
Idaho State Capitol Commission

Official Minutes February 9, 2018

A meeting of the Idaho State Capitol Commission was held on this date in Room WW17, Capitol Building, Boise, Idaho. Chairman Erstad called the meeting to order at 1:00 p.m.

Attendees

Members Present:

Andy Erstad, Chairman
Robert Geddes, Director, Department of Administration, and Secretary/Ex-Officio Member
Mary Symms-Pollot
Eric Milstead, Director, Legislative Services Office (LSO) and Ex-Officio Member
Representative Neil Anderson
Nancy Sue Wallace (via teleconference)
Janet Gallimore, Executive Director, State Historical Society (ISHS) and Ex-Officio Member
Senator Chuck Winder (at 1:45 pm)

Absent and Excused:

Brad Little, Lieutenant Governor

Others/Staff Present:

Keith Reynolds, Deputy Director and CFO, Department of Administration
Jan Frew, Administrator, Division of Public Works (DPW)
Barry Miller, Deputy Administrator, DPW
Kelly Berard, Construction Manager, DPW
Michelle O'Brien, Special Projects Coordinator, LSO
Michelle Wallace, Capitol Curator, ISHS
Chris Anton, Manager of Investments, Endowment Fund Investment Board (EFIB)
Michelle Watts, Fiscal Officer, EFIB
Diane Blume, Program Specialist, Department of Administration

Approval of Minutes

MOTION: Commissioner Symms-Pollot moved and it was seconded by Commissioner Milstead that the minutes of the August 16, 2017 Idaho State Capitol Commission meeting be approved as written. The motion passed.

Financial Report

Endowment Fund Analysis

Mr. Reynolds provided a *Permanent Endowment Fund Analysis* as of 12/31/17. The endowment is the source of funds for the commission's operations as well as repairs and maintenance of the capitol. He pointed out the beginning balance in FY16 at \$31,218,505 compared to the balance at the end of calendar year 2017 at \$37,519,326.

In FY17 land revenue was about \$605,000 representing timber harvest, he said, and the license plate earnings have continued to increase slightly year to year to about \$72,000. The Department of Lands fees came in at \$150,000 which is typical over the years. EFIB fees were \$147,249. Finally, he pointed out the balance for the *Reserve Fund*, which is transferable for expenditures, was \$4.9 million at the end of FY17.

Appropriated Funds

He addressed *Cash Flow Statements for the Appropriated Funds* and pointed out a transfer in FY18 into the *Capitol Maintenance Reserve Fund* from the EFIB of \$396,000. Of this, \$200,000 was transferred to the Commission's *Operating Fund* and \$196,000 was transferred for the capitol dome repair project. Expenditures out of the *Operating Fund* to date is \$83,008 representing commission expenditures and there is also a \$122,200 transfer to the State Historical Society for the curator program.

Appropriated Expenditures

The *Appropriated Expenditures* report as of 12/31/17 shows that \$172,221 has been spent year-to-date, he continued. Out of the *Operating Fund*, those expenses include \$8,000 for administrative support, \$1,074 miscellaneous expenses (predominately travel expenses), and \$73,934 for project costs. This fund still has plenty left over for more projects this year, he added.

Expended out of the *Capitol Maintenance Reserve Fund* to date is \$89,213 for costs associated with roof replacement on the domes. The total project is budgeted for \$196,000.

Project Expenditure Report

The *Project Expenditure Report* shows what has been spent on projects in FY17 and as of 12/31/17 in FY18 from both the *Operating Fund* and *Maintenance Reserve Fund*, he explained.

	FY 2017 Expenditures	FY 2018 Expenditures (YTD)
Project Expenditures - Operating Fund		
Projects Approved by the Commission:		
Jefferson Steps Analysis	20,312	24,259
Window Glazing Analysis	-	8,043
Repair of WW 17 Conference Table	-	9,098
DPW Discretionary Projects - \$100K limit:		
Review of Lighting System	5,500	-
Directory Repair	585	-
Bird Netting	24,163	-
Jefferson Steps Caulking	-	22,812
Garden Level Camera	-	3,044
Glass Light Globes	-	519
LED Flood Lights	-	1,090
Garden Level Door Repairs	-	1,390
Window Laminate Repairs	-	3,678
Total DPW Discretionary	30,248	32,533
Total Approved Operating Fund Projects	50,560	73,934
Project Expenditures - Maintenance Fund		
Capitol ADA Compliance	258,034	-
House Modifications East Wing	47,300	-
Chamber Dome Repair	-	89,213
	305,334	89,213

Idaho Endowment Fund Update

Chris Anton, newly appointed Manager of the EFIB provided an overview of the mission of the Board, and the endowment performance over the last sixteen years. In 2017, he explained, the annual gross fund return was a strong 12.9% and over the last ten years the annualize fund return has been solid.

For the first six months in FY18 investments are up 8.2%. Over the last year there has been global growth, very low interest rates, modest inflation, growing corporate profits, and an anticipated boost in stimulus from the US tax reform. Valuations were stretched reaching 17.1% during the calendar year and the federal government has begun the process of normalizing interest rates. The Capitol Permanent Endowment Fund and Capitol Reserve Fund, he said, ended the calendar year with balances of \$30.7 million and \$6.2 million respectively.

To highlight changes over the last week, he explained that after 15 months of growth there was finally some volatility. Nevertheless, the EFIB portfolio is still up 5.9% (which is 2.3% less since December 31st). He said the Board doesn't think the decline is reflective of any

fundamental change in risk or economy—there’s just been a lot of tactical moves in the marketplace, he explained. The economic data continues to exceed expectations. Employment data is strong, wages continue to grow, and congress is talking about things that will make the economy grow such as additional military and infrastructure spending. There are some concerns that interest rates and inflation are picking up but the magnitude of the increases are unlikely to stall the economy in the near term. The Board feels positive about the year and plans to discuss the Capitol Commission’s FY19 distribution at its meeting on May 15th.

Public Outreach / Art, History & Culture Committee

Status Report

Committee Chair, Commissioner Gallimore, reviewed the capitol exhibits now on display. The state archives’ historic photographs are exhibited in the Garden Level throughout the session, she said. Currently displayed in Statutory Hall are the Capitol Historic Trees Objects (rotating exhibit) which will be changing soon, the Idaho Commission on the Arts: ArtsGrowLearning exhibit, and the Idaho Veterans exhibit.

Idaho Day is planned for March 5th this year, she continued. The theme is “Idaho Remembers”, featuring veterans and WWI. The program will be held in the Lincoln Auditorium and 1st floor rotunda.

Doug Petcash will be the moderator and the program will include the Idaho Army National Guard Honor Guard and 25th Army Band. A Governor’s proclamation will be read and Josh White, a Renaissance High School Student and National History Day in Idaho winner, will speak about his opportunity to study in Normandy about WWII.

Director Geddes added that the House and Senate have purchased a large Idaho flag to hang in the rotunda in honor of Idaho Day.

The Capitol Light Post Banners were installed in early January, she continued, and revolve around Idaho WWI images and veterans in honor of the 100th Anniversary of the Armistice.

Capitol Curation Program FY2018

She explained there are four program areas of the curator program. The first is general on-going services such as moving art around the capitol and taking care of things in individual legislative and tenant-agency offices. The program also provides management of the capitol collection and what goes in and out of the building. This is a separate collection from the museum collection, she noted. Additionally, it oversees the capitol exhibits both permanent and changing, and other projects such as updating the capitol guidelines, for example.

Design and Construction Committee

Committee Chair, Commissioner Milstead pointed out the newly rebuilt conference table in the meeting room (WW17). He also mentioned the cellphone upgrade at the capitol was completed just prior to session and it's working well, he added.

Project Updates

ADA Improvements

Mr. Miller pointed out the Justice Department has reviewed and accepted all ADA corrections made to those items it identified for improvement. In the meantime, however, the Attorney General's Office had a call station added outside its locked entrance that is too high to be ADA compliant. He said staff is close to a solution for this issue. There was also a complaint regarding ADA seating in the legislative gallery as well as in the Lincoln Auditorium. After review, the seating was deemed to be compliant but the Justice Department did ask that explanatory signage be added.

Glazing Issue

The state's glazing expert as well as experts for both the contractor and the glazer have completed their testing and are now in the process of writing reports, which should be received in about a month, he reported. The Attorney General's Office is now identifying dates for settlement discussions and anticipates an executive session of the commission within the next month to discuss the issue prior to these discussions.

Expansion Cracks

There are two areas experiencing cracking, he continued. One area is in the wall under the skylights in the garden level and the other is in marble flooring in various locations. Structural engineers were hired to review and confirm there are not significant structural issues. They responded that the building is experiencing normal settlement.

The cracking of gypsum board in the long wall span will be addressed by installing expansion joints. The joints will allow movement to occur, but in specific locations. Cracks in the marble flooring have not created a tripping hazard, he said. The Design and Construction Committee determined those cracks be monitored for the time being to make sure there is no further separation.

Copper Roofing on Chamber Domes

This project is now complete, he said at a cost of \$191,261, which is slightly under budget. Over time wind and sand wore the copper very thin causing cracks and leakage. Very little wood rot underneath was discovered.

Exterior Wall Wash Lighting

Light fixtures were replaced after the department purchased all that were available. Further consideration of this project will be done now that it has been discovered that the lighting system is connected to a control panel that has been experiencing problems. This control system is listed on the 15-year project list, discussed later in the meeting.

Dedication Plaques

No progress has been made on replacement of these plaques, he reported.

Transformer Replacement

The transformer replacement project came about suddenly and serves emergency services within the building, he explained. Staff noticed it was experiencing problems right before the session started. To approve expenditure for replacement, the Design and Construction Committee scheduled a special meeting. The estimate was \$11,000 but actual costs were \$12,800 because it was discovered wire conductors to the transformers were compromised. There was arcing in the wire that melted some of the insulation. It was fortunate the transformer was replaced when it was, he said. Conductors were stripped of the insulation and copper sold for over \$400 which helped offset the cost for the conductors.

Bell Yoke

Wood that encases the steel bell yoke, located in front of the capitol was replaced. Estimated cost was \$5,000 and actual cost was \$3,300, he said.

Anchoring of Door Jambs

The heavy double doors that enter meeting rooms in the garden level have had some binding issues and have begun to sag, he explained. To remedy the problem a contractor was hired to tear off door casings revealing that the doors were braced in only a couple of spots. Consequently, additional anchoring was done. The same problem has occurred in some exit doors in stairwells and will be addressed after the session is over.

Approval of FY19 Projects

15-Year Look Ahead Schedule

Mr. Miller presented a document listing anticipated projects through FY33 as a plan to keep the capitol in pristine condition. It will aid in anticipating expenditures of available funds, as well as the use of the limited timeframe for projects between legislative sessions.

In creating the document, he said, he elicited help from the department's maintenance craftsmen who work with the capitol systems on a daily basis. They were able to provide

the condition status as well as what should be anticipated going forward to avoid catastrophic failures of systems.

He suggested the commission authorize the Design and Construction Committee to move forward with the list of projects designated for FY19, which include:

Fire Alarm	\$ 60,000
Fall Protection Upgrades	\$ 40,000
Drywall Expansion Joints at Garden Level	\$ 10,000
Anchoring Door Jambs – Miscellaneous Exit Doors	\$ 7,000
Lighting Control System (originally on FY20 project list)	<u>\$ 75,000</u>
	\$192,000

He noted the fire alarm system has been experiencing quite a few trouble alarms, which caused the building to be evacuated a couple of times. Replacing the system would bring it up to code by including some voice notification in various areas where it is lacking.

The Division of Building Safety has noted inadequate fall protection on the capitol roof. During the session one of the department's maintenance employees is sent out on the roof to raise and lower the flags on a daily basis, and it gets quite slick in the winter months, he said.

MOTION: Commissioner Symms-Pollot moved and it was seconded by Commissioner Wallace that the commission approve all of the five projects recommended to be done as soon as possible utilizing appropriated funds. The motion passed unanimously.

Other Business

Next Meeting of the Commission

The Commission will conduct its next official meeting in August, but will meet at some time in the interim for an executive session to discuss the glazing project.

Adjournment

MOTION: Commissioner Anderson moved and it was seconded by Commissioner Symms-Pollot that the February 9, 2018 meeting of the Idaho Capitol Commission be adjourned at 2:00 pm.



Diane K. Blume, Program Specialist
Department of Administration