



# Capitol Buildings Planning Commission

JANUARY 2006

## 2005 ANNUAL REPORT

*Legislative Council Service  
411 State Capitol  
Santa Fe, New Mexico*

**CAPITOL BUILDINGS  
PLANNING COMMISSION**

**2005  
ANNUAL REPORT**

# **CAPITOL BUILDINGS PLANNING COMMISSION 2005 ANNUAL REPORT**

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# **ANNUAL REPORT**

# **CAPITOL BUILDINGS PLANNING COMMISSION 2005 ANNUAL REPORT**

**JANUARY 10, 2006**

## **Introduction**

Created by the legislature in 1997 to study and plan for long-range facilities needs of state government (in Santa Fe in the original legislation), the capitol buildings planning commission's (CBPC) statutory responsibility was to review prior long-range facilities needs assessments and develop an initial master plan for state facilities. The commission was also required to continue to update the master plan and report annually to the legislature. In this regard, the initial master plan for state facilities in Santa Fe was completed in 2000 and implemented throughout 2001 and 2002. In 2002 the statute authorizing the CBPC was amended to extend the commission's authority to include the Albuquerque area in the overall master plan, and by the end of the 2005 interim, the commission heard a report from the contracted master plan consultants regarding completion of questionnaires and interviews for most state departments and agencies located in the Albuquerque area, updating of planning drivers and opportunities and development of a preliminary summary.

The commission is composed of 11 members consisting of four members of the legislature, the secretary of general services (GSD), the staff architect of the property control division (PCD), the secretary of transportation (DOT), the secretary of cultural affairs (CAD), the secretary of finance and administration (DFA), the commissioner of public lands and the chairman of the supreme court building commission or their respective designees. Representative Ben Lujan, speaker of the house, and Edward Lopez, secretary of general services, continued to co-chair the commission during the 2005 interim<sup>1</sup>.

The legislative council service, in coordination with GSD, provides staffing assistance for the commission.

The commission is pleased to submit its annual report to the legislature and the governor.

## **History and Status of Programs of Major Focus**

In 1999, the commission endorsed a bill to fund a master plan and a repair-and-replacement study. The initial process developed a long-range facilities master plan for all state agencies in Santa Fe, breaking the plan up into sub-master plans for the five main campuses identified at the time. Additionally, the initial study validated the existing long-range space needs plan and

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<sup>1</sup> Other commission members serving during the 2005 interim included Senator Joseph A. Fidel, Senator Stuart Ingle, Representative Ted Hobbs, DFA Secretary James Jimenez, CAD Secretary Stuart Ashman, DOT Secretary Rhonda Faught, State Land Commissioner Patrick Lyons, AOC Director Gina Maestas and Antonio Pares, staff architect, property control division of GSD.

developed an inventory and evaluation of existing state-owned building systems and a plan for long-range repair, renovation and replacement with an anticipated life-cycle rating schedule for existing state-owned buildings. The plan developed alternatives; strategies; site master plans identifying capital needs, costs and ongoing facility management requirements; and potential funding mechanisms to address one of the major considerations emerging from the initial master plan: to reduce the amount of space that the state leases.

In 2001, the legislature, in response to the commission's work, authorized and funded two companion bills for the purpose of acquiring property and buildings in Santa Fe.

**Senate Bill 182 (Laws 2001, Chapter 166)** authorized the PCD of GSD to acquire various office buildings and land in Santa Fe county for use as state office buildings as recommended in the master plan. The bill authorized the New Mexico finance authority (NMFA) to issue up to \$75 million in revenue bonds for the purchase of the properties.

Additionally, **Senate Bill 214 (Laws 2001, Chapter 199)** created a financing source for the state office building acquisitions in the State Office Building Acquisition Bonding Act.

This act earmarked a distribution of state gross receipts tax, up to \$500,000 per month, to buy and build state office buildings and authorized the NMFA to sell state office building tax revenue bonds to acquire the state office buildings authorized in Senate Bill 182. The NMFA issued the first series of the state building acquisition revenue bonds, totaling approximately \$34.7 million, on December 13, 2001.

The PCD and the NMFA continue to implement of the provisions of both Senate Bill 214 and Senate Bill 182, and as of January 10, 2006, the status of the specific buildings and properties authorized to be acquired is as follows:

#### **West Capitol Complex**

Project status: The building was renamed the Toney Anaya building and now houses the regulation and licensing department and the aging and long-term services department.

#### **National Education Association (NEA) Building**

Project status: Acquisition was on schedule. NEA temporarily leased office space from the state and vacated in August 2005. The building was renamed the Concha Ortiz y Pino building and houses the office of the state engineer and homeland security office .

#### **Purchase of Land on Cerrillos Road in Santa Fe, Located Adjacent to the DOT District 5 Office**

Project status: The 2004 legislature amended Laws 2001, Chapter 166 to expand the Jaguar Road definition. The amendments increased the available property that could be considered for purchase and required that necessary infrastructure be in place. The purchase of subject property, adjacent to the public safety campus in the Valdes industrial park, was approved by the state board of finance on January 10, 2006.

### **Purchase of the Public Employees Retirement Association (PERA) Building**

Project status: In December 2004, a negotiating group was appointed from the commission to meet with a negotiating group from the PERA board. A meeting was held on January 3, 2005 to continue discussions regarding the purchase of the PERA building by the state. Representatives from the commission and the PERA worked throughout the 2005 interim to establish and implement a proposed process to be followed regarding the purchase of the PERA building. The commission heard testimony during its December meeting that agreement had been reached on the base price for the value of the PERA building and land. However, a decision by PERA on what state property to select for its new facility is still pending.

**Senate Bill 332 (Laws 2004, Chapter 123)** grandfathered into statute those cultural affairs projects that were authorized in 2003 using intercept funds for the state building bonding fund, but returned the purpose of the law to its original language from 2001. Also, the bill appropriated \$250,000 to provide for master plan funding and annual updates.

### **2005 Legislation Affecting the Work of the CBPC**

The 2005 legislature approved Senate Joint Resolution 17, which provided the necessary legislative ratification to sell or trade any property it owns in Santa Fe county to PERA if PERA sells.

The 2005 legislature passed, and the governor signed into law, the following bills during the 2005 legislative session:

- House Bill 1045 (Laws 2005, Chapter 147) authorized the PERA board to acquire land and construct a new building to house the association if the existing PERA building is sold. This measure also provided authority to use the proceeds of the sale of the existing PERA building to design and construct a new building for PERA, which will be held as a trust asset in PERA's name.
- Senate Bill 289 (Laws 2005, Chapter 320) authorizes the PCD of the GSD to spend bond proceeds to plan, design, construct and equip a parking structure in the central capitol campus in Santa Fe, contingent upon approval from the CBPC and in conformance with the CBPC-approved master plan, and authorizes partial funding for a replacement facility for the state laboratory on the university of New Mexico (UNM) campus in Albuquerque. The commission heard testimony during the 2005 interim that the tri-labs purchase agreement had been drafted and the site selected is on the UNM campus near Carrie Tingley hospital, which will provide the labs with access to Interstate highway 25.

### **Other Areas of Review and Study**

Other areas of review and study addressed in 2005 include the following:

**Villagra Building:** General construction is completed and, as of January 2006, the office of the attorney general has begun Phase I of the three-phase moving-in process.

**Parking Needs in Santa Fe:** The GSD-implemented parking plan that redesigned existing parking lots to create more spaces proved to be very beneficial during the 2005 session and appears to provide some much-needed parking spaces while a permanent parking solution is being planned. Pursuant to Laws 2005, Chapter 320, the legislature funded a parking structure.

**Labor Department Building:** GSD has advertised for requests for interest (RFIs) for the sale of this property, which was authorized to be sold by the 2005 legislature.

**Master Plans:** After the current master plan consulting contract to update the Santa Fe master plan and to proceed with the Albuquerque master plan was awarded to the Architectural Research Consultants–Dekker/Perich/Sabatini Association (ARC), commission and ARC staff developed the project organization, including scope of work and a project schedule, for the commission's approval and direction. Initial planning efforts for the Santa Fe area update focused on the Santa Fe master plan with the acquisition of the PERA property continuing to be a top priority of the commission. To the update of the Santa Fe plan, ARC is in the process of identifying supply-and-demand factors and the state's current office leases, conducting state agency interviews and updating a database of Santa Fe facility occupancy and ownership. ARC initially focused its work on the supercomplex option at the commission's request.

For the Albuquerque area, the focus of initial planning began in early 2005. Also part of the update presented by ARC in December were preliminary findings that outlined categories of need and development considerations focused on situations peculiar to master planning state government facilities in the Albuquerque area along with a summary of unfunded deficiencies identified in state-owned buildings in both Santa Fe and Albuquerque. The planning team is addressing this directive as part of its continuing work.

At the December meeting, commissioners heard testimony regarding establishment of a process and procedures to transition the administration of facilities master plan support to PCD. The consultants recommended that PCD should be the "home" for master planning and implementation coordination activities because PCD has staff with professional expertise and experience in planning, design and construction and PCD has statutory responsibility for design, construction and management of state and leased facilities; currently, however, PCD has no staff available for additional master planning responsibilities.

The commission heard further testimony that PCD authorized staffing has been at 28 full-time equivalents (FTE) since 1990, and over the past three years, PCD has averaged a 20 percent vacancy rate, probably as the result of both budget constraints and recruitment challenges because of non-competitive salaries. In addition to its existing duties in 1990, PCD has been responsible for capital planning, vacated facilities, both Fort Stanton and Fort Bayard, assignment of space for state agencies, assisting exempt agencies, staffing the capitol buildings planning commission, oversight of field office leases and providing project management liaison services. Turnover in project management/project support staff has been at 80 percent (12 out of

15 positions) over the past two years. During that period the state has placed in service or constructed an additional 876,000 gross square feet, while those facilities that have been divested or are in asset preservation have amounted to 503,000 gross square feet. PCD's current workload includes 175 projects totaling \$144 million with the majority of projects being small. Commissioners were told that both small and large projects have the same start-up documents, time management and design details.

**Department of Transportation Facility:** DOT has been working independently of the commission master plan efforts to find a way to convert the department's most valuable asset, the headquarters site on Cerrillos road, into a new headquarters building. During the 2005 interim, DOT reported to the commission that it is moving forward with its transit-oriented design/development (TODD) with key concepts that include mixed uses (retail, housing and office space, for example) and multimodal transit components. DOT's intention is to have a private developer build a new DOT headquarters facility at no cost to the state somewhere on the DOT land to the west of the south capitol complex. DOT would move some functions now located at the headquarters site, such as the sign shop, to its land off south Cerrillos road. The remaining land would then be turned over to the developer to develop as it sees fit. Commissioners emphasized that the state is open to participation to complement the TODD project, particularly in relation to the potential location of the proposed supercomplex. At the request of the commission, DOT included an amendment to its TODD RFP that would contemplate the possibility of including GSD-controlled property in phase II. At the commission's December meeting, DOT reported that it has received two responses to its request for proposals, both of which are still being evaluated.

DOT also reported to the commission that it intends to move its district 5 offices from its current 43-acre location because the functions located in the district 5 facility require at least 50 acres. The agency has received one response to its RFP to relocate the district 5 facility.

Commissioners stressed the importance of including ARC in these development discussions to ensure the plans are in line with the policies of the state and the direction of the Santa Fe master plan.

**Human Service Agencies Supercomplex:** The commission heard testimony regarding the establishment of a supercomplex to house state agencies that deal generally with human services, including the human services department, department of health, children, youth and families department and the aging and long-term services department. The labor department is a possible secondary occupant. The preliminary goals would be to consolidate the agencies for operational and functional efficiencies and ultimately, through co-location, to generate synergy, to allow one-stop-shopping for services and to realize economic efficiencies through economies of scale and asset-sharing. The consultants reported that their work during the past year had focused on interviewing representatives from agencies that would be involved and determining space needs, particularly in terms of which components of each department would benefit from the co-location. The consultants noted that some field service functions would need to remain in locations close to their clients and did not yet make any recommendations for location of the supercomplex.

**Albuquerque Court of Appeals Building:** The commission heard a presentation from the state court of appeals that proposes an Albuquerque court of appeals building to be located on the UNM campus near the school of law. The supreme court building currently houses the supreme court, court of appeals and administrative office of the courts and has no room for expansion even though the space needs of the courts continue to grow. The commission heard testimony that the costs for construction of the court would not include land costs and that UNM would provide a long-term lease. Also the proximity to the law school would provide the court access to the school's library, and Albuquerque's centralized location would be an added convenience for the residents of New Mexico who use the court of appeals. The building is estimated to cost just over \$12 million, including modern court security standards and furniture.

The commission also heard testimony about the effect of relocation of the court on its employees. Commissioners learned that a majority of court of appeals employees commute from Albuquerque and are in favor of the proposal. A limited court of appeals presence would be maintained in Santa Fe so that employees who live in the Santa Fe would not have to commute or relocate. Timing of construction of the building would depend upon the UNM board of regents' decision on where to locate the building.

**Repair of Historic Buildings Under the Cultural Affairs Department:** Commissioners were reminded that, on the commission's recommendation, legislation had been enacted two years ago to eliminate CAD's access to bond proceeds for maintenance and repair funds. According to the CAD secretary, the department currently has 53 buildings statewide (soon to be 60), many of which are not under the control of the PCD of the GSD. More than \$13 million in deferred maintenance needs have been identified for these buildings. The secretary requested the commission to consider drafting legislation to create a fund for historic CAD buildings in Santa Fe that are in need of maintenance and repair.

**Construction Cost Overruns:** The commission heard testimony that all current, ongoing building projects are being adversely affected by construction cost increases because of unforeseen increases in the prices of cement, steel and other materials. Commission members learned that construction prices had increased between 10 and 30 percent in 2004 and by another 10 percent in 2005, with continued increases projected to be between 3.5 and 8 percent over the next three years. It was recommended that the commission consider supporting a special appropriation to pay for these cost overruns.

Attachments:

Recommendations for 2006 Legislation

CBPC Statutory Authority

2005 Agendas and Minutes: Capitol Buildings Planning Commission Meetings

Capitol Buildings Master Plan Update, December 2, 2005

**CBPC  
RECOMMENDATIONS  
FOR 2006  
LEGISLATION**

**2006 LEGISLATIVE INITIATIVES**  
**Approved by the Commission, January 10, 2006**

1. Appropriate \$565,000 from the general fund to the property control division of the general services department for FY 2006 and FY 2007 to establish a master planning and asset management function for the needs of state government facilities under the purview of the capitol buildings planning commission and obtain associated hardware and software to maintain an updated master plan.
  
2. Appropriate \$7,775,000 from the general fund to the cultural affairs department for expenditure in FY 2006 and FY 2007 for maintenance and repairs of state museums and monuments.
  
3. Appropriate \$10,000,000 from the general fund to the board of finance for expenditure in FY 2006 through FY 2009 to pay for cost overruns, due to unforeseen increased prices of cement, steel or other materials in ongoing capital outlay projects on state buildings.

# **STATUTORY AUTHORITY**

**ARTICLE 10**  
**Capitol Buildings Planning Commission**

**Section**

15-10-1 Capitol buildings planning commission created.

**15-10-1. Capitol buildings planning commission created.**

A. The "capitol buildings planning commission" is created to study and plan for the long-range facilities needs of state government in Santa Fe and Albuquerque. The commission shall review prior long-range facilities needs assessments and develop an initial master plan for the state facilities in Santa Fe and Albuquerque.

B. The commission shall be composed of four members of the legislature, two from each house, appointed by the New Mexico legislative council, the secretary of general services, the New Mexico staff architect, the secretary of highway and transportation or his designee, the state cultural affairs officer or his designee, the secretary of finance and administration or his designee, the commissioner of public lands or his designee and the chairman of the supreme court building commission or his designee.

C. The legislative council service shall provide staff for the commission in coordination with the staff of the general services department.

D. The commission shall meet regularly and shall report annually to the legislature on an annual update of the master plan for the long-range facilities needs of state government in Santa Fe and Albuquerque.

**History:** Laws 1997, ch. 178, § 5; 2002, ch. 69, § 1; 2003, ch. 110, § 1.

**The 2002 amendment,** effective May 15, 2002, inserted the references to Albuquerque in Subsections A and D; and inserted "regularly" in Subsection D.

**The 2003 amendment,** effective June 20, 2003, inserted "the secretary of highway and transportation or his designee, the state cultural affairs officer or his designee" following "New Mexico staff architect" in Subsection B.

# **2005 AGENDAS AND MINUTES**

Revised: August 2, 2005

**TENTATIVE AGENDA  
for the  
CAPITOL BUILDINGS PLANNING COMMISSION**

**August 3, 2005  
Room 317, State Capitol**

**Wednesday, August 3**

10:00 a.m.

**Call to Order**

- Representative Ben Lujan, Speaker of the House
- Ed Lopez, Jr., Secretary, General Services Department

**Adoption of the January 13, 2005 Meeting Minutes**

**Status of the Albuquerque/Santa Fe Master Plan**

**Update of 2005 Legislative Session**

- Paula Tackett, Director, Legislative Council Service

**Status of the Transit-Oriented Development**

- Rhonda Faught, Secretary, Department of Transportation

**Court of Appeals — Proposed Albuquerque Court Building**

- The Honorable Michael Bustamante, Chief Judge, New Mexico Court of Appeals
- The Honorable James Wechsler, Judge, New Mexico Court of Appeals

**Status of the Property Control Division Projects**

- Villagra Building
- PERA Building
- Tri-Labs
- Agency Locations and Relocations
- Parking Status Report

**Public Comment**

**Other Business**

**Adjourn**

**MINUTES  
of the  
CAPITOL BUILDINGS PLANNING COMMISSION**

**August 3, 2005  
State Capitol  
Santa Fe**

The capitol buildings planning commission (CBPC) meeting was called to order by Representative Ben Lujan, speaker of the house of representatives, and Secretary Ed Lopez, Jr., of the general services department, co-chairs, on Wednesday, August 3, 2005, at 10:15 a.m. in room 317 of the state capitol.

**PRESENT**

- ◆ Representative Ben Lujan, Speaker of the House, Co-Chair
- ◆ Edward Lopez, Jr., Secretary, General Services Department (GSD), Co-Chair
- ◆ Senator Joseph A. Fidel
- ◆ Senator Stuart Ingle
- ◆ Robert Apodaca for James Jimenez, Secretary, Department of Finance and Administration (DFA)
- ◆ Stuart Ashman, Secretary, Cultural Affairs Department (CAD)
- ◆ Rhonda Faught, Secretary, Department of Transportation (DOT)
- ◆ Joyce Pankey for Patrick Lyons, Commissioner, State Land Office (SLO)
- ◆ Jeff Varela for Gina Maestas, Administrative Office of the Courts (AOC)

**ABSENT**

- ◆ Representative Ted Hobbs

**STAFF**

- ◆ David Hadwiger, Legislative Finance Committee (LFC)
- ◆ Elizabeth Holmes, Legislative Council Service (LCS)
- ◆ Pat McHenry, GSD
- ◆ Ron Segura, LFC
- ◆ Paula Tackett, Director, LCS
- ◆ Bill Taylor, GSD

Speaker Lujan and Secretary Lopez welcomed commission members. The minutes from the January meeting were approved.

**Status of the Albuquerque and Santa Fe Master Plans**

John Petronis and Andy Aguilar, master plan consultants, provided the commission with an overview, background and history of the Albuquerque and Santa Fe master plans. The consultants explained that they had developed and distributed an online questionnaire to 46 state departments and divisions in Santa Fe and Albuquerque as a means to compile baseline information for its planning team. The questionnaire included general information such as

contact information and basic functions of each agency, existing space use, staffing numbers and location, future program and services needs, locations and functional physical issues. In addition, the consultants interviewed agencies to discuss the questionnaire and tour the facilities. Currently, a web-based database is being developed to compile the results of the agency information and will be synthesized for discussion with the commission.

As directed, Mr. Petronis focused on the supercomplex, a plan to consolidate human service agencies into one location. The preliminary goals are to consolidate the agencies for operational and functional efficiencies. The supercomplex aims through co-location to generate synergy, allow one-stop-shopping for services and realize economic efficiencies through economies of scale and asset sharing. The agencies considered to occupy the supercomplex because of shared commonalities are the department of health, human services department, children, youth and families department and aging and long-term services department. The labor department is a possible secondary occupant. Other potential occupants will be determined during the supercomplex planning.

In preliminary planning of the supercomplex, Mr. Petronis shared with the commission the difficulty of housing administrative and field operations together. Separating field offices would lower the state's need for space and leased space. Also, field offices are often located separately because they have a specific function with special public access requirements. Administrative functions have less public interface requirements. The separation of field activities and administrative functions may be desirable for security purposes, but there must be good coordination between administrative functions and field staff if they are at different locations.

Mr. Petronis reminded the commission that many of the space problems facing the state are due to agencies that are located in spaces without expansion potential. He suggested the commission consider agency relocations to state complexes that have growth potential, such as the south capitol complex.

Upon questions from Jeff Varela, AOC, the commission discussed why the DOT is not included in the Albuquerque and Santa Fe master plan. Secretary Faught explained that although DOT was included in the original master plan, the plans for the department have changed and the department has moved ahead with its plans to design and construct a transit-oriented development to address her department's needs.

It was felt that it is a good idea to consolidate these functions and agencies and the south capitol complex should be considered in the context of the DOT's plan.

Other questions from commission members included the elimination of the need to lease space in Santa Fe by state agencies, the process used by the consultants to determine the number of employees in agencies and the need to provide access to state agencies for both employees and the general public.

In looking at space location from an objective basis, the consultant stated that how the state has decided where to put buildings is not as much a result of planning as it has been need and opportunity. He encouraged the state to plan for space that assumes fully staffed agencies even

though there is often a two to five percent vacancy rate within state agencies. This allows for some flexibility and some expansion potential. The commission directed the consultants to focus their efforts on the Albuquerque master plan.

### **Update of the 2005 Legislative Session**

Ms. Tackett reported on legislation proposed by the commission during the 2005 legislative session. House Joint Resolution 9 (Constitutional Amendment 2 (CA 2)) passed the legislature and will be sent to the voters in the fall of 2006 for approval. CA 2 would allow the state and school districts to enter into lease-purchase agreements. The amendment to House Bill 1045 (Laws 2005, Chapter 147) authorizes the public employees retirement association (PERA) board to construct a new office building and allows the state to buy the PERA building. Senate Bill 289 (Laws 2005, Chapter 320) allows the state to construct a parking structure in Santa Fe and construct and equip a state laboratory facility, as well as providing funding for other state facilities.

### **Proposed Albuquerque Court of Appeals Building**

The Honorable Michael Bustamante, chief judge of the New Mexico court of appeals, and the Honorable James Wechsler, judge of the New Mexico court of appeals, briefed the commission on the proposed construction of an Albuquerque court of appeals building to be located on the university of New Mexico's (UNM) campus near the school of law. The supreme court building currently houses the supreme court, court of appeals and AOC. The building has no room for expansion, while the space needs of the courts continue to grow. Chief Judge Bustamante told the commission that the costs for construction of the court do not include land costs, and UNM would provide a long-term lease. Also, the proximity to the law school would provide the court access to the school's library, and Albuquerque's centralized location would be an added convenience for the residents of New Mexico who use the court of appeals. The building is estimated to cost just over \$12 million, including modern court security standards and furniture. The initial possible sites include the county health office across from the law school; the ninth hole of the old UNM golf course; or an area on the western edge of the golf course. The cost is estimated at \$380 per square foot.

Speaker Lujan asked how the relocation of the court would affect the court of appeals employees. Chief Judge Bustamante said a majority of employees commute from Albuquerque and are in favor of the proposal. A limited court of appeals presence would be maintained in Santa Fe so employees that live in Santa Fe would not have to commute or relocate. Secretary Faught asked when the court of appeals would like to construct the building. Chief Judge Bustamante told the committee that it will depend on UNM's board of regents decision on where to locate the court.

### **Status of DOT's Transit-Oriented Development**

Toby Martinez of DOT reported on the status of the transit-oriented development, a public-private partnership. DOT continues to work on redeveloping its current property. An RFP was drafted, issued and advertised for the development project. In response to a question, Mr. Martinez said he does not know if the master plan and DOT's development are mutually exclusive; and, while DOT is further along in its planning stages than the master plan, if the two surface parking lots under GSD's jurisdiction are available, the outcomes could blend together. A discussion ensued on the duties and responsibilities of both the private and public sector in this development.

Questions were raised as to whether the private developer would pay property tax, the need for covered facilities at the intermodal station, whether the hub will provide a park and ride, the cost to employees and what will be the availability of mixed-use housing. The department indicated it wants to allow flexibility for the developer but sticks with the importance of mixed-use housing. The issues of dealing with multiple service agencies and synergizing objectives were discussed, and the use of this site for commercial options, not just governmental 8-5, and serious congestion concerns were raised. Mr. Martinez was asked if the RFP contemplated a possible amendment to the scope to see how other state property could be plugged in. Mr. Martinez indicated that there will be a public meeting on August 16, and if the commission so directed, the RFP could be amended. Secretary Lopez reiterated that GSD is open to participating on the state side to complement the DOT project, and that the supercomplex location is tentative. It was moved and seconded that the commission approve the concept of the DOT and that an amendment to the RFP be added to contemplate the possibility of including GSD-controlled property into Phase II. The motion carried with Mr. Varela abstaining. The commission asked to be apprised of the ongoing progress.

### **Status of Property Control Division (PCD) Projects**

Bill Taylor, director of PCD, reported on the status of the ongoing PCD projects. The commission learned that completion of the Villagra building is the division's highest priority. A new architect was hired, and completion is expected in November or December 2005.

Mr. Taylor discussed the status of the negotiations for the purchase of the PERA building by the state. The negotiations are being led by a subcommittee of the PERA board and a subcommittee of the CBPC. Currently, two appraisals have been completed. The PERA board selected an architect to assist in a needs assessment preparatory to making a site selection. The negotiating teams have also drafted an outline and purchase process.

The Tri-Labs purchase agreement was drafted at GSD for UNM. A site on the UNM campus was selected near Tingley hospital. The labs will have access to interstate 25. Mr. Taylor thanked Speaker Lujan and Senators Fidel and Ingle for helping to facilitate the funding of the scientific labs. Preliminary site construction has been scheduled to begin in December 2005.

Mr. Taylor reminded the commission of the restructuring of parking spaces to the main capitol complex at the Concha Ortiz y Pino building. The restructuring provided much-needed parking relief during the last legislative session. The commission also discussed the parking

structure that was approved during the 2005 legislative session, which will be a legislative branch facility. Upon questions from Speaker Lujan, the commission learned that a final decision of the location of the parking structure must be determined before proceeding further. Staff informed the commission that the legislature faces space problems. During the past legislative session, committee room space could not accommodate all who wished to participate in the committee process. The legislature must address the need for committee room space and how that will affect the location of a parking structure near the Roundhouse. The commission directed the consultants to make the parking structure a top priority for the Santa Fe master plan and bring the issue back with recommendations on where the parking structure should be located.

### **Other Business**

Legislation was passed during the 2004 legislative session to require existing infrastructure at any property considered in the Jaguar road area. GSD has brokered a deal for 13 acres of property, including infrastructure, at the Valdez industrial park. Details need to be worked out regarding the landowners' covenants before completing the purchase.

The new higher education department is located at the Halpin building at this time.

Secretary Ashman requested that the commission consider drafting legislation to create a fund for historic CAD buildings in Santa Fe that are in need of maintenance and repair.

The meeting adjourned at 12:55 p.m.

Revised: December 1, 2005

**TENTATIVE AGENDA  
for the  
CAPITOL BUILDINGS PLANNING COMMISSION  
State Capitol, Room 317  
December 2, 2005**

**Friday, December 2**

10:00 a.m.    **Call to Order by the Co-Chairs**  
—Ed Lopez, Jr., Secretary, General Services Department  
—Representative Ben Lujan, Speaker of the House

**Approval of Minutes**

**Status of PERA Negotiations**

**Update on Albuquerque/Santa Fe Master Plans — Recommendations  
for Future Updates**  
—John Petronis, ARC

**Update on Transit-Oriented Development**  
—Vince Martinez, Deputy Secretary of Business Support, Department of  
Transportation

**Proposed Legislation**

**Public Comment**

**Adjourn**

**MINUTES  
of the  
CAPITOL BUILDINGS PLANNING COMMISSION**

**December 2, 2005  
State Capitol, Room 317  
Santa Fe**

The second meeting of the capitol buildings planning commission (CBPC) was called to order by Ben Lujan, speaker of the house of representatives, co-chair, and Secretary of General Services Ed Lopez, Jr., co-chair, on Friday, December 2, 2005, at 10:12 a.m. in room 317 of the state capitol.

**PRESENT**

- ◆ Representative Ben Lujan, Speaker of the House, Co-Chair
- ◆ Edward Lopez, Jr., Secretary, General Services Department (GSD), Co-Chair
- ◆ Senator Joseph A. Fidel
- ◆ Rick Martinez for James Jimenez, Secretary, Department of Finance and Administration (DFA)
- ◆ Emilio Martinez for Stuart Ashman, Secretary, Cultural Affairs Department (CAD)
- ◆ Rhonda Faught, Secretary, Department of Transportation (DOT)
- ◆ Patrick Lyons, Commissioner, State Land Office (SLO)
- ◆ Antonio Pares, Staff Architect, Property Control Division (PCD), GSD

**ABSENT**

- ◆ Representative Ted Hobbs
- ◆ Senator Stuart Ingle
- ◆ Gina Maestas, Administrative Office of the Courts (AOC)

**STAFF**

- ◆ Erin McSherry, Legislative Finance Committee (LFC)
- ◆ Sharon Ball, Legislative Council Service (LCS)
- ◆ Pat McHenry, GSD
- ◆ Bill Taylor, GSD
- ◆ Paula Tackett, Director, LCS

Speaker Lujan and Secretary Lopez, co-chairs, welcomed commission members. Minutes from the August meeting were approved as corrected.

**Status of PERA Negotiations**

Ms. Tackett presented a status report on the public employees retirement association (PERA) negotiations being conducted by a subcommittee of the PERA board and a subcommittee of the commission. She indicated that the base price for the value of the PERA building and land had been agreed to, but a decision by PERA on what state property to select for its new facility is pending. She said a report would be provided to the commission when more information is available.

**Update on Albuquerque/Santa Fe Master Plans – Recommendations for Future Updates**

John Petronis and Andy Aguilar, master plan consultants, architectural research consultants (ARC), provided the commission with a report on the status of the update of the master plan for state-owned buildings in Santa Fe, completion of a comprehensive master plan for state-owned facilities in Albuquerque and development of a plan for periodic updating and maintenance of the master plan, together with a plan to transition long-term ownership and maintenance responsibility of the master plan database to the PCD.

The consultants indicated that questionnaires and interviews have been completed for most of the state departments and agencies located in Santa Fe and a preliminary summary has been developed that includes the following information:

- ◆ existing space usage, i.e., where agencies are currently located;
- ◆ existing staffing numbers (full-time-equivalent (FTE) and unauthorized positions) and their respective locations together with a comparison of historic staffing levels;
- ◆ possible programs and changes in the way business is done that affect facility needs and staffing numbers;
- ◆ location and relationships; and
- ◆ functional and physical issues.

In terms of the Albuquerque plan, the consultants reported that questionnaires and interviews have been completed for most state departments and agencies, that tours (including telephone conversations) are still in progress, that issues driving the planning have been developed and that a preliminary summary has been developed. They reported that they would schedule review sessions with LCS and GSD staff and then present the findings to the CBPC at a subsequent meeting.

The consultants reported that a GSD-commissioned survey by the consulting firm 3-D international (3-DI) found a total of more than \$201.5 million in current repair costs in state-owned (GSD) buildings in the Santa Fe and Albuquerque areas, with Albuquerque area facilities, at more than \$147.7 million, having the most unfunded deficiencies. At nearly \$96.9 million, the Los Lunas campus (which is included in the Albuquerque area) has the most significant facilities deficiencies. The consultants noted that, in some cases, repair costs would amount to more than replacement costs.

In discussing the possible scoping of Albuquerque projects, commissioners agreed that facilities under the DOT and the CAD should be included in the master planning and the inventory process. DOT indicated that it has a good inventory of all of its properties. Emilio Martinez noted a number of concerns with roofing in CAD buildings and said that he believes it is particularly important for CAD to have an evaluation of its facilities since some of his department's assets are priceless.

In response to commission questions, the consultants stated that the largest expenditures in the Albuquerque area would be required to replace or repair the former state hospital in Los Lunas, just south of Albuquerque. The consultants indicated that some of the facility is now being used by the corrections department as a reintegration center, primarily for female clients

coming out of incarceration. Commission members discussed possibilities for selling all or part of the Los Lunas campus, citing the rapid growth in the area. Secretary Lopez stated that GSD hears from tenants that the facilities are beyond repair; he noted that agencies such as the department of health (DOH) and the human services department (HSD) are considering moving out of the state-owned space on the Los Lunas campus and entering into a lease-to-suit arrangement somewhere in the Los Lunas area. Speaker Lujan noted that the Los Lunas facilities were never intended to be used in the way they are currently being used. He posited that much of the acreage was not utilized or could be disposed of to accommodate whatever is needed for state office buildings. The commission was informed that the local community is interested in the property. Since the Los Lunas property is valuable land in a growing area of the state, ARC was requested to make a recommendation on whether the land should be reserved for state use for the future or should be disposed of. Commissioners agreed that ownership of the land may present an opportunity to attract industry there or to do something else with the entire 700-plus acres. Commission members also discussed the importance of considerations related to water rights associated with ownership of the land.

Mr. Petronis noted that all previously funded capital outlay projects are currently underfunded because of construction cost increases of 10 to 30 percent in 2004 and 2005; he indicated that increases are expected to continue into the near future. He also noted that these increases are well beyond the increase of 2.3 percent in the consumer price index, the figure generally used to adjust appropriations for inflation.

Directing commissioners' attention to a handout he had provided, Mr. Petronis discussed issues related to public facilities in the Santa Fe area. He noted the large number of private leases at an annual cost of \$14.4 million, concerns related to the number and variety of physical and functional issues (including multiple locations) and public access to services. As a possible strategy to address some of these issues, Mr. Petronis discussed establishment of a "supercomplex", a plan to consolidate human service agencies into one location for operational and functional efficiencies. Establishment of a supercomplex would co-locate to generate synergy and allow one-stop-shopping for services and realize economic efficiencies through economies of scale and asset-sharing.

Mr. Petronis discussed a number of opportunities associated with establishment of a supercomplex in the Santa Fe area, including vacating leased space, relieving existing crowded conditions and making space available for other uses in existing buildings.

In discussing other issues related to the Santa Fe facilities, Mr. Petronis pointed out that the state has leased 21,400 square feet in 26 storage facilities scattered throughout the area. He noted that the commission may wish to consider building a central storage facility that would consolidate all storage in one area and noted that this type of space is relatively inexpensive to build.

Mr. Petronis also indicated that the commission may wish to address needs for a central computing area, particularly consideration of whether the area at Simms should be expanded or whether the function should be relocated to a more secure site, such as Oñate. Regarding the

capitol site, Mr. Petronis pointed out the need for additional large meeting areas and consideration of the optimal siting of a parking structure.

Turning to issues related to Albuquerque-area facilities, Mr. Petronis pointed out that the state currently spends more than \$14.5 million in annual lease costs in the Albuquerque area. He noted that, while some offices need to be separated from one another and others have special needs, the offices that do not fit into either category could be consolidated, thereby providing one-stop access convenience to customers, promoting administrative efficiencies, addressing specific facility issues and lowering lease costs.

Mr. Petronis reminded the commission that one of ARC's responsibilities is to establish a process and procedures to transition the administration of facilities master plan support to PCD. He recommended that LCS staff should continue to be involved in coordination of nonbuilding issues and that PCD should be the "home" for master planning and implementation coordination activities because PCD has staff with professional expertise and experience in planning, design and construction and PCD has statutory responsibility for design, construction and management of state and leased facilities. He expressed concern that, currently, PCD has no staff available for additional master planning responsibilities.

Noting that PCD authorized staffing has been at 28 FTE since 1990, he said that over the past three years, PCD has averaged a 20 percent vacancy rate, which is probably the result of both budget constraints and recruitment challenges because of noncompetitive salaries. He also provided the commission with a matrix illustrating the increase in PCD's responsibilities over the past 15 years. In addition to existing duties in 1990, PCD has been responsible for capital planning, vacated facilities, both Fort Stanton and Fort Bayard, assignment of space for state agencies, assisting exempt agencies, staffing the CBPC, oversight of field office leases and providing project management liaison services. He said that turnover in project management/project support staff has been at 80 percent (12 out of 15 positions) over the past two years while the state has placed in service or constructed an additional 876,000 gross square feet while those facilities that have been divested or are in asset preservation have amounted to 503,000 gross square feet. He said that PCD's current workload includes 175 projects totaling \$144 million, with the majority of projects being small. He pointed out that both small and large projects have the same start-up documents, time management and design details.

To improve the efficiency of current PCD staff, the consultants recommended that the agency acquire asset management and project manager software. Mr. Petronis noted that the current lease database is automated but is not integrated with other management systems, a situation that hinders project delivery and customer satisfaction. He suggested that PCD may wish to investigate taking advantage of the public school facilities authority (PSFA) project manager system. Doing so, he said, would, in essence, make this software a state standard, and since PSFA and PCD are using the same contractors and design professionals, they could get online and communicate on the same basis.

The consultants also recommended that PCD staff be increased by three additional FTEs for master planning and asset management. Doing so, Mr. Petronis said, would reflect PCD's

expanded role in state construction projects and would provide an additional strategic asset management focus. He also noted that this increase in staffing would assist in linking master planning to standards development, design and implementation and also would improve staff efficiency and responsiveness. He said that the projected total cost would be \$200,000 in recurring funding for additional staff and \$300,000 in recurring and \$65,000 in nonrecurring funding for software. He suggested the general fund, building use fees or project fees as a source for the funding. Commissioner Lyons requested a specific breakdown of the proposed additional costs.

Secretary Lopez indicated that GSD would not ask for any increases in staffing or expenditures for software at this time because the executive has requested that all state agencies submit "flat" budgets for FY06. After a discussion, commission members agreed that, even though the executive may not have recommended it, the legislature has the ability to recommend additional staffing and to increase funding to state agencies.

S. Vincent Martinez, deputy secretary of business support, DOT, reported to the commission on the progress of two requests for proposals (RFPs) related to DOT buildings. He said that the RFP for the district 5 office has garnered one proposal, which is currently being evaluated. He said that, as a result, no discussion or negotiations are underway at this time. In response to commission questions, Mr. Martinez clarified that it is DOT's intention to relocate the district 5 office. He said that the site is currently on 43 acres, but the functions located in the district 5 facility require at least 50 acres.

Regarding the RFP for the DOT general offices on Cerrillos road, Mr. Martinez said that DOT has received two proposals, both of which are currently being evaluated to see if they meet the RFP requirements. He explained that RFPs were initially due on November 1, 2005, but because DOT had received only one response by the deadline and one late response, the DOT added some clarification to the RFP, readvertised it and extended the time frame to November 11, 2005. In response to a question about the lack of proposers, Mr. Martinez said that the limited interest may be because DOT is requiring the successful proposer to build a 300,000 square-foot building at no cost to the state.

### **Proposed Legislation**

In response to commission discussion and direction, Ms. Tackett agreed to have legislation drafted on the following issues for commission consideration at its January meeting:

- ◆ establishment of a fund and funding for repair of historical buildings in Santa Fe under the CAD;
- ◆ an appropriation to update hardware and software systems for asset management and project management for the PCD; and
- ◆ an appropriation to pay for cost overruns caused by recent increases in steel and cement prices.

### **Adjourn**

The meeting adjourned at 12:05 p.m.

**TENTATIVE AGENDA**  
**for the**  
**CAPITOL BUILDINGS PLANNING COMMISSION**  
**State Capitol, Room 317**  
**January 10, 2006**

**Tuesday, January 10**

10:00 a.m.

**Call to Order by the Co-Chairs**

- Ed Lopez, Jr., Secretary, General Services Department
- Representative Ben Lujan, Speaker of the House

**Adoption of the December 2, 2005 Meeting Minutes**

**Proposed Legislation**

**Public Comment**

**Other Business**

**Adjourn**

**UNAPPROVED  
MINUTES  
of the  
CAPITOL BUILDINGS PLANNING COMMISSION**

**January 10, 2006  
State Capitol, Room 317  
Santa Fe**

The third meeting of the 2005 interim of the capitol buildings planning commission (CBPC) was called to order by Ben Lujan, speaker of the house of representatives, co-chair, and Secretary Edward Lopez, Jr. of the general services department on Tuesday, January 10, 2006, at 10:35 a.m. in room 317 of the state capitol.

**PRESENT**

- ◆ Representative Ben Lujan, Speaker of the House, Co-Chair
- ◆ Edward Lopez, Jr., General Services Department (GSD), Co-Chair
- ◆ Rick Martinez for James Jimenez, Secretary, Department of Finance and Administration (DFA)
- ◆ Stuart Ashman, Secretary, Cultural Affairs Department (CAD)
- ◆ S. Vincent Martinez for Rhonda Faught, Secretary, Department of Transportation (DOT)
- ◆ Antonio Pares, Staff Architect, Property Control Division (PCD), GSD

**ABSENT**

- ◆ Senator Joseph A. Fidel
- ◆ Senator Stuart Ingle
- ◆ Gina Maestas, Administrative Office of the Courts (AOC)
- ◆ Patrick Lyons, Commissioner, State Land Office (SLO)

**STAFF**

- ◆ Paula Tackett, Director, Legislative Council Service (LCS)
- ◆ Sharon Ball, LCS
- ◆ Linda Kehoe, Legislative Finance Committee (LFC)
- ◆ Pat McHenry, GSD
- ◆ Bill Taylor, PCD, GSD
- ◆ Larry C. Miller, PCD, GSD
- ◆ Emilio Martinez, CAD
- ◆ Andy Aguilar, ARC

Speaker Lujan and Secretary Lopez, co-chairs, welcomed commission members. Secretary Lopez introduced and welcomed Antonio Pares, staff architect, PCD, GSD, who, beginning with the December 2 meeting, replaced Michael Bodelson, the former PCD staff architect. Minutes from the December meeting were approved.

## **Proposed Legislation**

Ms. Tackett presented the following three bills that the commission, at its December 2005 meeting, had requested be drafted for consideration for endorsement by the commission.

1. Appropriate \$565,000 from the general fund to the PCD to establish a master planning and asset management function for the needs of state government facilities under the purview of the CBPC and to obtain associated hardware and software necessary to maintain an updated master plan. Ms. Tackett noted that this appropriation would fund three full-time-equivalent (FTE) staff for the PCD to provide the necessary staff to support and maintain the master plan as required of the CBPC and to perform the increased asset management function required for accountability on state projects administered by the PCD.

Commission members discussed the fact that this increase in staffing was not included in the executive's proposed FY07 budget. In response to commission questions, Ms. Tackett stated that \$6,500 of the proposed appropriation is nonrecurring and the remainder would be recurring funding. In response to additional questions, she stated that the fact that the executive did not include the three extra FTEs and other recurring expenditures in its budget proposal does not preclude the commission, in its statutory role, from making such a recommendation.

The commission approved the bill endorsement on a 5-1 vote, with Secretary Lopez voting in the negative.

2. Appropriate \$7,775,000 from the general fund to the CAD for expenditure in fiscal years 2006 and 2007 for maintenance and repairs of state museums and monuments. Secretary Ashman explained that, on the commission's recommendation, legislation had been enacted two years ago to eliminate CAD's access to bond proceeds for maintenance and repair funds. He noted that CAD currently has 53 buildings statewide (soon to be 60), many of which are not under the control of the PCD. He stated that CAD has identified more than \$13 million in deferred maintenance funding for these buildings.

The commission approved the bill for endorsement on a 6-0 vote with Secretary Lopez abstaining.

3. Appropriate \$10 million from the general fund to the state board of finance for expenditure in fiscal years 2006 through 2009 to pay for cost overruns, due to unforeseen increased prices of cement, steel or other materials in ongoing capital outlay projects on state buildings based on a procedure to be developed by the state board of finance.

The commission approved the bill for endorsement on a 7-0 vote.

**Public Comment**

Having just come from the state board of finance meeting, Bill Taylor, PCD director, and Larry Miller, PCD deputy director, informed the commission that the board had approved the commission's proposed action on the Jaguar road property.

**Other Business**

Speaker Lujan acknowledged that today's commission meeting would be the last one at which Secretary Lopez would serve as commission co-chair and member because the governor has appointed him to serve as superintendent of the regulation and licensing department, effective immediately. Speaking for the entire commission, Speaker Lujan thanked Secretary Lopez for his service and commitment to the work of the commission.

Secretary Lopez thanked the speaker and other commission members for their hard work and indicated that one of the issues he was most proud of having worked on was the proposed constitutional amendment to be voted on by the voters at the November general election to permit the state and school districts, including charter schools, to enter into lease-purchase agreements for real property.

**Adjourn**

The meeting adjourned at 11:05 a.m.

**CAPITOL  
BUILDINGS  
MASTER PLAN  
UPDATE  
DECEMBER 2, 2005**