



STATE CAPITOL COMMITTEE
Legislative Building
Senate Rules Room
Olympia, Washington 98504

October 24, 2014

10:00 a.m.

(Approved: December 11, 2014)

MEMBERS PRESENT

Brad Owen, Lieutenant Governor
Kelly Wicker, Governor's Designee
Kim Wyman, Secretary of State
Peter Goldmark, Commissioner of Public Lands

OTHERS PRESENT

Dave Arbaugh, Arbaugh & Associates
Dennis Bloom, Intercity Transit
Rick Browning, Department of Enterprise Services
Kim Buccarelli, Department of Enterprise Services
Bob Covington, Department of Enterprise Services
John DeMeyer, CLIPA
Jim Erskine, Department of Enterprise Services
Bill Frare, Department of Enterprise Services
Tom Gow, Puget Sound Meeting Services
Arlen Harris, Department of Enterprise Services
Jack Havens, Citizen
Marygrace Jennings, Department of Enterprise Services
Anthony Ifie, Department of Enterprise Services

Bob Jacobs, Heritage Park Association
Bob Holman, CLIPA
Nouk Leap, Department of Enterprise Services
Chris Liu, Department of Enterprise Services
Carrie Martin, Department of Enterprise Services
Steve Masse, House Capitol Budget
Allen Miller, CLIPA
Lenore Miller, Department of Enterprise Services
Dave Milne, CLIPA
Mark Neary, Secretary of State
Dave Peeler, Deschutes Restoration Team
Bonnie Scheel, Department of Enterprise Services
Bob Wubbena, CLIPA

Welcome and Introductions

Lieutenant Governor Brad Owen called the State Capitol Committee (SCC) meeting to order at 10:00 a.m. A quorum was present.

The SCC meeting agenda was published in *The Olympian*. Public comment for each specific agenda item will be received after the discussion of the agenda item. Comments for items not on the agenda will be received at the end of the meeting.

SCC will review two items for Action: Approval of the June 12, 2014 Minutes, and the 2015 Calendar; three items for Information: Facilities Reports - *Ongoing Campus Projects, 2015-2025 – 10 year Plan and Budget Request*, and the *Ruckelshaus Center Situational Assessments*, Capitol Campus Rezone - *Status Update*, 1063 Block Replacement Project - *Design Update*, Capitol Lake Improvement & Protection Association; and one item for Information/Discussion: Capitol Campus Planning - *Master Plan Update and the Transportation and Parking Study*.

Approval of Minutes – June 24, 2014

Commissioner Peter Goldmark moved, seconded by Kelly Wicker, to approve the October 24, 2014 minutes as presented. Motion carried.

SCC Administration – 2015 Calendar

Lt. Governor Owen reviewed the proposed 2015 meeting dates:

- Thursday, March 5
- Thursday, June 19
- Thursday, October 22
- Thursday, December 10

Commissioner Goldmark moved, seconded by Secretary Wyman, to approve the 2015 Meeting Calendar as presented. Motion carried.

Facilities Reports

Ongoing Campus Projects

Bonnie Scheel, Acting Assistant Director with the Department of Enterprise Services (DES) provided an update on campus projects. Currently, seven major projects are in progress:

- Legislative Building Exterior Repairs Phase 3. The project is continuation of exterior work from previous project phases. The intent is to conclude the project by mid-November 2015.
- Capitol Campus Underground Utilities. The project repairs and/or replaces utility lines under Sid Snyder Way. Utility lines affected include steam lines, chilled water lines, potable water lines, sanitary sewer lines, fiber optics cable lines, irrigation lines, and power lines. The project is proceeding well with traffic detoured during the construction phase. The project was scheduled for completion by mid-November 2015 but likely will be delayed until the Thanksgiving holiday. Items pending completion include planting trees and some landscaping.
- East Plaza Stair Tower Replacement and Waterproofing Retrofit Project. The project is reconstruction of stairway towers one and eight because of deteriorating steel beams and panels along with replacement of the elevator. The project is intended to resolve safety issues involving the elevator and the stair towers.
- Natural Resources Building Roof Replacement and Multipurpose Room Water Infiltration. The 20-year roof has numerous perforations creating leaks. The project replaces the roof. Project completion is scheduled in November 2014.
- Capitol Court Roof Replacement and Window Repair. Roof replacement and repairs have been substantially completed.
- Critical Campus Steam System Repairs and the Governor's Mansion Boiler Replacement. The project replaces chillers and repairs the steam system. Savings achieved from increasing efficiencies funded the Governor's Mansion boiler replacement project, which was completed. Work continues on replacements of chillers and repairs to the steam system.
- Archives Building Heating, Ventilating, and Air Conditioning (HVAC) Upgrade. The project upgrades the HVAC failing system in the Archives Building. The project is scheduled for completion next summer.

2015-2015 – 10 Year Plan and Budget Request

Ms. Scheel reviewed project highlights spanning the next 10 years for Health and Safety, Preservation, and Sustainability projects, as well as new construction projects. The plan includes construction funds for the 1063 Block Replacement project.

Lt. Governor Owen inquired about the location of the hillside stabilization project. Ms. Scheel said the location is hillside above the Power House because of slope instability that could damage and/or destroy the Power House, impacting all campus buildings connected to the Power House. The next phase of the project is the hillside behind the Pritchard and O'Brien Buildings. DES had an assessment completed several years ago on all slopes and is slowly working through the assessment to address high risk areas. The hillside includes layers of loose debris from years of compost settling on top of the hillside. If the slope should collapse, it would involve 10 to 15 feet of earth. Some of the repair work is constructing retaining walls along the hillside to stabilize the slope. DES installed ground instruments to measure movement of the hillside. An area experiencing some movement is under the Observatory and DES is moving grounds and maintenance staff from that building to another location.

Commissioner Goldmark asked about the grade of the slope behind the Governor's Mansion. Ms. Scheel offered to follow-up with the information. A geologist completed an extensive report.

Lenore Miller, Asset Manager, DES, added multiple assessment reports have been completed over time.

Commissioner Goldmark asked whether the slope failed or moved during the 2001 Nisqually Earthquake. Ms. Scheel said there have been no noticeable changes; however, piezometers were not installed at the time of the earthquake to provide baseline data. Commissioner Goldmark asked to receive a copy of the assessment report. Ms. Scheel added that the report includes prioritization of the most critical areas, which forms the basis for the project list.

Ruckelshaus Center Situational Assessments

Ms. Scheel reported in 2014, DES contracted with Ruckelshaus Center to provide a situational assessment on Capitol Lake. The center is dedicated in helping private and public organizations and community leaders build consensus and resolve conflicts through collaborative decision-making. The Center began working in August 2014 on a situational assessment to determine the most productive means of addressing issues surrounding the Capitol Lake basin and its future management. The assessment includes interviewing 50 individuals to obtain a broad representative of the various perspectives. The interviews are semi-structured to better understand and explore the issues of all involved parties. Ruckelshaus Center is developing a report with key findings and a recommendation on the prospects for a follow-up collaborative process to address the issues.

The Center has completed approximately half of the interviews with approximately 20 interviews pending. The interviews are scheduled throughout October and November with the final report scheduled for submission in December.

Recommendations from the report will inform DES and the Legislature on what's necessary for future funding to continue moving forward. DES is not seeking funds for a dredge at this time, so as not to jeopardize the collaborative process. DES requested \$350,000 for the 2015-2017 biennium to pursue any recommendations from the report and plans to work with the Legislature in 2016 on a supplemental request if required.

Capitol Campus Rezone – Status Update

Ms. Miller reported on the proposal DES received from the City of Olympia for a proposed rezone of the State Capitol Campus. She requested the committee's feedback and direction on the City of Olympia's request. The City of Olympia presented the proposal in May. The City is currently updating and adopting a revision to its comprehensive plan and wants to ensure development rules and ordinances complement and support the comprehensive plan. The City's past practice has not applied the zoning code to the State Capitol Campus. The intent of the proposal would align zoning with State authority and the City's long-standing practice, as well as provide clarity to citizens as to why the City does not enforce zoning requirements on the Capitol Campus. In the 1980s, the City lost a court case it initiated with respect to the City's authority to apply zoning to the State Capitol Campus. The court ruled against the City and affirmed the City's zoning would not apply to Capitol Campus.

The SCC has the authority to govern the State Capitol Campus. The Capitol Campus Master Plan and sub-campus plans are the guiding documents for development and land use requirements on the campus.

The proposal was reviewed by the Capitol Campus Design Advisory Committee (CCDAC) in September prompting several questions and follow-up actions. The questions and requests included:

- Why did the City select the Planned Unit Development (PUD) zoning designation? Ms. Miller said the City has one PUD with a portion of the campus included within that PUD. The Evergreen PUD is near the Percival Cove area. Developers of a PUD typically prepare a master plan, which is then approved by the City Council. The master plan provides the guidelines and rules governing future development of the property.
- What is the City's definition of a PUD? An example of a PUD is a large integrated development adhering to a comprehensive plan and located on a single tract of land or two or more tracts of land separated by streets. The Evergreen PUD is intended to permit flexibility, design, and placement of buildings and the use of focused space including modifications and requirements to the best use potential of the site characterized by its special features. With respect to Capitol Campus, the City Council does not have approval authority of the Master Plan, as it's the role of the SCC to approve the Master Plan. City staff recognizes that difference and proposed drafting an ordinance with those provisions emphasizing the cooperative relationship between the City and the State.
- Has the City considered a special use zoning designation?
- Has the Attorney General's Office reviewed the request? Ms. Miller advised that she has met with the staff from the Attorney General's Office. At this time, there are no major concerns and AG staff would be involved in drafting the ordinance.
- CCDAC members asked for an opportunity to review the Council's draft ordinance.

Ms. Miller invited feedback concerning the proposal.

Lt. Governor Owen noted that although City staff indicated that no City approval would be necessary, the proposal establishes a standard that stipulates the City would have some authority over the Capitol Campus, which was specifically designated to undertake a separate process. Staff has often shared information on how DES staff works closely with the City, such as the example of the renovation of the Legislative Building that involved working closely with the Olympia Fire Department to ensure standards were achieved. He would be somewhat concerned about establishing a situation where the campus is designated zoning whereby the City might have some future control as that was never the intent. At this point, there appears to be no advantage to the State to rezone the campus, as it could create a potential situation of a legal challenge.

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Secretary Wyman said Senator Fraser expressed similar sentiments in terms of the details and how the ordinance is drafted. It's one reason CCDAC members asked for an opportunity to review the draft ordinance.

Commissioner Goldmark pointed out the inappropriateness to label the State Capitol Campus as a PUD. He agreed with the sentiments expressed by Lt. Governor Owen and acknowledged the importance of working closely with the City; however, it's also important that the priority over the campus as determined by the court should remain intact.

Ms. Miller shared that during conversations with City staff, there was recognition of the supremacy of the State. Additionally, the language within the ordinance must be very clear that the proposal does not compromise the authority of the State.

Lt. Governor Owen said he's not convinced at this point of any need for the change other than the potential that it could create legal questions in the future. The State has a good working relationship with the City, which would continue.

Commissioner Goldmark agreed, as he does not envision any purpose for the change in status of the State Capitol Campus.

Ms. Miller spoke to the boundary of the campus as it relates to the update of the Master Plan. Should the State move forward and approve the rezone, the new boundary would serve as the boundary for the rezone. She referred members to maps of the current boundary (2006 Master Plan) of the campus and the proposed new boundary of the campus. The current boundary identifies sub-campus areas (East, West, Capitol Lake/Heritage Park, and properties off campus). The proposed new boundary includes the ProArts and State Farm sites, Union Avenue and Washington Street buildings acquired in 1982, the Dolliver Building acquired in 1999 and housing the Secretary of State, the Old State Capitol Building constructed in 1892 and the oldest surviving early state capitol in the nation, and exclusion of the 600 South Franklin Building as the property was sold in 2013. Another adjustment to the map is technical in nature and includes removal of some property that is not owned by the State. The proposed boundary creates a comprehensive State Capitol Campus within the Olympia community.

Commissioner Goldmark questioned whether Sylvester Park is a State or city park. Ms. Miller replied that Sylvester Park is a State-owned park. Commissioner Goldmark pointed out the management challenges surrounding the park and how the SCC and others should be cognizant of what that could entail if the park were considered part of the campus. Ms. Miller replied that Sylvester Park is considered part of capitol park lands. The proposal does not include the addition of the park within the proposal other than continuing the designation as currently included in the 2006 Master Plan. The only change is the addition of the Old Capitol Building currently housing the Superintendent of Public Instruction. Commissioner Goldmark expressed ongoing reservations about how DES and the SCC exert some modicum of management on Sylvester Park.

Bob Covington, Deputy Director with DES replied that the State owns, manages, and has custody of Sylvester Park. DES has managed the park since the State acquired the property many years ago. Commissioner Goldmark remarked that he's uncertain whether the park is meeting quality standards established for the campus. Mr. Covington offered to discuss the park offline and obtain feedback on ways to improve the park.

Director Chris Liu, DES Director added that the park has been somewhat of a challenge for many years. DES is addressing community concerns through a cooperative effort with the Olympia Police Department. The park is in a constant State of clean-up and the Department is conscious of citizens exercising their right to free speech in the park. The park likely will continue to be a challenge in the future; however, DES and the City are addressing issues on an ongoing basis.

Secretary Wyman supported the proposal as it elevates all properties to the same level as the campus to ensure consistency and awareness in terms of any future legislation proposed for upgrades and for maintaining standards.

Capitol Campus Planning

Master Plan Update

Ms. Miller updated the committee on the status of the update to the Master Plan. Efforts during the meetings of the Master Plan Work Group concentrated on identifying the scope of the Master Plan in terms of the plan's authority and integration in future State planning. Members reviewed and clarified the boundary, identified contents of the current plan that should be included in the update, as well as identifying issues that should be included in the update. One additional meeting is scheduled on November 5, 2014 to complete the review of the 2006 Master Plan. The Work Group includes committee members from the CCDAC and DES staff. A visioning session is scheduled with the Work Group to discuss the future of the State Capitol Campus, which will be repeated through community outreach to seek other ideas and feedback on the vision of the campus.

The engagement plan was initiated through a briefing on the status of the update by Deputy Director Covington to the Thurston Regional Planning Council (TRPC), whose members represent all local governments within Thurston County. The Council expressed interest to becoming engaged during the update of the plan. After the November 5, 2014 meeting, staff plans to meet with local governments to solicit interest and identify specific needs and interests, as well as outreach to community stakeholders to assist in finalizing the scope of work to begin drafting updates to the plan. Additionally, staff will continue briefing the SCC to receive feedback and suggestions.

Of ongoing interest by the Work Group is the question of how the Master Plan applies to Thurston County. Currently, the master plan applies to Thurston County except for specific facilities, such as Fish and Wildlife facilities, educational facilities, and other programmatic facilities. Most office facilities and support facilities are covered within the plan. However, some of the policies within the Master Plan are not clearly delineated in terms of applicability for openness of government and access to the legislative process with recognition that the West Campus is where the legislative process occurs. The proposal to the SCC is identifying a higher level of specificity or content on how the future of the State Capitol Campus should be considered and how the plan should clearly define that future vision. Secondly, the plan should speak to satellite campuses at a less detailed level with each campus having separate master plans. Work Group members discussed and agreed the Master Plan should be the comprehensive plan for Capitol Campus with auxiliary inclusion of satellite campuses and leased properties. Strategies and policies with more specificity are applicable to the Capitol Campus in terms of focusing on visitors, function, and highest and best use models for tenancy requirements, etc. The Master Plan would include information on each satellite campus in terms of broad topics, such as design qualities, Transportation Demand Management (TDM), and integration with local government, etc. Leased properties would be at a lower level related to technical performance, consolidation and co-location, and Preferred Leasing Areas (PLAs) and Preferred Development Areas (PDAs) in Thurston County.

Lt. Governor Owen questioned the need for an update at this particular time. Ms. Miller replied that some changes in law impacted planning processes, as well as interest by local governments and developers on PLAs and how they are currently designated and utilized. There are many issues related to decision-making processes that should be addressed by the Master Plan to include criteria for guiding decision-making processes. The plan includes a highest and best use chart that should be applied to opportunity sites to provide clarity for potential development and more detail on the build-out capacity for opportunity sites that serves to inform decision-makers as to where to locate new development. That information is currently lacking. The Master Plan includes limited data on the physical character of the campus. The plan should speak more clearly about circulation within the campus for pedestrians and vehicles, view corridors, and parking.

Mr. Covington added that part of the impetus for the update was the sense from members of the CCDAC that the plan should be updated. The outcome of the effort should result in a well-crafted Master Plan reflecting the vision for the future of Capitol Campus.

Lt. Governor Owen recalled the establishment of PLAs several years ago. He asked about issues surrounding PLAs. Ms. Miller said some comments generated questions as to whether PLAs should be reconsidered or whether there are other methods for ensuring the placement of State facilities in local jurisdictions support the community and contribute positively to the community.

Commissioner Goldmark recalled the 2009 discussion about other areas designated for potential leasing sites. Today, there's been a significant reduction in State funding. He's not supportive of locating government services some distance from the campus. The State currently has satellite campuses in Lacey and Tumwater and the degree in which the State should concentrate its future in areas already of some consequence is highly advisable. He is concerned about the campus being piecemealed. The parking issue has partly been triggered by the 1063 Block Replacement project, which will ultimately affect State employees and the public. Some effort should be expended in terms of thoughtful consideration of that impact.

Ms. Miller said the Master Plan update is funded through current staffing with no appropriation from the budget. DES is seeking \$150,000 for some of the work requiring technical expertise.

Director Liu shared that when he was first appointed as Director, the CCDAC discussed the Master Plan prompting his review of the plan. He recognized the environment within the campus had changed substantially since the last update. Some of the direction and policies lacked sufficient clarity. The update provides an opportunity to keep pace with current changes in the campus environment. It's also important to develop a regular update schedule for the Master Plan to maintain consistency.

Transportation and Parking Study

Ms. Miller reported the major scope of the study identified existing conditions of parking supply and how non-parking modes of access improve and create more parking efficiencies on the campus. The study also considered impacts to parking supply caused by the new 1063 Block Replacement project.

Basic criteria for defining parking constraint identified campus employee parking in excess of 90 percent, (practical capacity) and parking exceeding 85 percent for visitors.

The campus was surveyed three times over the study year to determine a baseline during non-session and assessment two times during the legislative session. The study considered the blended average of the occupancies and constraints during the legislative session. During the non-session, the entire parking

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supply is 75 percent occupied of the total employee and visitor parking stalls on campus. During peak hours between 10 a.m. and 11 a.m., 1,500 stalls are empty with visitor supply the most underutilized parking supply. Several parking areas exceeded practical capacity during non-session times. During peak hours and during the non-session, visitor parking was 53 percent of practical capacity.

Commissioner Goldmark pointed out the importance of emphasizing that the figures are projections. Ms. Miller said physical counts were completed during a one-day period.

Lt. Governor Owen noted that all the parking located around the Legislative Building is assigned parking spaces and not available to the public.

Rick Browning said the methodology the consultant followed was the counting of all empty spaces regardless of whether the space was reserved or not reserved. The report does not differentiate between empty reserve or non-reserve spaces. Lt. Governor Owen said it speaks to the issue of how the report presents a false representation.

Mr. Covington said there were components of the report that reflected the methodology and some of the recommendations include evaluating the utilization of space as dedicated versus non-dedicated that would be available to visitors, as well as considering adjustments or changes depending on time of year, which could be considered in terms of modifying practices. There is some preference against assigning dedicated parking spaces because of the impact on the overall parking supply. Those issues are considered in the report. The methodology for counting capacity was established as well as recognition that addressing policy issues would be necessary. Those are policy decisions that should be rendered based on actual utilization or consumption of parking space.

Lt. Governor Owen commented on the issues created by not having adequate parking space.

Commissioner Goldmark recommended visualizing a visitor who is visiting the campus to interact with a legislator or a State agency and who cannot find a parking space. That situation is not a good way to begin a relationship. Mr. Covington emphasized that the study established a baseline for future policy decisions. The study includes over 30 recommendations for improving parking supply. Commissioner Goldmark said in earlier meetings during discussions about improvements to the campus and the 1063 Building, members expressed concerns about the proposal to eliminate parking spaces.

Ms. Miller reported the assessment identified parking constraints during session particularly with visitor parking with practical capacity at 85 percent. Although employee parking was below practical capacity by approximately 5 percent, it didn't account for future needs. The study considered the impact of the 1063 Block Replacement project on existing surface and garage parking as the project removes 262 parking stalls with a net increase of 400 new employees in the new building. The combined capacity of campus parking supply reaches 93 percent. Visitor parking capacity is 98 percent. The consultant identified many opportunities to mitigate the lack of parking. To avoid and reduce the need to provide more parking supply, the State should reduce single occupant vehicles by 10 percent. A previous campus study goal is reducing single occupant vehicles at Capitol Campus to 64 percent by 2015. Currently, the campus is at 71 percent.

Mr. Covington commented that the recommendations from the consultant's study require serious consideration to implement different measures than currently employed today. Some of the recommendations are easy to achieve, such as restriping the Plaza Garage creating an additional 100 parking spaces. Other recommendations include modifying parking capacity during the session when parking demand is high or providing a shuttle for parking along Deschutes Parkway or partnering with

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Intercity Transit. The State has implemented a Commute Trip Reduction (CTR) Program managed by Washington State Department of Transportation (WSDOT). The study identified no concentrated focus for CTR or TDM efforts for the campus. One of the study's recommendations includes hiring a position to manage the TDM and CTR programs and consolidating those responsibilities with DES Parking Services. The consultant's report identified many opportunities requiring serious and deliberate actions and different methodologies. The changes will be challenging and painful for employees who are accustomed to having ready access to parking today.

Commissioner Goldmark acknowledged the need for changes. He suggested offering incentives for staff as well as visitors to help reduce the parking load. Establishing an incentive program for State employees would likely be an easy measure to implement. He suggested focusing efforts around the issue. It's important the campus is easily accessible to visitors and employees. The challenge is achieving that goal while considering how to implement that goal that meets the constraints of the physical reality and the State's budget while also providing an opportunity to participate in some type of program.

Lt. Governor Owen pointed out the importance of consultants understanding the legislative process. The promotion of carpooling and utilizing other modes of transportation is often not effective for legislators who must attend late night committee meeting to meet bill deadlines. Those realities must be considered, as one size does not fit all. Eliminating 282 parking spaces and adding 400 new employees does not compute to 85 percent practical capacity. All the recommendations matter but the reality is whether they would be implemented and functioning when the 1063 Building is completed. He strongly suspects that the answer would be no.

Secretary Wyman said when the CCDAC received the same presentation; she mentioned some of the same concerns especially in terms of recommendations to mitigate the increase in employee parking and reduction of parking spaces through CTR efforts. The 10 percent goal is important to achieve. However, according to a staff member from TRPC, over the last 20 years, the region has only achieved a 6 percent CTR reduction goal. Future decisions are based on a 10 percent goal, which has never been achieved. Although she understands the willingness of forcing people's behavior, at some point, the past 20 years of non-achievement should be considered. Teleworking in itself creates another set of issues for State agencies requiring different management standards. It's easy to create solutions that are good in theory, but any decision must be based on reality. It's important to consider the context of the environment and it must include the reality of the situation.

Ms. Miller acknowledged the comments. The next step is using the data to consider the next steps.

Director Liu shared information on his recent attendance to a meeting of state administrators who manage capitol campus parking and structures. Of the 33 states represented, all 33 states are experiencing the same problem. Working together with the SCC and the CCDAC will entail a thorough process of Capitol Campus planning to manage visitor and employee parking, considering the workforce of the future, and managing how parking is planned.

Ms. Miller advised that DES has implemented some actions through a budget request to more effectively manage current parking supply and consolidate the efforts of all state agencies on the campus to improve the use of alternative modes by employees. Because of the complexity of the issue, there are many options and alternatives. The City of Olympia has been requested to manage parking enforcement on campus rather than the Washington State Patrol (WSP). A previous study for redeveloping the two-block area housing the Newhouse Building and Visitor Center includes the potential for underground parking. All recent studies recommend only underground parking on the campus with no above grade parking.

Commissioner Goldmark asked about the timing of the discussions with the City of Olympia for parking enforcement on campus. Mr. Covington said the conversations began in late summer as an option to contract with the City's parking enforcement department. The discussions are conceptual at this time and should DES contract with the City, it would only apply to the campus. Any agreement would likely include a revenue sharing model.

Mr. Miller reported the update of the Master Plan delves into an array of many issues, which will be presented to the committee under the umbrella of the Master Plan update.

1063 Block Replacement Project – Design Update

Rick Browning, Project Director, provided an update on the status 1063 Block Replacement project.

Since the last update in June 2014, no major changes occurred in the project definition. The project is a five-story, 215,000 square-foot high performance office building sited on West Capitol Campus at the corner of 11th and Capitol Way. Major tenants include WSP (70 percent), Office of Financial Management (OFM) (15 percent), and several legislative sub-agencies (15 percent). DES successfully negotiated a three-phase contract with a Design-Build team with notice to proceed on design services only. Final design should be completed by the end of the 2015 legislative session.

Since the last meeting, DES closed the SEPA Checklist process and released the Determination of Non-significance (DNS). Two public comments were received. The process is completed and the outcome is posted on the Department of Ecology website. As the Design-Build contract is a three-phase contract, the State is under no obligation to proceed to construction unless funding becomes available.

The design phase was recently completed and included a 90-day period for scope validation. Three teams submitted extremely complex submittals. DES selected the best submittal offering the best value for the State. DES has met with the Design-Build team to review issues, shortcomings, misunderstandings, or misinterpretations and adjusted the design criteria to ensure the proposal meets the State's needs. That process concluded at the end of September 2014 culminating in a successful process. Some minor adjustments to the design included minor changes to the tenant layout with no changes to the exterior of the building. Additional tasks were identified, such as identifying underground electrical distribution infrastructure on the West Campus that will serve the new building and investigating the storage and processing of stormwater. The project is on schedule and on budget.

DES successfully acquired the alley that bisects the 1063 site and is now part of the campus. The alley was owned by the City of Olympia.

The team provided a presentation on the project to the CCDAC, as well as to the City of Olympia Design Review Board as a courtesy. DES is holding a public open house is scheduled on Thursday, October 30, 2014 at 1500 Jefferson Avenue at 6:00 p.m. No presentations are scheduled affording an opportunity for citizens to meet with the design team and DES staff and review drawings and the building model. The purpose of the open house is outreaching to the public to receive input on issues that can be modified.

Next steps include moving forward in the 40 percent milestone review providing the first owner's review of formal construction documents sometime during the first quarter of next year. Two additional milestone reviews are scheduled prior to 100 percent completion of design.

In terms of the loss of parking, it's important to consider the loss of building square footage. The 1063 Block Replacement project is predicated on the demolition or mothballing of 350,000 square feet of

building area representing the existing 1063 Building and the General Administration (GA) Building. The GA Building is not fully occupied at this time. However, in recent past, the building was fully occupied with an expectation that the campus had sufficient parking to serve those existing buildings.

Commissioner Goldmark asked about the status of the GA Building. Mr. Browning said establishing legislation creating the 1063 project called for the demolition of the GA Building. However, the timing or funding for the demolition wasn't included in the legislation. To contend with that issue, DES would mothball the facility after construction and occupancy of the 1063 Building.

Capitol Lake Improvement and Protection Association

Allen Miller and Bob Wubbena, members of the Capitol Lake Improvement and Protection Association (CLIPA), provided self-introductions. Mr. Wubbena presented information on several requests to the SCC to include convening the executive leaders associated with the decision-making process and to consider a State appropriation to initiate the Capitol Lake management program to include dredging. CLIPA has spent the last five years and approximately \$300,000 on studies by 20 professionals, as well as meeting with elected officials, community groups, and State agencies with all agreeing Capitol Lake is a SCC responsibility. CLIPA would like to assist the SCC in rendering a decision in a manner that it believes is most appropriate.

The public has received information and conclusions from the prior Capitol Lake Adaptive Management Plan (CLAMP) Subcommittee, which CLIPA believes is incorrect. CLIPA subsequently spent several years to address all the issues. The information is included on the CLIPA website. Mr. Wubbena thanked DES staff and Director Liu for their cooperation, as well as the Ruckelshaus Center. CLIPA believes it's time to make a decision and move forward.

Dr. Dave Milne, retired professor from The Evergreen State College, presented information on Capitol Lake water quality. The current widespread public perception points to Capitol Lake as a sick body of water, which is untrue. The lake has excellent dissolved oxygen levels, low coliform bacteria levels, and clarity for swimming. Dissolved oxygen is important to marine life. The Thurston County Department of Health currently monitors ten bodies of water with all those bodies having depleted oxygen levels in the deepest layer of water during summer months. Capitol Lake is the only lake not suffering depleted oxygen levels, and in fact, has high oxygen levels over the entire lake at the bottom during the entire summer.

Capitol Lake was closed in the 1980s because of the excessive coliform levels exceeding 200 bacteria per 100 milliliters of water. During the 1990s, outfalls to the lake were cleaned or removed reducing the average level of coliform bacteria in the lake. Today, the level is below half of what's required to close the lake to swimming. The lake is sampled during the summer. Black Lake levels in the swimming area of Kenneydell Park regularly exceed red zones with one sample exceeding the chart. Each of the measurements reflects less than ten percent of the sample.

Water clarity is clear for swimming according to data from the Thurston County Department of Health.

Dr. Milne reviewed various species of fish residing in Capitol Boulevard. Several species specialize in eating snails. It's possible that native predators will recognize the new food source (New Zealand Mud Snail) with the lake experiencing a downward adjustment in the snail population. It has often occurred elsewhere with introduced species.

The quality of Capitol Lake could be improved by harvesting and removing vegetation.

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Mr. Wubbena said Dr. Milne has identified and interpreted the models provided by the Department of Ecology from water quality data reflecting how Capitol Lake is a healthy lake. Additionally, CLIPA updated the costs of the CLAMP proposal for removing the tide gate at an estimated cost of \$258 million if initiated today. The tide gate halts the sediment load in the lower Budd Inlet boating channels, which was ignored by previous studies. By proper management of the lake, it's possible to remove the sediment before it's flushed into the marine environment and it optimizes Capitol Lake and Budd Inlet for water quality benefits and for recreational uses, which is consistent with the Capitol Campus planning. It would save the State millions of dollars. CLIPA's proposal would cost less than \$40 million over a 20-year period to clean the lake and manage it as a positive feature of Capitol Campus.

Mr. Wubbena emphasized that the group has met with all leaders, conducted all the technical studies, and now needs leadership. CLIPA is prepared to assist DES and others and has provided data to Ruckelshaus Center, and is willing to move forward.

Secretary Wyman asked about the cost associated with dredging the lake. Mr. Wubbena said the cost of an initial dredging is approximately \$5 million. The CLAMP cost was higher because it included dredging the two basins to a depth of 13 feet. That type of dredge is unnecessary. The \$40 million estimate provides for a series of initial dredging and routine dredging over the 20 years to maintain the lake. The CLAMP study included a dredge of 438,000 cubic yards prior to removal of the dam. Either solution includes dredging. The CLAMP study included only the initial dredge.

Commissioner Goldmark commented that CLIPA has never met with him regarding the proposal. Mr. Wubbena acknowledged the need to meet with the Commissioner.

Adjournment

With there being no further business, Lt. Governor Owen adjourned the meeting at 11:46 a.m.

Prepared by Valerie L. Gow, Recording Secretary/President
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Washington State Department of Enterprise Services

STATE CAPITOL COMMITTEE

Brad Owen, Lieutenant Governor

Kelly Wicker, Governor Inslee's Designee

Kim Wyman, Secretary of State

Peter Goldmark, Commissioner of Public Lands

Legislative Building, Senate Rules Room
Olympia, WA 98504

OCTOBER 24, 2014

Agenda Items	Purpose	Time	Presenter
Welcome and Introductions	Information	10:00	Lt. Governor Owen
Approval of the Agenda	Action	10:05	Lt. Governor Owen
Approval of the Minutes <i>June 12, 2014</i>	Action	10:07	Lt. Governor Owen
SCC Administration <i>2015 Calendar</i>	Action	10:10	Bonnie Scheel
Facilities Reports <i>Ongoing Campus Projects</i> <i>2015-2025 – 10 year Plan and Budget Request</i> <i>Ruckelshaus Center Situational Assessments</i>	Information	10:15	Bonnie Scheel
Capitol Campus Rezone <i>Status Update</i>	Information	10:25	Lenore Miller
Capitol Campus Planning <i>Master Plan Update</i> <i>Transportation and Parking Study</i>	Information/ Discussion	11:00	Lenore Miller
1063 Block Replacement Project <i>Design Update</i>	Information	11:20	Rick Browning
Capitol Lake Improvement & Protection Association	Information	11:40	Allen Miller and Bob Wubbena with CLIPA
Public Comments		11:50	Lt. Governor Owen
Adjourn		12:00	Lt. Governor Owen

STATE CAPITOL COMMITTEE

October 24, 2014

FACILITIES REPORT – ONGOING CAMPUS PROJECTS

PURPOSE: INFORMATION

The following construction projects are scheduled for summer and fall 2014 (refer to the attached map for reference).

1. Legislative Building Exterior Repairs Phase 3

This project completes the sandstone preservation, cleaning, and exterior leak repairs to the Legislative Building that begun in the 2009-11 biennium. This phase was anticipated to complete work on the remaining lower elevations of the building.

In August 2014, a contractor was on site repointing, installing weatherproofing and cleaning the building exterior, including portions of the dome podium roof, dome podium walls, drum base, stairwell skylights, portico attic walls, wing roof edges, east plinth, and east plaza. All of the impacted areas are on the exterior of the building. Project completion is expected for November 2014.

2. Capitol Campus Underground Utilities

This project will repair or replace utility lines under Sid Snyder Way between the southeast corner of the Legislative Building and Capitol Way. The following utility lines will be replaced: steam lines, chilled water lines, potable water lines, sanitary sewer lines, fiber optics cable lines, irrigation lines, and power lines. When complete, the project will deliver a newly paved roadway, with landscaping and fully functional utility services.

On August 6, 2014, contractors closed Sid Snyder Way on the West Capitol Campus, from Capitol Way to Cherry Lane. The project is scheduled to continue for 100 days (until the middle of November 2014).

Significant disruptions will continue to result from the work effort. Commuters who drive are displaced from their normal parking stalls, pedestrian circulation are detoured, and Intercity Transit's DASH shuttle bus service has been rerouted. In addition, the public can expect noise and large vehicles moving through the area. Work will be limited to the hours of 7:00 am to 7:00 pm and is expected to extend into November 2014.

3. Capital Project East Plaza Stair Tower Replacement and Waterproof Retrofit

This project will repair the structural integrity of the concrete beams and panels at the western garage entrances off of Capitol Way, along with reconstruction of stairway towers one and eight due to deteriorating steel beams and panels, and the spalling concrete walls. This project will rebuild elevator one to prevent water infiltration damage to the electrical and mechanical systems.

Water has been infiltrating the Plaza Garage, undermining and weakening the structure, corroding essential components and creating a growing risk to life and property. Structural deterioration is escalating at the western entrances of the parking garage, where structural beams, concrete walls and ceiling panels are loosening.

Construction is scheduled to start beginning September 2014. Substantial completion is expected by April 2015.

4. NRB Roof Replacement and Multipurpose Room Water Infiltration

This project will replace the 20-year, 60,000 square feet roof of the Natural Resources Building. Repairing multipurpose room water infiltration by excavation, tree removal on the eastside of the multipurpose room and water proofing the concrete surrounding the room.

Construction began in early August 2014. A substantial completion is expected for November 2014.

5. Capitol Court Roof Replacement and Window Repair

This project will replace the 24-year built up asphalt roof system and historic wood framed windows of the Capitol Court Building (formerly the Thurston County Courthouse); however, the budget of \$900,000 was only able to cover the roof work.

Construction started in early August 2014 and is scheduled to continue through mid-October 2014.

6. Critical Campus Steam System Repairs and the Governor's Mansion Boiler Replacement

This project is scheduled to construct heating and cooling system projects on Capitol Campus including; replacing campus powerhouse chillers (cooling system), the campus steam system (heating system), and the heating system for the Governor's mansion.

The current steam system loop serves 13 office buildings and the Governor's Mansion. Removing the Mansion from the steam loop will optimize energy savings on the Capitol Campus by allowing operators to turn the heating system down or off when office buildings are not occupied, including overnight, on weekends and on holidays when the office buildings are unoccupied. This makes more efficient use of the campus systems' capabilities.

The Governor's Mansion boiler replacement project includes replacing the heating system for and removing the Governor's Mansion from the central system. Work at the Governor's Mansion will close the building residential and visitors for approximately one month from late July through August 2014. The Department of Enterprise Services has been working to schedule as much construction as possible during times when the building is vacant.

The rest of the project will begin in December 2014 with a completion date of March 2015.

7. Archive Building HVAC Upgrades

This project is an upgrade for the Archives Building HVAC system that is failing. The project is expected to reduce maintenance and energy costs as well as better control the environment for the building that preserves the Washington State historic records. The construction for this project will begin in September 2014 and will be completed by December 2014.

STATE CAPITOL COMMITTEE

October 24, 2014

FACILITIES REPORT – 2015-25 TEN YEAR CAPITAL PLAN AND BUDGET REQUEST

PURPOSE: INFORMATION

The proposed 2015-25 Capital Plan and Budget Request is a carefully crafted list of projects reflecting a broad array of state facility needs and related planning. The request presents a carefully crafted strategy for facility stewardship that is both practical and visionary, reflecting a broad array of state facility needs and related planning while striving to establish a world class model for facilities leadership.

This plan addresses our capital needs with *safety, preservation* and *sustainability* as our highest priorities, and offers a strategy for funding and scheduling that describes a *committed approach* to performance and to the total facility lifecycle, continuing the sense of dedicated stewardship that the Department of Enterprise Services has expressed in previous plans.

A Committed Approach: Focus on Safety, Preservation, Sustainability

Enterprise Services' portfolio includes 92 facilities and 5,389,643 square feet in six counties serving approximately 40 state agencies, housing upwards of 10,000 state employees and regular building visitors. The portfolio has a current replacement value in excess of \$1.7 billion.

Our proposed 2015-2017 budget is a bold request that will minimize risk, save energy, take better care of what we have, and finish what we have begun throughout this portfolio. In particular, it will address a damaging trend of accelerated deferred maintenance and renewal needs for the Capitol Campus that began with the recent economic recession and which delayed numerous projects, resulting in degrading conditions, higher costs, and increasing urgency. The budget request looks to the future as well, with a major new construction project.

Projects highlights include:

- Essential infrastructure renewals to ensure a solid platform for reliable, sustainable and safe operation of our state facilities;
- Major reinvestment in well-constructed but hard-used and aging office buildings that are home to critical state programs and thousands of employees;
- Maintenance and preservation of our historic properties;
- Master planning to systematically consider and guide critical land use and design issues, plan for significant infrastructure renewal, develop a comprehensive security plan; and
- Construction of a state of the art energy-efficient office building on the Capitol Campus.

Major projects in the 2015-17 Capital request

Health and Safety -- Address Current Risks

Projects totaling \$33,941,000:

1. East Plaza Phase 5B-Water Infiltration and Elevator Repairs (\$8,939,000)
2. Capitol Campus Underground Utility Repairs (\$5,569,000)
3. NRB Garage Fire Suppression System and Critical Repairs (\$8,577,000)
4. Hillside Stabilization (\$3,648,000)
5. Campus Generator Replacement (\$1,626,000)
6. Capitol Campus Exterior Lighting Upgrade (\$1,582,000)
7. Campus Security and Safety Improvements (\$4,000,000)

Preservation -- Protect and Preserve

Projects totaling \$25,475,000:

1. Temple of Justice Systems Renewal & Security Upgrades (\$1,500,000)
2. Natural Resources Building Preservation (\$3,789,000)
3. Old Capitol Building Exterior and Interior Repairs (\$3,000,000)
4. Modular Building Critical Repairs & Upgrades (\$1,000,000)
5. Minor Works Preservation (\$9,852,000)
6. Dolliver Critical Building Repairs (\$600,000)
7. West Campus Historic Buildings Exterior Repairs (\$3,960,000)
8. Highway Licensing Building Carpet Replacement (\$1,774,000)

“Preservation” is broadly defined in the Office of Financial Management budget instructions to mean any projects that “maintain, preserve and extend the life” of an existing asset. Major facility preservation projects in this request will repair, rehabilitate and optimize the function and efficiency of numerous existing state buildings.

Sustainability -- Optimize, and Enhance Efficiencies

Projects totaling \$12,601,600:

1. Design for Office Building Two Rehabilitation: Phase 5 (\$4,000,000)
2. Critical Campus Heating System Repairs (\$2,727,000)
3. Capitol Campus Critical Network Standardization and Connectivity (\$593,600)
4. East Campus Chilled Water Loop (\$750,000)
5. B&G Maintenance Facility and 721 Columbia Building Demolition (\$2,477,000)
6. State Capitol Master Plan (\$750,000)
7. Capitol Lake Long-term Management Planning (\$350,000)
8. Minor Works Program (\$954,000)

“Sustainability” describes a way of operating in which we meet our current needs without compromising the ability of future generations to meet theirs. Enterprise Services’ commitment to sustainable development and environmental stewardship is a theme that runs through all of our major capital requests as well as our daily operations.

New Construction -- Redevelop block at 1063 Capitol Way

Capital Budget Placeholder.

This request includes full funding for construction of a new office building on the Capitol Campus, implementing ESSB.5035.SL, Section 7014 of the 2013 Legislative Session. This legacy project, now in design, will be the first major new building on the west campus in 60 years, and is intended to fully exploit six decades of advancements in building technology, architectural innovation, and the sustainability movement to the advantage of the state. It will set a new standard for public construction as one of the most energy efficient public buildings in the United States.



STATE CAPITOL COMMITTEE

October 24, 2014

RUCKELSHAUS CENTER SITUATIONAL ASSESSMENTS

PURPOSE: INFORMATION

The purpose of this agenda item is to update the Committee on the status of the situation assessment underway for Capitol Lake.

OVERVIEW

In June 2014, the Department of Enterprise Services contracted with the William D. Ruckelshaus Center to provide a situation assessment around Capitol Lake management. The Ruckelshaus Center is a joint effort of the University of Washington and Washington State University to assist communities with difficult public policy issues. Their mission is to help public, private, tribal, non-profit and other community leaders to build consensus and resolve conflicts through collaborative decision making.

The Center is conducting a situation assessment to determine the most productive means of addressing the issues around the Capitol Lake basin and its future management.

The assessment will include interviewing 50 people to get a broad representation of the various perspectives. It is a semi-structured, interview based process undertaken to better understand and explore issues and interests of involved parties as well as the situation dynamics. The interviewees' visions and priorities for Capitol Lake, along with their thoughts on relevant issues to be considered for management of the basin and a possible collaborative process to seek common ground will be discussed.

The Center is a neutral, third party, and will independently develop a report with key findings and a recommendation about the prospects for a follow-up collaborative process to address the issues.

TIME LINE

The Center is in the midst of the first round of interviews that began in August 2014. They identify and interview 30 people, and anticipate adding another 20 based on recommendations from the initial interviews. Interviews will take place through approximately October, with analysis in November and the final report due in December 2014.

Recommendations from that report will inform Enterprise Services and the Legislature on what is needed for further funding to continue moving ahead. Enterprise Services is not seeking funds for a dredge at this point, so as not to jeopardize the collaborative process being pursued through the Ruckelshaus Center. Enterprise Services has requested \$350,000 for the 2015-2017 biennium to pursue any recommendations that come from the December report and could later work with the Legislature on a 2016 supplemental request, should that be needed.

STATE CAPITOL COMMITTEE

October 24, 2014

CAPITOL CAMPUS REZONE – BRIEFING

PURPOSE: INFORMATION

The purpose of this agenda item is to share with the State Capitol Committee (SCC) the City of Olympia's proposal to rezone the State Capitol Campus.

Lenore Miller, Department of Enterprise Services, Project Manager for the Master Plan update, will present this agenda item.

OVERVIEW

In May 2014, Enterprise Services received a notice from the City of Olympia proposing land use zoning changes to four properties including the State Capitol Campus. The City is updating its Comprehensive Plan and these rezones are being considered to ensure the City's development requirements are consistent with its Plan. In addition to being consistent with the City's Comprehensive Plan, the rezone will reflect the State's supremacy over local government zoning. Since 1981, the City's practice has been to not impose its land use/zoning ordinance at the State Capitol.

The City has proposed that the State Capitol Campus be rezoned to Planned Unit Development from the current zoning designations of Community Service - High Density, Urban Waterfront and four other zoning categories.

The City's rezone proposal has been reviewed by the City of Olympia's Planning Commission who on July 7, 2014, recommended to the City Council:

"That the entirety of the Capitol Campus owned or controlled by the State of Washington, and for all properties within the capital campus boundaries, be designated as a "Planned Unit Development" zone on the City's zoning map."

Under the Planned Unit Development zoning designation, the SCC is designated as the authority that adopts the State Capitol Master Plan and other sub-campus plans that define the Capitol Campus land use and development requirements. Enterprise Services' role and authority is to draft recommendations for SCC approval and to apply the adopted land use and development requirements. The Capitol Campus Design Advisory Committee's (CCDAC) role is to advise DES and SCC on the development, adoption and implementation of these requirements and documents.

Enterprise Services presented the rezone proposal to CCDAC at their September 18, 2014 meeting. CCDAC asked that Enterprise Services get additional information on the proposal and present the information at their November 20, 2014 meeting.

Lenore Miller will present the City of Olympia's rezone proposal, CCDAC's initial response to the proposal and review the recommended changes to the State Capitol Campus boundary for the

rezone. Enterprise Services seeks SCC's initial feedback on the rezone proposal and the proposed changes to the State Capitol Campus boundary.

Next Steps

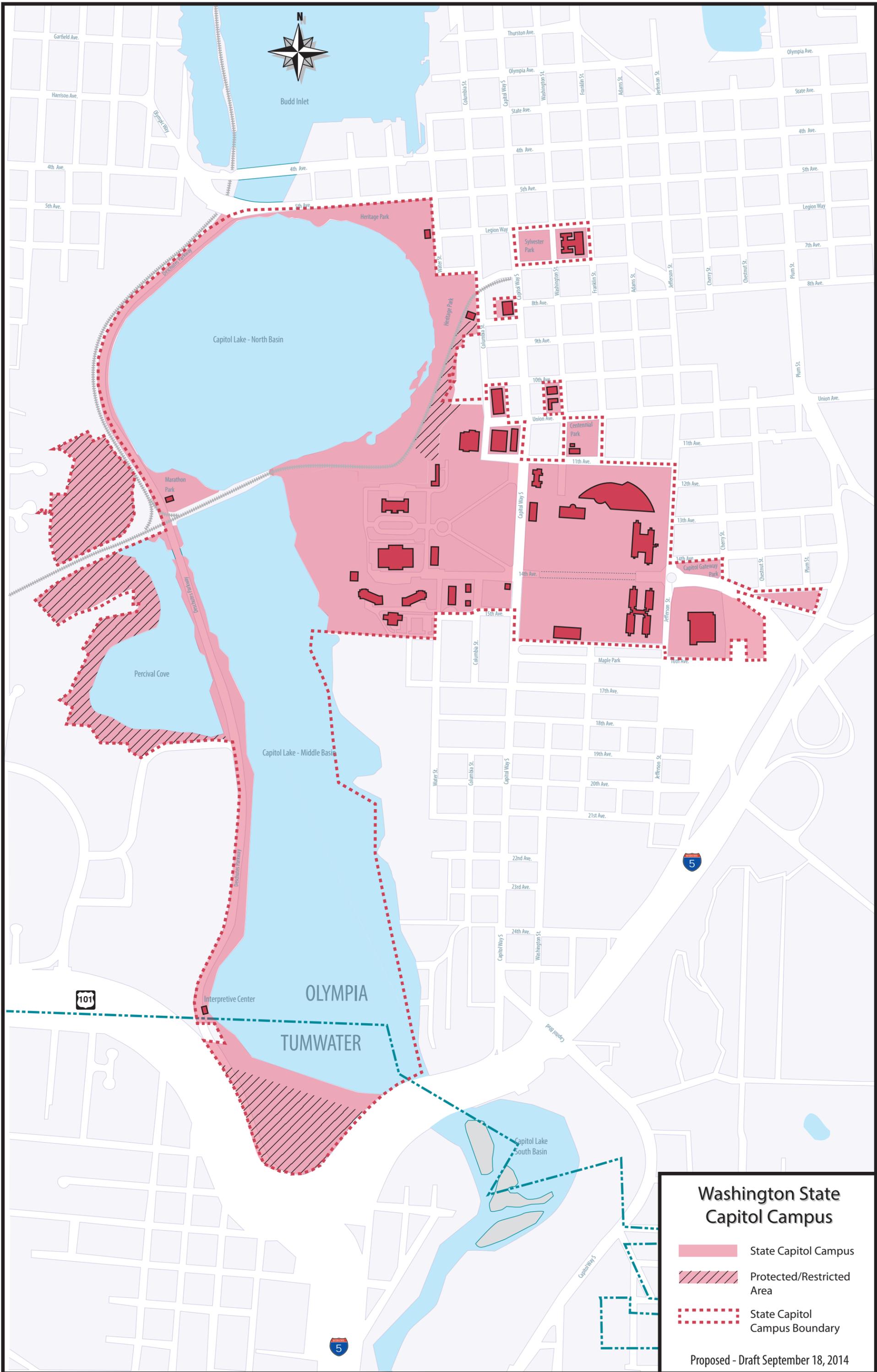
Enterprise Services will work with the City of Olympia to follow-up on SCC and CCDAC's feedback on the rezone proposal. Information requested by CCDAC and the rezone proposal will be presented at their November 20, 2014 meeting with the objective of receiving their final advice on the proposal.

At the December 11, 2014 SCC meeting, Enterprise Services will present the final rezone proposal, CCDAC's advice, and the recommended State Capitol Campus boundary changes to SCC for approval.

If SCC approves this action, Enterprise Services will send a letter to the City of Olympia indicating SCC's approval of the City's proposed State Capitol Campus rezone including a map and written description of the State Capitol Campus boundary as adopted by SCC. The letter will also indicate that it is the expectation of SCC and Enterprise Services that the Planned Unit Development will indicate that:

- The Master Plan for the State Capitol of the State of Washington will direct land use and development requirements, and
- The State Capitol Committee is the governing authority that adopts the Master Plan for the State Capitol.

The final action is the Olympia City Council's formal action on the proposed rezone, which may occur in January 2015.





STATE CAPITOL COMMITTEE

October 24, 2014

CAPITOL CAMPUS PLANNING – MASTER PLAN UPDATE AND TRANSPORTATION AND PARKING STUDY

PURPOSE: DISCUSSION

The purpose of this agenda item is to report on the status of the Master Plan update and to present the final State Capitol Parking and Transportation Study for discussion with the State Capitol Committee (SCC).

Lenore Miller, Department of Enterprise Services, Project Manager, will present this agenda item.

OVERVIEW

Lenore will report on the progress made on the Master Plan update, upcoming work, and engagement activities. Enterprise Services will seek SCC's guidance on the scope of the Master Plan to clarify what locations or facilities the Master Plan addresses.

Since the June 12, 2014 SCC meeting, the *Capitol Campus Transportation and Parking Study* has been completed by the Rick Williams Consulting firm. The final report includes an additional section on the review of transportation infrastructure (non-auto transportation modes). Lenore will present the study's key findings and recommendations for discussion by the SCC members.

Next Step

The Master Plan Work Group will finalize the scope of work for the Master Plan update. Enterprise Services will begin its engagement with stakeholders to identify their needs and interests in the Plan's update. The stakeholders' input will inform the scope of work as it is finalized.

Enterprise Services staff and the Work Group will begin to develop draft updates to the Master Plan. Enterprise Services will seek input by stakeholders on draft update. Enterprise Services will present draft updates to SCC at their future meetings.

Enterprise Services' 2015-2025 Capital Plan and 2015-17 operating and capital budget requests include a few recommendations made in the Transportation and Parking, which will be considered for inclusion in the Governor's budget requests. The study will be reviewed by Enterprise Services staff and the Master Plan Work Group to further consider its 36 recommendations to determine what actions can be implemented and should be planned for in the future. SCC will receive updates on future actions and plans to address the State Capitol Campus transportation and parking issues and opportunities.

STATE CAPITOL COMMITTEE

October 24, 2014

1063 BLOCK REPLACEMENT PROJECT – Status Update

PURPOSE: INFORMATION

BACKGROUND

The 2013 Legislature initiated the 1063 block replacement project through an appropriation to the Department of Enterprise Services in the capital budget for the 2013-15 biennium (Sections 1109 and 7014, Chapter 19, Laws of 2013, 2013 2nd Special Session). The project's purpose is:

- Develop a state-owned facility as a model of high-performance and energy efficiency.
- Establish an efficient office building in Olympia for executive and legislative agencies.
- Improve the gateway to the state's Capitol Campus.
- Replace an existing state-owned building at 1063 Capitol Way South in Olympia, which is more than 80 years old and at the end of its useful life.

STATUS

Enterprise Service began staffing and preparation for the project in July 2013. As a result of a two stage Request for Qualifications/Request for Proposals (RFQ/RFP) process, three finalist Design-Build teams submitted proposals for the project on February 20, 2014. Since that time, Enterprise Services completed or is in the midst of executing the following activities for the project:

- Selected an apparent successful submitter - the Sellen/ZGF team.
- Assisted Office of Financial Management with finalizing a legislatively required financial report on cost implications of the project.
- Signed a phased contract with the Sellen/ZGF team and in late June issued Notice to Proceed #1 for design services only. Demolition and construction work is contingent on funding by the 2015 legislative session.
- Completed a scope validation review of the winning design submittal with input from tenant groups and other internal stakeholders
- Purchased the alleyway bisecting the project site from the City of Olympia.
- Presented the design to the Capitol Campus Design Advisory Committee (CCDAC) at the September 18, 2014 meeting and received comments.
- Presented the design to the City of Olympia's Design Review Committee in late September and received their comments on an advisory basis.
- Continued investigations into the capacity of the overall Capitol Campus parking resource and 1063's projected impacts on future capacity. The final Capitol Campus Transportation and Parking Study was presented at the CCDAC meeting on September 18, 2014.

NEXT STEPS

Enterprise Services plans the following activities for the project:

- Direct the design build team to begin detailed design and document production leading to a 40 percent review milestone set of drawings and specs in late fourth quarter of this year.
- If funded during the 2015 legislative session, secure permits and begin demolition in early summer of 2015.
- Reach substantial completion of the facility in fall of 2017 and begin move in of tenant groups by the end of the year.

ADDITIONAL BACKGROUND

The legislation (Sections 1109 and 7014, Chapter 19, Laws of 2013, 2013 2nd Special Session) includes:

- Approval of a \$13 million appropriation that is solely for predesign, design, competition honoraria, project management, demolition and other planning activities, including permits. [Notice to Proceed #1 design services will be paid from this appropriation.]

The current budget proviso includes:

- Approval for the state to enter into a financing contract for up to \$69 million to construct a new office building. [However, the sale of certificate of participation bonds is contingent on a lease rate of no more than \$26/square feet. The project is unable to meet this requirement, so funding of construction must be addressed in the next legislative session.]
- The new building must be built using the design build project delivery system, as defined in [RCW 39.10](#), with a guarantee for energy, operations, and maintenance performance.
- The scope of the building shall be between 200,000 and 225,000 square feet of office space, with Washington State Patrol identified as one of the tenants (the apparent successful submittal is 215,000 square feet).
- The 1063 block project is phase-one of a two-phase process that includes future demolition of the current General Administration Building.

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