



# MINUTES

## Capital Projects Committee of the Legislative Council

February 14, 2006 Second Meeting of the 2005–2006 Biennium

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### MEMBERS PRESENT:

Senator, Tom Courtney  
Chairperson  
Senator Jeff Angelo  
Senator Robert Dvorsky  
Senator John P. Kibbie  
Senator Mark Ziemann

Representative Libby Jacobs,  
Vice Chairperson  
Representative Bill Dix  
Representative Chuck Gipp  
Representative Pat Murphy  
Representative Janet Petersen

## MEETING IN BRIEF

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- I. Procedural Business.
- II. Wallace State Office Building.
- III. Land Acquisition at the Capitol Complex.
- IV. Materials Filed With the Legislative Services Agency.



## Capital Projects Committee of the Legislative Council

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### I. Procedural Business.

**Attendance.** In addition to the members listed, Senator Joe Bolkcom, Representative Todd Taylor, and Representative Ralph Watts attended the meeting.

**Meeting Times.** The second meeting of the Capital Projects Committee for the 2005-2006 biennium was convened by Chairperson Courtney at 12:05 p.m. in Senate Committee Room 22 of the Statehouse. The meeting was adjourned at 1:02 p.m.

### II. Wallace State Office Building.

**Overview.** Ms. Mollie Anderson, Director of the Department of Administrative Services (DAS), reviewed the recommendations of the Governor's Property Management Advisory Committee that had been discussed at the previous meeting of the Capital Projects Committee. The advisory committee considered nine options regarding the Wallace Building. The advisory committee's recommendation is to construct a replacement building on an alternate site on the Capitol Complex, to include additional office space in the replacement building so that state employees currently housed in leased space can be housed in the replacement building, and to demolish the Wallace Building once the replacement building is running. The advisory committee recommendations are included in a packet of materials distributed by Director Anderson.

**Presentation.** Mr. Dean Ibsen, DAS, provided a "virtual tour" of the Wallace Building using television images. Problems with the building include the following: wasted space, open design causes the building to be very noisy with sound traveling between floors, roofs need to be replaced, water pipe leaks in restrooms and other areas, some mold, office spaces are not uniform, and employees are tightly packed. The exterior walls are made of a glazed block that has problems and should be replaced if the building is not demolished. Some of the custom features of the building make repairs costly, for example, the windows can only be obtained from a vendor in Germany.

#### Member Questions.

- **Parking.** Senator Angelo inquired about the use of the parking structure attached to the Wallace Building. Mr. Ibsen responded that most employees park in the new parking structure across the street, but the attached parking provides handicapped parking convenient to the building. On February 13, chunks of concrete fell from the floor of the upper level attached parking into the bottom level, so the attached parking structure was closed pending the results of an engineering evaluation. Director Anderson noted that the department has deferred making significant investments in repair of the building pending a decision by the General Assembly on the future of the building.

- **Near Future.** Senator Zieman inquired about the use of the Wallace Building in the near future. Director Anderson said that the recommendation proposes using the building for two to three more years while a new building is constructed. In response to a question from Representative Petersen, Director Anderson related that the state currently expends \$8 million annually leasing office space for state agencies in the Des Moines area.



- **Space Planning Study.** Vice Chairperson Jacobs inquired whether the state has completed a space planning study. Mr. Ibsen indicated that the latest study was completed in 2000; however, the employee count is not very different from the study.
- **Wallace Building.** There were several specific questions regarding the Wallace Building, including how space is used, and lessons learned. Director Anderson related that the current process for developing state buildings incorporates life cycle costs such as utilities and maintenance that can significantly affect the level of expenditures needed over the period of time a building is used.

**Consideration of Recommendation.** Representative Petersen inquired whether the Committee would consider making a recommendation regarding the future of the Wallace Building. Director Anderson related that such a recommendation would be helpful for planning. Senator Angelo suggested that the Committee should be aggressive in identifying a course of action, noting that the Governor included funding for planning to replace the Wallace Building and the terrace project on the west side of the Statehouse in the executive branch budget proposal. Because of the short time remaining for this meeting, the members resolved to revisit this question at the next meeting.

### III. Land Acquisition at the Capitol Complex.

**Overview.** Director Anderson noted that the advisory committee identified a need for a funding source in order for DAS to be able to purchase land in the vicinity of the Capitol Complex when it becomes available. She related examples where property owners contacted the state about their willingness to sell property, but the state was unable to respond because of lack of funds. On several occasions the land was sold later, often at a much higher price than originally offered to the state. An approach in which a specific appropriation or specific amount is set aside for property purchases can put the state at a disadvantage in negotiations when the seller knows the specific amount the state has available to spend.

**Discussion.** Representative Murphy wondered whether such property purchases could be addressed by the Legislative Council using an appropriation available to the General Assembly. Mr. Dennis Prouty, Director of the Legislative Services Agency, was asked to respond. Director Prouty indicated that the General Assembly's appropriations have been authorized by the Legislative Council for projects with a legislative connection to the Statehouse. Funding for land and other buildings located at the Capitol Complex is typically under the purview of the Joint Appropriations Subcommittee on Transportation, Infrastructure, and Capitals. Representative Jacobs inquired whether an appropriation transfer could provide the funding needed.

There was significant interest among Committee members in considering options to provide a funding source that addresses the concerns raised by Director Anderson. Senator Zieman asked Director Anderson to offer options for financing and partnering at a future meeting. The members would like to hold a meeting before the Joint Appropriations Subcommittee on Transportation, Infrastructure, and Capitals completes deliberations during this legislative session.



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### **IV. Materials Filed With the Legislative Services Agency.**

The following packet of materials was distributed at the meeting. The packet was filed with the Legislative Services Agency and is appended to the electronic version of these minutes posted on the Internet under:

<http://www.legis.state.ia.us/asp/Committees/Committee.aspx?id=45>

The packet is 66 pages long and includes the following parts:

1. An overview containing the recommendations of the Governor's Property Management Committee.
2. A detailed timeline and expenditure plan to address various options for the Wallace Building, a set of frequently asked questions (FAQs) regarding the Wallace Building in general, consultant recommendations, and maintenance and management issues.
3. A set of published newspaper editorials, articles, and letters to the editor regarding the Wallace Building.
4. Information concerning federal Americans With Disabilities Act (ADA) state compliance activities, including examples of accessibility projects completed at the Statehouse, meeting notes from the state's ADA Advisory Committee, and a comprehensive listing of the state's ADA projects completed or underway FY 2001-2006.
5. Advertising materials and Polk County Assessor listings of properties located in the vicinity of the Capitol Complex.

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