

APPROVED MINUTES
of the
SEVENTH MEETING FOR 2008
of the
CAPITOL BUILDINGS PLANNING COMMISSION

December 17, 2008
Room 317, State Capitol
Santa Fe

The seventh meeting of the Capitol Buildings Planning Commission (CBPC) for 2008 was called to order by Secretary of General Services Arturo Jaramillo, co-chair, on Wednesday, December 17, 2008, at 1:25 p.m. in Room 317 of the State Capitol in Santa Fe.

Present

Arturo Jaramillo, Secretary of General Services, Co-Chair
Rep. Ben Lujan, Speaker of the House, Co-Chair
Sen. Stuart Ingle, Senate Minority Floor Leader
Sen. Timothy Z. Jennings, Senate President Pro Tempore
James B. Lewis, State Treasurer
Katherine B. Miller, Secretary of Finance and Administration
Rep. Thomas C. Taylor, House Minority Floor Leader
Gary Giron, designee for Rhonda Faught, Secretary of Transportation
Emilio Martinez, Designee for Stuart Ashman, Secretary of Cultural Affairs
Larry Kehoe, Designee for Patrick H. Lyons, Commissioner of Public Lands
Patrick Simpson, Designee for Arthur W. Pepin, Director, Administrative Office
of the Courts

Staff

Paula Tackett, Director, Legislative Council Service (LCS)
Bill Taylor, Director, Property Control Division (PCD), General Services Department (GSD)
Gary Carlson, LCS
Lemoyne Blackshear, Staff Architect, PCD
Ric Gaudet, LCS
Roxanne Knight, LCS
Larry Miller, Deputy Director, PCD
Tom Pollard, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other materials provided to the commission are in the meeting file.

Minutes

The minutes of the November 13, 2008 meeting of the CBPC were adopted without changes.

Rail Runner Update

Deputy Secretary of Transportation Giron, Frank Sharpless, Rail Transit Bureau chief of the Department of Transportation (DOT), and Tim Harris from the Middle Rio Grande Council of Governments presented the commission with an update of the Rail Runner train project. Passenger service started December 17 between Bernalillo and Santa Fe. Two new stations are open at the Santa Fe Railyard and the South Capitol Campus, and the Zia Road station has been completed, but is awaiting action from the city. Construction of the Highway 599 station began December 1 and is expected to be complete in April 2009.

State Treasurer Lewis asked how the public is being informed about the multi-modal transportation connections with the train. Mr. Sharpless said that the DOT had just published a brochure describing the train service and its connections, which would be placed in all Santa Fe Trails buses. Local newspapers were also publishing detailed descriptions of the system.

All costs for the track, stations and new locomotives were within the budget, said Mr. Sharpless. Service can be increased substantially in the future, without the need to purchase new cars, he said.

Responding to a question from Senator Jennings about track maintenance fees, Mr. Sharpless said that all users of state-owned track will be assessed. The Burlington Northern Santa Fe (BNSF) Company's estimated assessment for the Lamy to Albuquerque portion of the track is \$2.25 million. BNSF and Amtrak will also be assessed for the Lamy to Colorado portion. Senator Jennings said that it is important that maintenance fees be spent on track maintenance and not for operations.

Secretary Jaramillo asked if all trains currently stop at all stations. Mr. Sharpless said that currently they do, but that over time, as ridership is tracked, other options can be established.

Capitol Master Plan Status Update

John Petronis, Andy Aguilar and Susan Freed of Architectural Research Associates (ARC) gave an update to the commission of the master planning process for the Santa Fe and Las Cruces areas.

Santa Fe Main Capitol Campus

The master planners presented a recommended five-year planning strategy for the Main Capitol Campus, which includes relocating constitutional officers to the campus; constructing new state-owned facilities in the most cost-effective manner; and relocating state agencies from leased space to state-owned space. The master planners recommended that the process begin soon, because considerable lead time will be required to design, construct and relocate agencies.

The master planners presented the concept of an executive office building (EOB) on the campus. A new EOB into which the Department of Finance and Administration (DFA) would move would be constructed on land next to the new parking garage being built between Don Gaspar and Galisteo Streets. That would free up space in the Bataan Building for the offices of the state auditor, state treasurer, secretary of state and some Public Education Department offices, which would in turn make more room in the Capitol North for legislative purposes. This project would be separate from, but in conjunction with, the first phase of the Health and Human Services Complex (HHS) project that would free up space for the Public Regulation Commission, Higher Education Department and Office of the State Engineer in the Public Employees Retirement Association building. Upon completion of the projects, the designated state agencies will be located on the Main Capitol Campus, overcrowding will be relieved in existing buildings, which will receive some renovations, and the bulk of the expensive leased space the state occupies in Santa Fe will be reduced. In the long term, as space needs increase, the Concha Ortiz y Pino building might be demolished, and phase 2 of the EOB could be constructed.

Senator Ingle asked if current lease payments that the state is making would be sufficient to cover the cost of the project. Mr. Pollard said agency leases that would pay for the EOB amount to \$1.6 million per year, which would more than cover debt service for the new building. Lease payments that could be redirected to the HHS project total \$5.9 million per year, he said.

Representative Taylor asked if the casitas have been designated as historic buildings. Mr. Petronis said that those buildings are potentially eligible as historic. Ms. Tackett said that it would be difficult to move those structures to a new location because they are made from penitentiary block, but that it may be possible to use them as a facade for the EOB. Secretary Jaramillo said that the state may need to set up another collaboration with the city in the development of the EOB.

Frank Katz, Santa Fe city attorney, said that those buildings may have historical significance. The city realizes that the state needs more office space and does not want to hinder that effort. He said that in other cities, historic buildings have successfully been used as facades for office buildings. He also said that the city wants to cooperate with the state in the state's project, much like the collaboration between the city and state on the capitol parking garage project.

Las Cruces

The master planners gave a brief update to the commission on the development of the Las Cruces area master plan. The handout included current state agency lease data in Las Cruces and identified those state agencies that would not be considered candidates for consolidation into state-owned space. The state currently leases 236,000 square feet in Las Cruces, at an annual cost of \$3.3 million. The state occupies 446,000 square feet of state-owned space in the area, most of which is used for correctional purposes.

Mr. Petronis recommended that the commission support a state-constructed, consolidated administrative facility to house many state agencies that are currently in leased space. The next steps toward that goal would be to refine priorities to determine the project scope and size; to validate existing cost assumptions and estimates; to update information about potential sites; to collaborate with local governments and community groups; to analyze the project feasibility using accepted models and standards; and to recommend a potential site.

Speaker Lujan asked whether the current lease payments the state is paying could finance a new office building. Mr. Pollard said that the study would consist of two parts. The first part would determine whether lease payments could finance the construction of a new building, and the second part would determine how much money the state could potentially save over the life of the building.

The commission adopted the master planners recommendations for planning and design and further analysis of sites for acquisition for the Las Cruces area and the Santa Fe Main Capitol Campus.

State Property Updates and Project Status; GSD Capital Requests

Capitol Parking Structure — Parking Plan for Legislative Session

Mr. Taylor reported to the commission that the capitol parking structure is expected to be completed in the spring of 2009. The PCD, working with the DOT and LCS, has developed a parking plan for the legislative session, which includes parking and shuttle service at the West Capitol Complex, the South Capitol Complex, the St. John's United Methodist Church on Cordova Road and the Santa Fe Railyard. Mr. Taylor said that DeVargas Mall management is being very generous and flexible with its parking lot for use by state employees and the public. It is only charging \$3,000 for use of 130 spaces in the mall parking lot during the session. Ms. Tackett informed the commission that the city had offered 200 spaces in the covered railyard parking garage for free.

Speaker Lujan asked about shuttle schedules and the cost to riders. He said that he is concerned that state employees who work late will not be able to use the shuttle service. Secretary Jaramillo said that the GSD will publish a shuttle schedule soon and there will not be any charge to riders. Deputy Secretary Giron said that the DOT has borne the cost of the shuttle service every year.

In response to a question, Ms. Tackett expressed concern that the cost to lease the empty lot across the street from the State Capitol (\$40,000) for use during the session is too high. Mr. Taylor said that after 5:00 p.m. daily, more parking near the State Capitol will become available for those employees working late. He also said that he will talk with Santa Fe officials to get some metered parking on Don Gaspar Street assigned for state use.

GSD Capital Outlay Requests

Mr. Taylor presented the fiscal year 2010 GSD capital outlay request list. He clarified that the list was developed before the current revenue shortfall facing New Mexico arose. The

GSD requests include:

- \$10 million for statewide building repairs;
- \$9 million for the HHS Complex land acquisition and design;
- \$2.1 million for statewide demolition and decommissioning of buildings;
- \$6 million for statewide building energy efficiency measures;
- \$3 million for the South Capitol Campus infill;
- \$9 million for the Las Cruces office building acquisition;
- \$1.5 million for the Main Capitol Campus master plan expansion; and
- \$1 million for statewide planning and design.

Mr. Taylor said that, given the current economic situation, the PCD will be focusing on the first three priorities.

Senator Jennings said that it is very difficult to get money to repair buildings outside Santa Fe. He gave an example of the Roswell National Guard dormitories, which are in serious need of repair. He said that there needs to be some sort of systematic plan to maintain buildings, including those outside Santa Fe.

Proposed Legislation

CBPC Legislation

Ms. Tackett, Ms. Knight, Mr. Pollard and Mr. Carlson presented proposed legislation the commission had requested at its November meeting.

CBPC 1. Provides a gross receipts tax diversion to the State Building Bonding Fund for a new executive office building in the Main Capitol Campus.

CBPC 2. Authorizes the New Mexico Finance Authority to issue bonds for an HHS Complex and authorizes the PCD to enter into a lease-purchase agreement for the facility.

CBPC 3. Extends the time for expenditure of a \$350,000 appropriation to the LCS for funding the CBPC and the master planning process. The bill also extends the time for expenditure of a \$5 million appropriation for purchase of property at the West Capitol Campus. The bill also reauthorizes \$500,000 from a mostly unused appropriation for the Department of Public Safety crime laboratory to the LCS for the CBPC master planning process for statewide state facilities.

CBPC 4. Appropriates \$500,000 to the LCS for funding the CBPC master planning process for state facilities statewide.

CBPC 5. Expands CBPC duties to include developing a strategic facility management plan.

CBPC 6. Charges the CBPC with review of proposed lease-purchase agreements prior to

legislative ratification and sets out a process for conducting the review.

CBPC 7. Requires the state's collaboration with local governments when planning state projects in historic districts.

CBPC 8. Allows the state treasurer and the secretary of general services to appoint a designee to serve on the CBPC, which matches language for other agency heads. (.174740.1)

GSD Legislation

Mr. Taylor presented the GSD's proposed legislation to the commission.

GSD 1. Appropriates \$2,000 to the Capital Program Fund for the PCD to purchase land currently occupied by the Southern New Mexico Correctional Facility and the J. Paul Taylor Juvenile Justice Center.

GSD 2. Grants approval to the Human Services Department to enter into a lease-purchase agreement for a building for use as a substance abuse treatment and training facility in Los Lunas.

GSD 3. Grants approval for the PCD to enter into a lease-purchase agreement for a building to house the HHS agencies.

GSD 4. Requires agency preventive maintenance plans for public buildings as a prerequisite for new construction. The bill also provides for a web-based facility maintenance information management system.

GSD 5. Requires that an appropriation be made each legislative session to the Public Buildings Repair Fund equal to 1.1% of the replacement cost of PCD buildings.

GSD 6. Extends the nonforfeiture provision for water rights for state highway purposes to public buildings.

CBPC Staff Legislation

Mr. Carlson and Mr. Gaudet presented additional proposals for legislation for the commission's consideration.

One proposal would create a separate division or bureau within the GSD for planning for state projects.

A general proposal would give greater jurisdiction to the Building Services Division of the GSD to maintain all PCD buildings in the state; re-establish building use fees that include the cost for maintaining buildings and an amortized renovation/replacement fee phased in over five years; and establish a facility condition database for PCD buildings.

The third proposal, like "one percent for the arts", would allocate two percent of all appropriations for renovation or construction for PCD buildings to the Public Buildings Repair Fund.

Commission members expressed their desire to review all the bill drafts before making any recommendations. A January 2009 meeting was tentatively scheduled for January 13, at which the commission will make legislative recommendations.

There being no further business, the commission adjourned at 4:20 p.m.