, Executive Project Manager, Division of Public Works

Joe Rutledge, Division of Public Works

Kelly Berard, Relocation Project Manager, Division of Public Works

Connie Smith, Fiscal Officer, Dept. of Administration

Representative Max Black

Robyn Lockett, Relocation Specialist, Legislative Services Office

Lloyd Knight, Division of Financial Management

Michelle Lynch, Idaho State Historical Society

Sarah Tyler, Idaho State Historical Society

Linda Morton-Keithley, Idaho State Historical Society

Vivian Otero-Epley, Idaho State Building Authority

Rich Bauer, Lemley+3D/I

Jim Mallon, Lemley+3D/I

John Maulin, CSHQA

Kevin Brown, Jacobsen Hunt Joint Venture (JHJV)

John Emery, JHJV

Ray Libonati, JHJV

General Commission Business

Approval of Minutes

MOTION: Commissioner Andy Erstad moved to approve the minutes from the December 17, 2008 Capitol Commission meeting as written. The second was by Commissioner Frasure; the motion passed unanimously.

Capitol Wood Project, *Representative Max Black*

Representative Max Black updated the commission on the wood workers' project. He showed the commissioners pictures of some of the items made by the wood workers. He said that he and Ms. Berard have developed a list of useful items to include in the restored Capitol and that he has enlisted numerous volunteer woodworkers to create the items. Items include: a replica Lewis and Clark expedition writing desk, bowls, a clock, pens, a replica of the locomotive that brought President Taft to Idaho, curio cabinet, the Idaho seal, gavels and lamps.

Budget and Funding Issues

Revenue & Expenditures Report, *Connie Smith*

Ms. Smith referred to the FY 2009 Budget Worksheet and the FY 2009 Sources and Uses of Funds reports for the period ending December 31, 2008 during her presentation, both available to the Commission.

Ms. Smith reported expenditures against budget for the Capitol Income Fund (CIF) and the Permanent Building Fund (PBF), as follows:

	<u>December</u> <u>Expenditures</u>	<u>Total YTD</u> <u>Expenditures</u>	<u>FY 2009</u> <u>Balance</u>
Personnel Costs-PBF	\$ 11,222	\$ 72,557	\$ 109,106
Operating Costs-CIF & PBF	\$ 4,699	\$ 110,008	\$ 247,280
Total Expenditures-CIF & PBF	\$ 15,921	\$ 182,565	\$ 739,686

Capitol Furnishings Fund * \$2,259 \$3,146 \$4,910,232

* *This amount does not include the interest earned in the Capitol furnishings account.*

Ms. Smith said that only typical expenditures were made during December. She also said that the commission continues spending the FY 2008 carry forward funds for operating expenditures, but has depleted the FY 2008 carry forward funds in personnel costs.

Addressing the FY 2009 Sources and Uses of Funds spreadsheet as of December 31, 2008, Ms. Smith reported total available funds are:

<u>Income Fund</u>	<u>Permanent Building Fund</u>	<u>Capitol Furnishings Fund</u>
\$ 1,825,112	\$ 298,887	\$ 5,212,481 *

**The balance of the Capitol Furnishing Fund shown on the Sources and Uses of Funds spreadsheet includes accumulated earnings.*

The total cash balance after liabilities is:

<u>Income Fund</u>	<u>Permanent Building Fund</u>	<u>Capitol Furnishings Fund</u>
\$ 1,197,090	\$ 4,658	\$ 299,103

The estimated market positions, as of December 31, are:

<u>Income Fund</u>	<u>Permanent Building Fund</u>	<u>Capitol Furnishings Fund</u>	<u>Endowment Fund</u>
\$ 1,207,307	\$0	\$ 299,103	\$ 13,241,971

Capitol Furnishings Budget, Commissioners Mike Gwartney and Jeff Youtz

Commissioner Youtz referred to the Capitol Commission's legislative budget summary handout and informed the commissioners that the governor's office did not recommend the commission's request for \$400,000 spending authority from the license plate program.

Commissioner Patano asked if the budget for the grand reopening event had changed and Commissioner Youtz explained that the only request detailed in the FY 2010 request was for the \$400,000 from the license plate fees. He added that the legislature will consider the request during the commission's Joint Finance and Appropriation Committee (JFAC) hearing.

Commissioner Gwartney asked Commissioner Youtz to present the Capitol Commission budget request at the JFAC hearing. Commissioner Youtz recommended that Ms. Frew give the brief overview of the project status at the hearing.

Commissioners Gwartney and Youtz made a recommendation for the commission to approve that the current Capitol furnishings \$5 million appropriation be reverted back to the general fund and the \$5 million be funded through the bonds instead. This new source of furnishings funds will be segregated from the restoration and expansion project funds.

Commissioner Erstad asked if any of the Capitol furnishing funds have already been obligated and Commissioner Youtz said that the approximately \$299,000 earned in interest will cover the expenditures-to-date from the fund.

Commissioner Hartgen asked how this will affect the total funds for the project and Ms. Frew responded that the project budget is \$122.5 million, with \$2.5 million of that reserved as contingency. Commissioner Hartgen followed-up by asking if Ms. Frew knew of any concerns that may increase the project to the \$130 million in bond funds. Ms. Frew responded that she was not aware of anything that would push the project past the \$122.5 million. Commissioner Gwartney reminded the commission that the goal is to finish the project within the \$120 million.

Commissioner Youtz summarized the discussion by saying that the project goal is \$120 million from bond money. A contingency of \$2.5 million in bond money is also reserved for the project. This proposal will use an additional \$5 million of bond money for the Capitol furnishings and will return \$5 million to the general fund.

MOTION: Commissioner Frasure moved to approve the proposal to support the Governor's recommendation to move the \$5 million Capitol furnishing funds back into the general fund and to use \$5 million from the bond money for the Capitol furnishings. The second was by Commissioner Patano; the motion passed unanimously.

Ms. Smith asked the commission whether the interest or the bond money should be spent first and Commissioner Youtz said that it didn't matter in what order the money was spent. Ms. Smith said that the commission does have spending authority for the interest money.

Capitol Restoration Updates

Project Status, *Jan Frew*

Ms. Frew asked Mr. Mallon to review the Lemley+3D/I December 2008 Program Report.

Mr. Mallon reported that workers in the upper levels of the Capitol are completing finish work and workers in the lower levels are completing the rough-in work. CSHQA has continued to support the project with over half a dozen people on the project site at times, reviewing and processing Requests for Information (RFI), submittals, Construction Change Directives (CCD), Proposal Requests (PR) and Architect Supplemental Instructions (ASI).

The Construction Manager At Risk (CMAR) worked on all aspects of the Capitol's expansion and finishes in December. The CMAR continues to make the tenant improvements in both wings. They are installing the spray insulation and dry wall in both the east and west wings. They roughed-in the mechanical, electrical, plumbing (MEP) and fire protection systems on the lower levels and in the four vertical shafts adjacent to the rotunda. Subcontractors are installing the MEP trim and fixtures in the upper floors. Finish activities on the upper floors included plaster, paint, millwork and marble restoration. The subcontractor completed remediation of the distemper paint in December. Workers repaired the damaged bus ducts and installed permanent power to the building. Scaffold in the House chamber and the upper two levels of the main Rotunda were removed. Subcontractors installed the access floor and the desks in the Senate.

McAlvain, the Design Build Team (DBT), demobilized from the project site in December, but they continued to manage some completion activities on the exterior of the building. They have reconstructed the historic stairs, installed sandstone cladding on the vent structures, installed the irrigation system and repaired the paving, curbs, gutters, and sidewalks. They are now installing the ornamental handrails and guardrails at the wing's exterior, as well as the windows. Final completion of the exterior is planned for August, 2009.

Commissioner Hartgen asked Mr. Emery to report on the project status from his perspective. Mr. Emery reported that scaffolding is coming down and explained that they will cover the dome with a parachute to keep it clean while they complete the other work in the Capitol. Once the rotunda scaffolding is removed, subcontractors can take down shoring in the garden level, and can then complete demolition of the garden level rotunda floor, scheduled for completion by April. He said that the fourth floor is nearly complete, and that they will begin installing the carpet soon, which is a project milestone. Other milestones include completed installation of the new stairways and elevators. He said that work in the west wing lags about two weeks behind the east wing because of the kitchen and large conference room in the west wing. He reported that the CMAR is on track to meet the \$120 million budget. He thanked everyone who has worked so hard to bring this project in on-time and on-budget.

Commissioner Patano asked how many workers are on the project site at any time and Mr. Emery estimated that there are approximately 230 people working on the site. He added that over 1,200 people have participated in the project safety training, which includes visitors and workers.

Commissioner Hartgen asked Ms. Frew to give a PowerPoint presentation including before and after photographs for her next presentation of the project status.

Budget Review, *Jan Frew*

Ms. Frew referred to the contract report, page 18 in the December 2008 program report, and reported total contract expenditures paid-to-date as \$73,505,287. The total value of all current contracts is \$122,236,677, which includes the contractor contingency.

Ms. Frew then referred to the DPW Project 30-month Budget Report, page 19 in the December 2008 program report, and summarized the following:

	<u>Capitol Restoration</u>	<u>Wings Expansion</u>
Total year-to-date expenditures	\$ 47,670,461	\$25,834,824
Construction contract expenditures	\$ 40,582,524	\$ 24,311,094

She reported the remaining total budget as \$48,994,715. Ms. Frew also reviewed the potential change report and the pay out schedule in the December 2008 program report. She pointed out that the actual pay out is tracking very close to the projection.

Schedule Update, *John Emery*

Mr. Emery reported that the project is still 23 days behind schedule because of the distemper paint remediation. He said that he is confident that they will meet the schedule but it will be difficult. He said that the architects and the DPW team have been fantastic to work with because they process the project documents and inspect finished work very quickly.

Ms. Frew said that the project management team is committed to developing a realistic schedule by this spring. She anticipates that they will then be able to commit to a reopening date, including creating a contingency plan for items that may be finished after the grand opening date. Commissioner Gwartney recommended that a contingency list be very carefully reviewed.

Public Outreach, Art & Culture

Public Relations/Outreach Report, *Commissioner Sandy Patano*

Commissioner Patano asked Mr. Gary Daniel to report on outreach activities. Mr. Daniel reported that:

- Teresa Luna coordinated with Mr. Daniel to incorporate photographs of the Capitol restoration in the Governor's State of the State presentation.
- Northwest Construction News featured an article on the project.
- The Times News in Twin Falls also ran an article on the project, which included quoting Legislators' thoughts about the project.
- Mr. Daniel is receiving numerous requests for information and photographs about the project. The Department of Finance used a picture of the construction site on the cover of their annual report. Next year the State Controller, the State of Idaho government phone book and the Idaho Blue Book will also feature pictures of the project.
- Tours of the construction site have been scaled back. Mr. Daniel is working with the First Lady's office on an alternative multi-media presentation for a gathering of legislators' spouses that she is hosting.

Commissioner Patano asked if the news articles about the project have been archived and Mr. Daniel responded that staff has collected articles regarding the project whenever they could. Commissioner Patano asked the Idaho State Historical Society what the best form for archiving the files is and Linda Morton-Keithley replied that both digital and hard copies were important because sometimes the digital copies did not include the pictures.

Mr. Daniel explained that the IPTV General Manager has requested one-half payment for the documentary work. He recommended that the commission release the first payment to Idaho Public Television for half of the approved documentary project budget.

MOTION: Commissioner Patano moved to approve disbursement of \$34,850 to Idaho Public Television for the purpose of creating the Capitol restoration documentary. The second was by Commissioner Andy Erstad; the motion passed unanimously.

Grand Re-opening Ceremony, *Commissioner Sandy Patano*

Commissioner Patano updated the commissioners on the plans for the grand reopening. She said that Marty Petersen, Co-chair of the Idaho Centennial Celebration, has volunteered to be the volunteer event coordinator. She said that the event will also require help from current commission staff, as well as staff at the Idaho State Historical Society. She also said that the Outreach Committee will work with the Art, History & Culture Committee on the event planning. She asked Commissioner Gallimore to research information on the dedication in 1912 and the rededication in 1920.

Commissioner Patano also discussed the possibility of hiring an event planner for the celebration. She asked if the purchasing rules required a request for proposals to hire an event planner. Commissioner Gwartney said that he will find out what the requirements are.

Commissioner Patano said that her team will create a core committee, the event budget, a date and a rough outline of the event logistics, which she will report back to the Commission by the end of April. She also suggested the need for a tour guide at the State Capitol.

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

Commissioner Gallimore introduced Michelle Lynch of the Idaho State Historical Society and explained that she is replacing Mr. Swanson, who retired last month.

Historic Furnishing, *Michelle Lynch*

Ms. Lynch updated the commission on the historic furniture restoration. She explained that phase one of the project is the restoration of the stored historic furniture, and phase two is the restoration of furniture currently in use in the offices. She reported that the furniture restoration project is on schedule to be completed in August.

Ms. Lynch also showed examples of the frames being considered for the historic legislative photographs and said that this project is also on schedule. She expects the frames will be produced by mid-summer.

Exhibition Update

Commissioner Gallimore distributed a handout showing the Capitol exhibit research, design and installation cost estimate, as follows:

Fabrication	50%	\$75,000.00
Interpretive Specialists	20%	\$30,000.00
Graphic Artist	20%	\$30,000.00
Project Administration	10%	\$15,000.00
Total Cost Estimate		<u>\$150,000.00</u>

Commissioner Gallimore explained that the two broad exhibition content areas include the history of the Capitol and the history of the government in Idaho, without duplicating information at the State Museum. Commissioner Hartgen asked Commissioner Gallimore to report on the further development of the RFP at the next meeting.

Commissioner Gallimore reported that the inventory of artifacts removed from the Capitol at the beginning of the project was not entirely owned by the State. Those artifacts that belonged to others have been returned to them. The AHCC plans to revise the Capitol's exhibition guidelines in their January work plan.

Monthly Meeting Schedule, *Commissioner Steve Hartgen*

Regular meetings are tentatively scheduled for 10:00 am on the third Wednesday of each month at the ISHS unless the Commission is touring the Capitol:

- February 4, Idaho Capitol Commission JFAC Budget Presentation
- February 18, in the JR Williams Basement Conference Room, meeting and tour
- March 18 (tentative), in the JR Williams West Conference Room
- April 15 (tentative), at Idaho State Historical Society

Adjournment

MOTION: Commissioner Erstad moved to adjourn the meeting. The second was by Commissioner Gallimore; the motion passed. The meeting adjourned at 1145 a.m.

Becky Henke, Communications Coordinator