

2015 SENATE GOVERNMENT AND VETERANS AFFAIRS

SB 2304

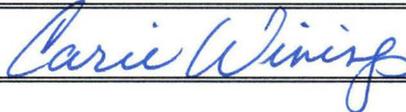
2015 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee
Missouri River Room, State Capitol

SB 2304
1/30/2015
Job # 22867

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act providing an appropriation to the office of management and budget for the demolition of the governor's residence and the construction of a new governor's residence.

Minutes:

Attachments 1

Chairman Dever: Opened the hearing on SB 2304.

Senator Laffen, District 43: Testified to introduce the bill and to explain the bill. See Attachment #1 for testimony in support of the bill. It would cost \$2.8 million to repair the current issues that the residence has. An elevator is not included in the renovations. It would be a \$100,000 project and a spot is available if that is to be included. Option A would leave the residence the same size with a new sleeping quarter addition. Option B would be a smaller residence and all of the entertaining would be at the Heritage Center. Option C would add an entertaining component. Appendix B is \$628,000 of interior remodel.

(13:12)Chairman Dever: This is pretty impressive. A lot of important work has already been done.

Senator Flakoll: I think for me could you explain to the committee the source of the money?

Senator Laffen: The capitol grounds has the trust fund called the Capitol Building Trust Fund. It has an oil well and is producing revenue and that fund can only be spent on the capitol grounds. The fund is projected to be at \$5.372 million at the end of this biennium and \$8.5 million at the end of the biennium. The numbers for the construction are just estimates but it includes everything.

Chairman Dever: Was there consideration of other sites?

Senator Laffen: There was not really. There have been informal discussion between members of the committee that talked about building a residence right beside the existing one to keep the original in operation while building the new one. Every single past and the present Governor likes the site where that one sits and the ability to use the existing drive and loop saves probably \$500,000. We would take the existing one down regardless. The other site

that is always considered when this comes up is the original master plan had in the NE corner up on the hill. Everyone we talked to thinks that is a very commercial feeling site that looks over all of the parking.

Chairman Dever: Nice place for an office but not a house.

Senator Cook: I walked over to the Governor's mansion this week and I was surprised that the walk that we took would be the shortest way, and in order to keep it the shortest way, there was no sidewalk, we walked across grass. My understanding is that the only way you can walk from the Governor's mansion to the capitol is to go out to 4th St, south to Boulevard and Boulevard to the entrance to the capitol and then follow that sidewalk. Can a sidewalk be put in through the trees or are there any conversations about a tunnel?

Senator Laffen: I never heard anyone suggest a tunnel until last night. A tunnel would be \$1 million or more and they are extremely difficult to maintain. A good connecting on grade link would be a great idea. The sidewalks are a little strange and it has something to do with the city of Bismarck.

Senator Cook: When we talk about security and we talk about some security that is really obvious and if you want to increase the security risk, put it in the newspaper or on TV. Maybe certain things should not be mentioned.

Senator Laffen: It is hard to not talk about the issues that are causing then need for this. It would be nice if some of that could remain unmentioned.

Senator Flakoll: The current residence seems almost like many different sections done a piece at a time with no communication on the overall cohesiveness. Are there things that could be pulled across to a new building that would preserve the historic aspect of the home?

Senator Laffen: Absolutely. There are some things about that building that we would want to keep or replicated. I am on the Capitol Grounds Planning Commission and I would expect that the group would want to build the new residence out of Indiana limestone which is the material all the building on the grounds are built out of.

Vice Chairman Poolman: Appendix A, page 3, has pictures and details of fixing the dining room roof repair in 2011 and we were just there in 2013 and there were buckets on the floor and a tarp holding up the dining room ceiling. Is that still an ongoing problem that seems unfixable then? Is there a design flaw?

Senator Laffen: When houses were built in the 60's they were not insulated well and that building is all flat roofs which causes condensation issues. Meaning that over the winter frost builds up on the inside wood structures and then on a warm day then it starts to melt. We have tried to find those and they are very difficult to solve those problems in a poorly insulated building. I am not sure if it is condensation or leakage. They are repairs that we will fight over there forever.

Chairman Dever: The difference here is that it is more of a residence not a mansion and you are continuing that concept?

Senator Laffen: I cannot find a Governor in North Dakota who wants the public to think that he lives in a mansion and I have never looked at that house and thought of it that way. We have always referred to it in North Dakota as the Governor's residence.

Chairman Dever: It is the Governor's residence but it is also the peoples place. I kind of like the idea of being able to entertain but also to have separate family quarters.

Senator Laffen: I can tell you the sponsors on the bill had that discussion and that was the sentiment of the sponsors as well.

Senator Nelson: You were comparing it to the President's residence of NDSU and UND and they are multi-level and quite frankly I would not want to live in them. I think they are cold as an atmosphere and for instance the one at NDSU it would be impossible to live there if you were handicapped because there is not elevator. That was the main thing that I noticed at the Governor's residence is that there is no elevator. I have a handicapped husband. If there are two steps down or up then he can handle those with a walker, but when you are going down to the basement that needs an elevator. For \$100,000 for an elevator, I do not think that is bad. I did manage to talk to a person that grew up as a child in the home and the home has changed a lot over the years. I would like to have seen what was in the original floor plan. When you get a volunteer committee it can get to be piece mealed. Often times the funding was limited.

Senator Laffen: One of the Governors converted two of the bedrooms into a larger master suite and there was a need for an office for the staff that works there and that is what happened with that bedroom area. That Governor did not have any children and we have not had any children there since that was done. There might come a time that there will be. For the 24 years since that was done, it has worked really well. We can improve the security but we cannot get it to where we need it with the current residence. In reference to the two university president's residences that you mentioned they are two levels and what is upstairs is the bedrooms. The entertaining space is on one level. The Governor's residence is a little different in that the entertaining space is split between two.

(27:54) Senator Unruh, District 33: Testified as sponsor and in support of the bill. I wanted to stand up this morning and express my support for this project. I think if you look at what you have been given, and look at the existing facility issues; that is explanation enough. I have heard you talk about security, accessibility, sleeping quarters, hazardous materials and they are all issues that need to be repaired. Starting over new I think is the best direction to go at this point.

(29:00) Senator Nelson: Did you ever consider changes in the front of the building? Taking out the curved drive and putting up a security fence? If there is a security problem do we need to fix that rather going after the building itself. What would be the difference in cost?

Senator Unruh: I will not claim to be an expert on all of the different options for different solutions to solve the security problem with the residence. I think just looking at the current floor plan; I don't see a way to solve them without at least doing the addition or building a new residence. I do not think the fence would be enough.

Chairman Dever: Years ago before the oil boom and post 9/11 a proposal was made to put a fence around and it became very political and for that reason it was not done.

Senator Unruh: I do understand that aspect of this project, but I think we just need to try and do our best to get to doing the right thing. There are a lot of issues with this residence. While it is a sensitive subject for us to be talking about, I think the need has been fully expressed here this morning.

Chairman Dever: I think the idea that it is coming from the capitol grounds building trust fund makes the project more feasible than if it was general fund money.

Senator Unruh: I agree fully.

Senator Flakoll: Can we have some information in terms of the amount of money that has been in the fund and how much has been spent in the past 8 years or so?

John Boyle, Director, Facility Management: I can get that information for you. Four years ago there was \$2.5 million and we have not spent hardly any out of it so it has grown to \$5.4 million at the end of this current biennium. We do have a recurring appropriation that is \$175,000 per biennium that goes for small improvements throughout the grounds. We do spend that but any large appropriation has to be approved by the legislature.

Senator Flakoll: How many oil wells help feed this fund?

John Boyle: Four and with a few opportunities for others to be drilled in the future. I think two right away. There is an income stream that is coming in that far exceeds what it did in the past.

Senator Nelson: When you talked about refurbishing the state office building that is on the capitol grounds, that is on the capitol grounds, so could this \$8 million be spent on that as opposed to the Governor's residence?

John Boyle: The liberty memorial building project is a \$40 million project and that would be a general fund appropriation in the executive budget recommendation from the Governor.

Chairman Dever: Are there other projects under consideration from the capitol building trust fund?

John Boyle: The capital grounds planning commission each biennium recommends one to three projects to be done. About 8 years ago we did a 3 phase parking plan which we have completed phase 2 now and phase 3 was a 2 level parking structure west of the building. That would be the legislative parking lot as well as everything south of the road leading to 4th street. That would add another 200+ parking spaces. There would be a lower level with a connecting tunnel into the lower level of the capitol. You would have the lower level during session and we would make more visitors parking in that lower level. The upper level would be additional visitor parking and for state employees to use. That was \$13 million, so instead the Governor recommended \$1.3 million to redo what is currently there because the lot is in very bad shape.

Chairman Dever: Spaces are too narrow

Senator Marcellais: You mentioned revenue off of four oil wells; does that have to be allocated to the Governor's residence or can it be used someplace else?

John Boyle: Those funds have to be used on the capitol grounds for projects on the capitol grounds.

Chairman Dever: Closed the hearing on SB 2304.

2015 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee
Missouri River Room, State Capitol

SB 2304
1/30/2015
Job # 22890

- Subcommittee
 Conference Committee

Committee Clerk Signature

Carie Winings

Minutes:

No Attachments

Chairman Dever: Opened SB 2304 for committee discussion.

Senator Poolman: Moved a Do Pass and Rerefer to Appropriations.

Senator Flakoll: Seconded.

Chairman Dever: Asked the committee if there is any discussion.

Senator Cook: I am going to support the motion. There is no doubt in my mind that we need to do something with this. We have been privileged to see some information that the public has not. I have had a tour of the house. The most important thing that we need to do is if we are going to build a Governor's mansion that I hope the people of North Dakota support it also. There is a lot of work that needs to be done in that area to show them the facts and explain the need so that it will be supported. I hope that somebody that is very aware of that work that has to be done to explain to the people this vote so that they understand and embrace it as well. You don't want to build something like this if the people do not support it.

Chairman Dever: One of the things that struck me was that it would take \$2.8 million to repair and bring the existing residence up to standards.

Senator Flakoll: I am not a proponent of remodeling the current one because it is too much money for too little good. I think we have an opportunity with the other to do something that is very functional, addresses safety, probably asbestos issues, and accessibility issues etc. , all of which are very important that we can have a building that reflects the essence of North Dakota and again it being a residence, and certainly by no means a mansion, I think the real big difference between this bill and the last one that was offered up a few years back is the fact that we are taking these funds that are for the capitol grounds. It is a much better option than taking general funds that are taxpayer dollars.

Chairman Dever: When we did the tour the other day, it was mentioned that the asbestos was sealed in the ceiling so that is a factor.

Senator Marcellais: I was looking at the handout that we were given and in Appendix A, Page 9, there are three offices there. One of the concerns is if the Governor has children that they would have to be put down in the basement. Those three offices can be converted into bedrooms. They were probably bedrooms to begin with. Why have three offices on the main floor? When I look at this plan, they talked about \$100,000 for an elevator to make the ADA requirements, but also the doors are not wide enough for wheelchairs.

Committee Discussion: A few brief comments were made about the offices in the residence.

Chairman Dever: It sounds extravagant, but we are not building a house for the Governor, we are building the peoples Governor's residence.

A Roll Call Vote Was Taken: 5 yeas, 2 nays, 0 absent.

Motion Carried.

Senator Poolman will carry the bill.

**2015 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2304**

Senate Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Poolman Seconded By Flakoll

Senators	Yes	No	Senators	Yes	No
Chairman Dever	✓		Senator Marcellais		✓
Vice Chairman Poolman	✓		Senator Nelson		✓
Senator Cook	✓				
Senator Davison	✓				
Senator Flakoll	✓				

Total (Yes) 5 No 2

Absent 0

Floor Assignment Poolman

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2304: Government and Veterans Affairs Committee (Sen. Dever, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (5 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2304 was rereferred to the **Appropriations Committee**.

2015 SENATE APPROPRIATIONS

SB 2304

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2304
2/6/2015
Job # 23373

- Subcommittee
 Conference Committee

Committee Clerk Signature

Kate Oliver for Alce DeZee

Explanation or reason for introduction of bill/resolution:

A BILL for an appropriation to OMB for demolition of the governor's residence and construction of a new governor's residence

Minutes:

Testimony 1 & 2

Chairman Holmberg called the committee to order on Friday, February 06, 2015, at 8:30 am in regards to SB 2304. Roll Call was taken. All committee members were present except Senator Robinson. Adam Mathiak, Legislative Council, and Nick Creamer, OMB, were also present.

Senator Heckaman: District 23 introduced the bill and is here to support SB 2304 Testimony Attached # 1.

Senator Jessica Unruh: District 33, testified in favor of SB 2304.

Senator Carlisle: The money is in the capitol grounds planning commission, yes?

Senator Jessuca Unruh: There is a little more than \$5,000,000 in there.

Senator Sorvaag: That will be \$7,000,000 is that based on today's oil price or December's?

Senator Unruh: The bill doesn't allow for construction to begin until the funds are there.

Chairman Holmberg: There is an updated projection for the Capitol Grounds Building Fund on page 3 of your revenue forecast. It says that we will have \$3,500,000 by the end of the next biennium that includes the revenue changes that were made in January and that \$3,000,000 includes taking out \$5,000,000 for the new residence. In the OMB budget there was, \$1,400,000 for signage but that came from the general fund. There is the money there.

Senator Unruh: I appreciate your consideration of this bill. But I do think this is a necessary project. I do understand the approach that we are taking with Capitol projects and if there is any way I can help the committee I would be happy to work with you on that.

Senator Lonnie Laffen: District 43, spoke in favor of the bill. Testimony Attached # 2.

Chairman Holmberg: The current method of heating is what?

Senator Lonnie Laffen: The current is natural gas.

Chairman Holmberg: Do any of these plans, the parking situation for public is really quite limited.

Senator Laffen: If we were to build a new residence there are two options, option B, it would be smaller residence than what we have, it ends of being about \$2,500,000 to build that size. The Option C, builds as the same today, takes all the lower level to the main level that cost is \$5,000,000 that is currently in the bill. We expanded the parking lot to accommodate a lot more parking.

Chairman Holmberg: You have been in other residences of other states?

Senator Laffen: I have been in a couple, our interior is nice in some areas, we might salvage some things, and we are seemed to be a little overwhelmed by the others.

Chairman Holmberg: In option B and C part of the private residence is an attached garage.

Senator Laffen: Yes, we added a security gate. That could be screened very easily. The current site works the best.

V.Chairman Bowman: When you build new buildings and tear down the old one, the demolition included in this amount, is there asbestos in the old building because that jumps the cost.

Senator Laffen: It is my belief that the \$5,000,000 is enough to do that and all of that the asbestos is in the piping.

Senator Mathern: What do you people think about the whole issue of trying to preserve the first residence on the grounds?

Senator Laffen: Most architects in our profession believe that old buildings are worthy of being preserved, restored, renewed when possible. That doesn't mean every building, 99% of the architects in this state would think that this is one of those building, while it' old, it's not an architectural gem worth saving.

Senator Gary Lee: Roughly it would be \$400 a square foot, is that typical?

Senator Laffen: Those residences that didn't have the security issues. If you were to do the math on that it would be nearly doubling. That is the same size residence as option B. \$400 seems like a lot but this is an unusual residence.

Senator Gary Lee: I have been in a couple state residences, one in Wisconsin and California, both are official historic buildings. They didn't even use the residence for living. How long will it be before it is finished?

Senator Laffen: 18 month project whoever the governor would be would have to be accommodated for.

Senator Wanzek: In option C, the new public area, that cost considerably more, that would include the parking area.

Senator Laffen: Yes, in the public space will be made of more durable materials than the residential side. There would be a fairly separation between the public and private side. The residential side, we use materials that are nice but can be changed. There is more volume to the public side.

Chairman Holmberg: The current residence uses the same kitchen for both public and private. Would you anticipate using the same kitchen?

Senator Laffen: I am not sure how we would design this in terms of that yet. My assumption would be that the entertaining side would have a serving kitchen.

Senator Erbele: In relation to the roof design. Would you stay with a flat roof?

Senator Laffen: There has been no design yet. They would hire an architect and start the design work.

Senator Mathern: When inquiring with former governors, did they say they would rather have more privacy with a smaller residence or a larger one that can accommodate large public gatherings?

Senator Laffen: Most of them will tell you this is a tradition that you entertain at the governor's residence, and they feel that tradition is something to continue to be able to entertain like other states have.

Chairman Holmberg closed the hearing on SB 2304

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2304
2/12/2015
Job # 23723

- Subcommittee
 Conference Committee

Committee Clerk Signature

Rose Loring

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide for a legislative management study of the demolition of the governor's residence and the construction of a new governor's residence.

Minutes:

Senator Heckaman moved amendment 15.0890.04001
Senator Carlisle seconded.

Voice vote carried.

Senator Carlisle moved Do Pass as Amended.
Senator Wanzek seconded.

A Roll Call vote was taken. Yea: 13 Nay: 0 Absent: 0
The bill returns to the Government and Veterans Affairs Committee and Senator Poolman will carry the bill on the floor.

February 6, 2015

2/12/15
JUE

PROPOSED AMENDMENTS TO SENATE BILL NO. 2304

Page 1, line 1, replace "providing an appropriation to the office of management and budget for" with "to provide for a legislative management study of"

Page 1, line 4, replace "**APPROPRIATION**" with "**LEGISLATIVE MANAGEMENT STUDY**"

Page 1, remove lines 5 and 6

Page 1, line 7, replace "the office of management and budget for the purpose of" with "During the 2015-16 interim, the legislative management shall study the options for"

Page 1, line 7, remove ", for"

Page 1, line 8, remove "the biennium beginning July 1, 2015, and ending June 30, 2017"

Page 1, line 8, remove "office of management and"

Page 1, line 9, replace "budget shall use the funds appropriated in this section for" with "study must consider"

Page 1, line 10, remove "for"

Page 1, line 11, remove "The office of management and budget may not expend any funds"

Page 1, line 12, replace "appropriated under this section for demolition or construction until after January 1, 2017" with "The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment removes a \$5 million appropriation for the construction of a new Governor's residence and provides for a legislative management study of the options for constructing a new Governor's residence.

Date: 2: 12-13
Roll Call Vote #: 1

2015 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2304

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: 15,0890. 04001

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Heckaman Seconded By Carlisle

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg			Senator Heckaman		
Senator Bowman			Senator Mathern		
Senator Krebsbach			Senator O'Connell		
Senator Carlisle			Senator Robinson		
Senator Sorvaag					
Senator G. Lee					
Senator Kilzer					
Senator Erbele					
Senator Wanzek					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

*voice vote
Carried*

Date: 2-12-15
 Roll Call Vote #: 2

2015 SENATE STANDING COMMITTEE
ROLL CALL VOTES
 BILL/RESOLUTION NO. 2304

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Carlisle Seconded By Wanzek

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Heckaman	✓	
Senator Bowman	✓		Senator Mathern	✓	
Senator Krebsbach	✓		Senator O'Connell	✓	
Senator Carlisle	✓		Senator Robinson	✓	
Senator Sorvaag	✓				
Senator G. Lee	✓				
Senator Kilzer	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No 0

Absent _____

Floor Assignment GVA Poolman

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2304: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2304 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "providing an appropriation to the office of management and budget for" with "to provide for a legislative management study of"

Page 1, line 4, replace "**APPROPRIATION**" with "**LEGISLATIVE MANAGEMENT STUDY**"

Page 1, remove lines 5 and 6

Page 1, line 7, replace "the office of management and budget for the purpose of" with "During the 2015-16 interim, the legislative management shall study the options for"

Page 1, line 7, remove ", for"

Page 1, line 8, remove "the biennium beginning July 1, 2015, and ending June 30, 2017"

Page 1, line 8, remove "office of management and"

Page 1, line 9, replace "budget shall use the funds appropriated in this section for" with "study must consider"

Page 1, line 10, remove "for"

Page 1, line 11, remove "The office of management and budget may not expend any funds"

Page 1, line 12, replace "appropriated under this section for demolition or construction until after January 1, 2017" with "The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment removes a \$5 million appropriation for the construction of a new Governor's residence and provides for a legislative management study of the options for constructing a new Governor's residence.

2015 HOUSE GOVERNMENT AND VETERANS AFFAIRS

SB 2304

2015 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee Fort Union, State Capitol

SB 2304
3/19/2015
25154

- Subcommittee
 Conference Committee

Committee Clerk Signature

Carmen Hart

Explanation or reason for introduction of bill/resolution:

Provide for a legislative management study of the demolition of the governor's residence and the construction of a new governor's residence

Minutes:

Attachments 1-2

Chairman Kasper opened the hearing on SB 2304.

Senator Jessica Unruh, District 33, appeared in support. This is a legislative management study on the construction of a new governor's residence. It states that during the next interim we would study the options for constructing a new governor's residence including the demolition of the current residence and construction of a new residence on the same site. The original bill was an appropriation to construct a new governor's residence with \$5 million coming out of the capitol building fund. The Senate appropriations converted this into a study. The existing facility has a lot of issues with it. There are security issues that can't be fixed with simply a fence. There are accessibility issues. There are hazardous materials such as asbestos in some of the walls, and there are access issues in regard to a detached garage.

Rep. Steiner Why did the Senate cut the money?

Senator Unruh Yes, the money is there. Yes, the money can only be used on capitol projects that are in that fund. At the time we are very uncertain of what our revenue forecast for the next biennium was going to look like. All capitol building projects were getting cut from budgets. While this comes from a specific fund, your Senate appropriations committee thought that it would be appropriate to be consistent with building projects.

Chairman Kasper I applaud you for bringing this bill forward. I like the idea of build it now. We have the money. It is not somebody else's budget. You can only use on the capitol grounds.

Rep. Louser Was there any talk about really what needs to be studied?

Senator Unruh Senator Laffen will actually review some of the issues that could be studied. A lot of information has already been gathered and compiled. There are two options.

Vice Chair Rohr Are the two options a difference between a governor's residence and a governor's mansion?

Senator Unruh It could quite possibly be, but I do still prefer the word residence with either option.

Attachment 1 was handed out. (North Dakota Governor's Residence Booklet)

Chairman Kasper I am going to ask Austin to contact John Boyle at Building and Grounds and see if he can obtain for us the photo we received back when I introduced that bill previously of the South Dakota residence.

Senator Lonnie Laffen appeared in support. (08:53) He reviewed again how the original bill was and how it was changed to a study. I am going to start with Appendix A in the middle of the book. I am also on the capitol grounds planning commission, and that is where this started from in 2012. In 2012 the capitol grounds planning commission charged to do a study, and it was completed by a Fargo architecture firm. The study highlights the problems we have with the current residence and the cost to repair them. The cost to keep the residence and repair the current issues we have is about \$2.8 million. That would add the security that we need. It would solve some structural issues. We have water issues. We have bedrooms downstairs that do not meet code, and we have a separated garage that is not big enough and part of the security issue. We have ADA issues of accessibility. We have hazardous materials. I took a look at it and said it would be crazy on our part to spend \$2.8 million renovating that house. We have sort of a rule of thumb that once you go over 50% of the cost of any new building, you don't fix those anymore. There is a pretty good chance that a future governor could have children. Over the years past governors have taken the upper level bedrooms and converted them into offices that they need for the staff, and two of them were converted to become a master bedroom area. The only second bedrooms left in the house are downstairs and they don't meet accessibility codes and don't meet egress codes. There is a breezeway between the garage and residence, and that is a big security issue. Front of the book, there are three options. Two of these would take down the current residence at a cost of about \$100,000. Option A is a repeat of the study that was done by the Fargo architecture firm that said you could renovate the house. It adds the upper level bedrooms, a four stall garage that is connected now, and converts the existing master suite to one more office and a conference space. I have it at \$3.4 million. I think the original \$2.8 million would probably be plenty for that, but I suggest we don't do that. The next page is also Option A. It is just the lower level. Option B--There are two options for a new governor's residence. I talked to the living governors, and they all suggest we stay on the site. Also, you can use the driveway and existing parking lot and all of the utilities coming into that house. That would be about \$1 million of savings if we do it right on the same site. The existing residence is 10,152 square feet. It can entertain about 75 people. The first option in Option B would be 6,230 square feet and would cost about \$1.95 million. This has entertaining space for about 10-12 people, so entertaining for larger groups would have to be done at the Heritage Center, etc. Almost all governors'

residences still entertain about 75-100 people in the United States. This plan would also provide a security gate around the entire property so that there is an entry gate. Option C is very similar. It is slightly bigger than the current residence. It would be able to entertain up to 50-75 people. We added a parking lot to the site. The cost on this one was estimated at \$4.5 million. When the bill was written that was converted to \$5 million along with a clause that this wouldn't start until 2017 which pushes it back past the next governor's election. Not knowing at all who the governor would be then, we just thought that was less political that way, and that is why the estimate went from 450 to \$5 million.

Rep. B. Koppelman You are putting a second building on the site in Option B and C?

Senator Laffen They are one building. There are two parts to this residence regardless. There is the private living quarters and then there is an entertaining area. They are connected and you can walk between them.

Rep. Laning Options B and C show the driveway coming into the end of the house. I am assuming the square block there includes the garage, and if so, is that still a four car garage?

Senator Laffen We haven't designed the new residence at all yet. The determination whether that would be a three car garage or a four car garage would still be made by the capitol grounds planning commission when they gather a group, of probably ex governors, to help be the design client for this project.

Rep. Laning Would that square footage include the garage that is shown here?

Senator Laffen Yes.

Vice Chair Rohr Does the cost you identified include the interim place that the governor and his family would have to live in? Does it include the furniture?

Senator Laffen We wouldn't know whether an incoming governor would need a separate place to live, so it does not include that. I don't know if the budget is detailed enough to say that it doesn't include furniture. My expectation would be that this is a good enough budget to include new furniture for the residence as well.

Chairman Kasper Did you look at other governors' residences in our area or states comparable to us?

Senator Laffen I have been in a couple of governor residences other than ours. Typically, they are 100 years old and pretty stately and would be in the \$20 million range to recreate something like that. South Dakota has a new one. I have seen photos of it, and it is made out of Indiana limestone which is the same material as our capitol building. I would expect that would be the material we would want to use on the residence.

Rep. Wallman Who is the architect that put this together?

Senator Laffen That would be me. I am an architect.

Rep. Wallman Would we put out a RFP?

Senator Laffen If this were approved, I think the project would become the property of the capitol grounds planning commission. They would put out a RFP for an architect, and they would lead the project like any other state project.

Chairman Kasper Are you going to address the capitol building fund, or are we going to wait for the gentleman over there to give us some dollars and cents on the capitol building fund?

Senator Laffen The capitol grounds does have a capitol improvements fund. It hadn't generated a lot of money over the years. Somehow it now has acquired some royalty money.

No opposition.

Neutral

Jeff Engleson, Department of Trust Lands, appeared in a neutral position. We manage the capitol building fund on behalf of the capitol building planning commission. Senator Laffen is right. We have gotten royalties in about the last five years in this fund. Now it had a bunch of minerals in Dunn County that have been doing pretty well. The current biennium we expect to get almost \$3.5 million of royalties in this fund. Our projections at the beginning of the biennium were a \$5.3 million balance at the end of this current fiscal year and about \$8.5 million at the end of 2017. With the new oil projections, those are down a little bit. Our guess would be now there would be about \$7.8 million with no spending at the end of the biennium, but there is \$1.4 million in the OMB budget bill for capitol building signage already. If this was approved at \$5 million, there could be about \$1.2 million at the end of the biennium. It might be toward the end of the biennium before we get all the money, but the way it sounds, that would be plenty of time if they aren't going to build until 2017.

Rep. Mooney You said there is 1.4 that is still alive. Do you know how many were killed, and how many dollars worth they represented?

Jeff Engleson That was an add on to the OMB bill. There was no money initially planned to be spent...

Rep. Mooney For any other projects?

Jeff Engleson That is the only project right now, the signage.

Rep. Louser Could you explain the authority that you have to actually spend or prioritize projects?

Jeff Engleson We work for the capitol grounds planning commission, and they are the ones who come up with the ideas. Our role is strictly investing for them and collecting the money, because we actually manage the lands in the capitol building fund too.

Chairman Kasper The bill before us is a study. Can you think of anything that we could worthwhile study that they haven't already studied?

Jeff Engleson I haven't been involved at this point. I am here to just give you the numbers.

Joel Leapoldt, State Facility Planner in OMB, appeared in a neutral position. There really isn't anything left to study. It is my understanding they converted it to a study so that it could possibly be brought back instead of straight killing it.

The hearing was closed.

Rep. Louser The intern just emailed the link for pictures of the South Dakota residence. Attachment 2.

Rep. Steiner We are going to have to really work with getting the message out if we go forward with this, because in finance and tax we have killed a lot of worthy projects. I think the public will need to understand that this money has been gathered and it can only be used for these purposes.

Rep. Mooney I would be wholly reluctant to move forward with anything beyond a study approach to this regardless of what circumstances are. We have put on hold a number of really good bills that would provide services and needs for people in our state.

Vice Chair Rohr Last session the governor actually weighed in on the decision that he did not want the residence built. I am not sure if we have heard anything on this stance.

Rep. Schneider Is he willing to modify that stance?

2015 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee
Fort Union, State Capitol

SB 2304

3/27/2015

25560

Subcommittee

Conference Committee

Committee Clerk Signature

Carmen Hart

Explanation or reason for introduction of bill/resolution:

Provide for a legislative management study of the demolition of the governor's residence and the construction of a new governor's residence

Minutes:

Attachment 1-2

Chairman Kasper opened the meeting on SB 2304. He thanked the committee for participating in the tour of the governor's residence earlier that morning. There were pictures of the South Dakota governor's residence passed around.

Rep. Karls The South Dakota's governor's residence was one building, and there is a separate building for the public gatherings which must be by the lake.

Rep. Dockter presented an amendment. Attachment 1. This is a hoghouse bill. Basically, the appropriation would be \$4 million that would come out of the capitol grounds fund and the other \$1 million of the total \$5 million would come from private donations. The construction would not start until they had the private funds. It was kind of on the same lines as done for the Heritage Center addition.

Chairman Kasper This is clearly to build a new residence. This is not to remodel the old residence.

Rep. Dockter Yes. After looking at it, you have to believe there is asbestos and mold. With the amount of extra money that it costs to just build new, I don't see any other way. I move the amendment 15.0890.05002.

Rep. Steiner seconded the motion.

Rep. B. Koppelman I wonder if we should say at least \$1 million from private sector. If there are improvements they want to make to it that the private sector want to donate to and if we are saying up to \$4 million and assuming it costs \$5 million, it is never going to be under \$4 million if it is going to cost \$5 million unless you allow them to go over \$1 million in private funds. I make a motion to add the words no less than \$1,000,000.

Vice Chair Rohr seconded the motion.

There was more discussion on the placement of and the actual wording of the no less than \$1,000,000 between Chairman Kasper and Rep. B. Koppelman.

Rep. Wallman Would you repeat what you said?

Chairman Kasper The proposed amendment that Rep. Dockter brought forward is we would build a new residence for \$5 million of which \$4 million is appropriated from the capitol building fund. The additional \$1 million would be raised from private donations and in order to start construction, you must raise at least \$500,000 of that additional \$1 million before the construction can begin.

Rep. Schneider Do we know how much the South Dakota residence cost?

Chairman Kasper I don't know. I didn't ask Betsy Dalrymple that. It was built about seven or eight years ago. \$2.8 million.

Rep. Schneider Is there some way to leave some flexibility rather than to say \$5 million in case it is over or under as long as it is private funds that expand that number? I don't know if legislative council will let you add more general language about the capitol building fund, that the funds are dedicated solely to use of improvements on the capitol grounds.

There was some more discussion between Chairman Kasper and Rep. Schneider about this additional language about the capitol building fund having funds dedicated solely to use of improvements on the capitol grounds.

Rep. Dockter I went back and got the bill that was from the previous session. This is the exact same language that we used the previous session. In the previous session it was actually \$6 million, \$3 million was private, and \$3 million was from the capitol building fund.

There was more discussion about Rep. Koppelman's amendment.

Rep. Seibel I don't want to muddy the waters, but that \$1 million is not actually being appropriated by the state so do we even need the \$1 million mentioned in the appropriations section?

Chairman Kasper It would need to be appropriated.

Rep. B. Koppelman Let us just say we got to the end of the biennium and this project was going, and they had raised \$2 million from private funds and they wanted to raise the total to 6, what would happen then is they would come back either possibly to the budget section but for sure they could come back at the next legislative session and say we had this second million that we raised from private funds and would like to use it for the purpose it was donated for and can we have the authorization to do that.

Rep. Mooney By removing the words "up to," what we are saying is that we are appropriating the \$4 million. Now if the home came in at \$2 million or \$3 million, don't we

have a problem then because now we have appropriated the \$4 million? Aren't we listing exactly what we intend to spend?

Chairman Kasper We are listing the authorization to spend. I would assume that if the cost of the construction would come in less, they would reduce the appropriation from the capitol building fund and have it made up by the million dollars of private funds, because the bill is stating that you must raise the private funds before you can build.

Rep. Wallman Maybe we raise more than a million dollars. Would it be useful to have language in the bill that would require us to use all the donated funds or with their other income before we use whatever sum is necessary?

Chairman Kasper Construction may not begin until any private fundraising group certifies to the office of management and budget that the special funds required are already at \$500,000. You can start building once you have a \$500,000 pledge, but you have to raise at least \$1 million which I don't think will be a problem.

Rep. M. Johnson The way I read it is they stop soliciting private donations at a \$1 million.

Rep. B. Koppelman I don't think that would necessarily be true that they would have to stop soliciting, because there is nothing in this bill that restricts their ability to raise money for a purpose. I think the ability to spend more of it than a million would require some additional authorization from the legislature. After we are done discussing this amendment and acting on it, one thing we might want to consider discussing is possibly giving the budget section authorization if they raise more money to allow them to spend more of the money in addition to the million dollars because it is not public funds.

Rep. Karls Is this \$5 million that is supposedly available through the capitol commission building fund dedicated to this? They may have other plans for some of that money. Is this going to tie their hands completely?

Chairman Kasper I have been told that they are contemplating spending about \$1 million this next biennium out of that fund. It is about \$7.8 or \$7.9 million now, and we are only appropriating \$4 million so there is a cushion. There is also continuing revenue coming in with the oil wells that the fund owns.

(20:43-21:12) A voice vote was taken on Rep. B. Koppelman's amendment. Motion carries.

Rep. Schneider I would like to amend Section 1 to say that there is appropriated out of any moneys in the capitol building fund which is dedicated to improvements in the capitol fund in the state treasury which are dedicated to improvements on the capitol grounds, not otherwise appropriated,.

Rep. Dockter seconded the motion.

Rep. Laning I don't have a problem with that except I think it is already in code that the capitol building fund can only be spent on the capitol grounds.

Chairman Kasper This is to do with the public knowing that it is in code.

(23:15) A voice vote was taken on Rep. Schneider's amendment. Motion carries.

Rep. Steiner I wonder on the intent language. It just says governor's residence and the construction of a new residence, and I think at the \$5 million sum we were considering also a public greeting space.

Chairman Kasper That would probably be part of the building grounds decision and in the specifications they would probably ask us to have.

Rep. Steiner I would be pretty disappointed if they just build a wing on the back side of the house and could only greet 24 people. The public might be saying they are building a pretty nice house for \$5 million, but we are also building a public gathering space to greet dignitaries from out of state and out of country and also to bring in the public.

Chairman Kasper If that is the direction we want it to occur, then we would have to put language in that requires that to be in the bill.

Rep. Steiner Demolition, construction of a new residence to include a public gathering space. I don't know. I just want to make sure that they take that into account, because I think that is our expectation as a committee.

Chairman Kasper Rep. Steiner is trying to be sure that they have that public center included.

Rep. B. Koppelman I think I have a suggestion for achieving what Rep. Steiner has suggested. On Line 5 of Section 2, starting with the word "residence" on that line and then after that, insert "including a public gathering space for at least 100 people" or something like that.

There was more discussion on the wording and placement of this wording suggested by Rep. Koppelman and Chairman Kasper.

Rep. Schneider Before you finalize that, would you consider 150? At least you can get your legislative body in there.

Rep. B. Koppelman The only reason I would be a little reluctant to go to 150 is because in talking to Senator Laffen outside this committee, he was saying these are not an already designed set deal. Saying it has to be 150 is double what they had said in the plan, and then we don't know if there are enough funds that are appropriated at the \$5 million.

Chairman Kasper If we say accommodate a minimum of 100, that gives them the opportunity to go bigger. If we don't put something like that in the amendment, then they are going to say well, they said you should do 100.

Rep. B. Koppelman He moved to amend in Line 5, Section 2 after the first word residence, insert including a public gathering facility to accommodate at least 100 people.,

Rep. Schneider seconded the motion.

(30:49) A voice vote was taken on Rep. Koppelman's amendment. Motion carries.

Rep. B. Koppelman Do we want to authorize the budget section to approve up to \$1 million additional in privately raised funds if they were to raise those in an interim when we are not here?

Rep. Schneider I would think that ties the hands of folks in a way that we would not want to do.

Rep. B. Koppelman Do you mean tying the hands by putting a limit on the budget section's authority to add additional, but do you support the concept of the budget section being able to authorize spending \$1 million?

Rep. Schneider I do.

Rep. B. Koppelman (32:38) Let's make the motion that the budget section may approve the spending of privately raised funds if they should exceed \$1 million.

Rep. Wallman Would it work to say that they can appropriate funds in excess of \$1 million of special funds or donated dollars?

Chairman Kasper We would probably amend some type of language at the end of Section 2.

Rep. Louser Rather than the semantics of the amendment, I am just wondering in real life if we say \$1 million, whatever entity that we are referring to raises \$1.5 short of this language, is the budget section going to say sorry, we can't use the half million dollars that was given to us privately for this project? Do we need wording to establish logic and common sense?

Rep. B. Koppelman I think this language is very important in Section 1, because you are saying that the appropriation itself has inherently grown versus just the authorization to spend.

Chairman Kasper Rep. Louser makes a good point. Remember the bill is designed to have something happen between July 2015 and July 2017, so the public raising of the dollars would start. Once half a million is raised and the design is approved, they are going to build, so they may not get over a million dollars.

Rep. Dockter Either way if we pass this bill and passes on the floor, it is going to go to conference committee anyway because we hoghouse with the Senate. The conference committee can decide at that time.

Rep. Wallman In Rep. Dockter's amendment, we refer to other sources, other income, and special funds. I just want to be sure that that can in no way be interpreted that general

funds can be used for this if there is a shortfall. Is it clear using that language, or do we need to add something that says no general fund dollars will be used?

Chairman Kasper Go to the first sentence on Section 1. That is the restriction. It can only come out of there.

Rep. Wallman It says on Line 3 of Section 1 and from special funds derived from other income.

Chairman Kasper Why don't we get rid of the word special? It would say \$1 million in funds to be raised from private donations.

Rep. Wallman In Section 1 as well. I really like the idea of donated sources being used before those capitol building fund dollars are used. I know that there would be more donations if that \$4 million wasn't there.

Rep. M. Johnson \$4 million or so much of the sum as may be necessary?

Chairman Kasper Which could be less, but it cannot be more. Addressing Rep. Wallman's concern if we read that again starting with the number 4 million or so much of the sum as may be necessary and from funds derived from private donations, the sum of which is \$1 million, there we are getting rid of any implication that it could be any other place but private donations, and we are getting rid of that word special so that they can't imply that means something else besides private donations.

Rep. Wallman Line 4 of Section 1 we might also want to add the sum of no less than \$1 million.

Chairman Kasper That wouldn't be a problem.

Rep. Karls When we were looking at the legislation to build the new Heritage Center, that was how it was done. They had to raise so much in private funds. The state was providing \$35 million. I think \$12 million had to be raised, but they had to raise at least half of it before the project could start.

Chairman Kasper On Section 2 we are saying that they have to raise at least a half million private funds before they can start.

Rep. Steiner I have a problem taking the word special out. I think legislative council uses that to determine between general fund and special funds. Special funds means it is not general fund.

Rep. Wallman As I understand it, we have other special funds beside the capitol building fund.

Chairman Kasper Let us go with taking it out, and as Rep. Dockter said we will be in conference and we will have legislative management look this over, and if we need to put

those words back in, we can. Let us act first on Rep. Wallman's amendment. He stated it. (43:40-44:38)

Rep. Wallman made the motion to adopt the amendment.

Rep. B. Koppelman seconded the motion.

Voice vote. Motion carries.

Rep. B. Koppelman I would like to add at the end of Section 2, "Should more than \$1,000,000 in donated funds be raised, the budget section may appropriate those funds to be used as additional authorization for construction costs." I will make that a motion.

Rep. Steiner seconded the motion.

Voice vote was taken. Motion carries.

Chairman Kasper (47:13) We have been continuing to amend Rep. Dockter's amendment, and we will now act on that as amended. We have the motion already to adopt the amendment 15.0890.05002 and the subsequent amendments that have been added. The motion was made by Rep. Dockter and seconded by Rep. Steiner. The clerk inquired about the original amendment not having action.

Chairman Kasper (48:40) A voice vote was taken on the original amendment proposed by Rep. Dockter and the second by Rep. Steiner. Motion carries. (Roll call vote sheet #1) That amendment was now adopted, and now we are on the amendment as adopted with the amendments as adopted.

Rep. Schneider As Rep. Steiner explained, the tax committee cut out \$20 million in house and incentive funds. They cut a million out of senior meals and other things that are required for meeting the basic needs of our workforce and our people. I happen to come from a district that is the poorest in the state outside of the Native American reservations. It has multiple homeless shelters and a lot of people in need. As much as I love this concept and understand that funds are largely dedicated here to it and that the needs of the governor require additional safety, security, planning for the contacts that we need for international relations, and planning for the needs of the actual families who may live there in the future including safety and egress and configurations that favor families, I just can't vote for it. Neither would I criticize anyone who does. It is just in my district it would be hard to justify to people even using private and dedicated funds that this was more important than the housing that is critically needed there. Good luck.

Rep. Mooney Maybe we could add an amendment that requires \$4 million be tied to domestic abuse shelter, housing incentive fund, and/or a homeless shelter project that we have not funded throughout this session.

Chairman Kasper As you know, we cannot do that, because these funds are special funds, but I appreciate your comment.

Rep. B. Koppelman That would not be germane to the bill. This is infrastructure spending. This is one-time spending. This is not something that is going to be repeated over and over, and to the best of my knowledge, although there have been reductions in a proposed budget that was made prior to oil prices plummeting, I do not believe in any of those scenarios that we have been discussing, that we have cut anything that we funded in the current biennium to go forward to the next biennium. Therefore, I do not believe that a service that was provided to somebody this year will fail to be there next year with the hard decisions we have had to make to trim back a budget that was made with different revenue forecasts.

Chairman Kasper I might add, from my understanding, that all of these areas that Rep. Schneider and Rep. Mooney indicated are in the budget and will be increased from the prior biennium but possibly not as much as some would like.

Rep. Mooney I don't hold anyone of you personally accountable for that process. I don't begrudge how the votes will go. It is just a point of practicality. When I go back home and see some of the living conditions and home conditions that some of my constituents live in and have to try to explain that this is a particular pot of money, but that pot of money couldn't be used for you, then we also start talking about other pots of money that we are still not tapping into and that they are not able to access. For me, I won't be able to vote for the bill, but I was upfront about that very early on.

Chairman Kasper When we are looking at facing a bill like this which I agree is a tough decision and that there are needs out there that may not be met according to how some would like, but this is a separate issue that cannot address those needs. This is an issue about the governor of the state of North Dakota and his or her family and their future families and the safety of them and the living conditions that our governor will live in and governors in the future will live in. We have had a problem with that residence for a long time, and you have seen the tour this morning and you have seen how that structure is built and was designed. It does not meet from my perspective the needs of any governor and that governor's family. The primary thing that struck me is the safety for that family. I believe this bill and this vote can be sold to the constituents that we have about why we are taking the action we are.

Rep. Steiner I completely agree with you. If the democrats take a position that in caucus that they are not going to support this, I think the public is going to be very curious as to why you would not take a bipartisan stand on this. I am very curious to see how it will come to the floor.

Rep. Louser I think it is a difficult vote for my district not because of an income level, but it is the people that are still recovering from the flood where they lost everything. I have people that are relying on this governing body to help them. I have to make a tough decision too, and I am going to support it and I am going to be in the same position of having to go home and explain it. I don't see it as a partisan vote, but I have to explain to people at home too how we didn't get funding this year and how we didn't eliminate a portion of their rebuilders' loan program.

Rep. Schneider I don't speak in any way for the caucus. You will see that Rep. Onstad is also on this bill. The discussion hasn't been had on that yet. I appreciate the difficulty for all of us, and I don't question the votes or why you make them. I only speak for myself on what I said. I do hope as it is being built which will be over some time that at least to this committee and some others, it is just a reminder that we need to share our prosperity as best we can with others who need it too.

Chairman Kasper I appreciate that, Rep. Schneider. I think you will agree that over the last three to six years this legislature has done a pretty good job of sharing the prosperity, and now we are facing a little more difficult revenue projections. I don't think there is any legislator in either party that doesn't want to take care of the needs of our citizens, but it is just a matter of the degree that sometimes we are able to fund.

Rep. Mooney Rep. Steiner and committee members, I did not in any way, shape, or form intend to insinuate that this was a partisan issue. I don't see this as a partisan issue, because I am pretty sure my own seatmates don't agree with many of my positions on things, and I am pretty sure you are going to find out on the floor as well in this committee, that the vote will come across that way. This is not a caucus issue at all. This is strictly my own perceptions.

Rep. Wallman I am going to direct this to Rep. Steiner. We are here for a reason. I think a lot of it has to do with the only thing worse than being part of government is not being part of government. In other words, we don't get to weigh in on these important decisions, and none of us take that lightly. I certainly don't. I intend to vote for this bill, because I weighed it out. Our caucus doesn't tell each other how to vote. We don't operate that way. I think it is a good bill. The scale has tipped, and I believe that it is needed. I think we have gone about it in a fiscally responsible way, so I don't think there is anything partisan about this.

Rep. M. Johnson To continue with Rep. Wallman's thought, we are probably okay with this current biennium and this scalpel matter that appropriations has to take to other matter. We might not be so great in the next biennium even with being able to tap the legacy fund. There isn't all that unrestricted money out there. We would do a disservice by not passing this bill at this time, because with the price of oil possibly going to increase, you are going to see an increase in construction costs, and this could cost double if we delay it in seven years or so.

Rep. Louser I don't know that this is a foregone conclusion on the floor of the House, and it certainly isn't in a conference committee. They didn't have the benefit of what we saw over the last two hours. Even if it were to come out of this committee with a large majority of a do pass, it still has a struggle even on the floor of our own chamber.

Chairman Kasper I agree, Rep. Louser, and committee members. Our caucus is not going to be 100% behind this bill either. I believe there is going to be some pretty good floor debate.

Rep. Dockter made a motion for a DO PASS AS AMENDED AND REREFER TO APPROPRIATIONS.

Rep. Wallman seconded the motion.

A roll call vote was taken. 11 Yeas, 3 Nays, 0 Absent.

Rep. Dockter will carry the bill.

Attachment 2 was provided by the law intern to the committee members showing the combination of amendments that had been discussed earlier.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2304

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act providing an appropriation to the office of management and budget for the demolition of the governor's residence and the construction of a new residence.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from special funds derived from other income, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of constructing a governor's residence, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 2. CONSTRUCTION AUTHORIZATION. Section 1 of this Act includes \$5,000,000, of which up to \$4,000,000 is from the capitol building fund and \$1,000,000 in special funds to be raised from private donations or other sources, for the demolition of the governor's residence and for the design and construction of a new residence on the site of the current residence. Construction may not begin until any private fundraising group certifies to the office of management and budget that of the special funds required to complete the project, cash or pledges with a discounted cash value of at least \$500,000 has been received and placed in an account designated for the sole purpose of constructing the project authorized in this Act."

Renumber accordingly

Handwritten initials/signature

March 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2304

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide an appropriation for the demolition of the governor's residence and the construction of a new residence.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from funds derived from private donations, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of constructing a governor's residence, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 2. CONSTRUCTION AUTHORIZATION - ADDITIONAL INCOME. Section 1 of this Act includes \$5,000,000, of which \$4,000,000 is from the capitol building fund and \$1,000,000 is from funds to be raised from private donations, for the demolition of the governor's residence and for the design and construction of a new residence, including a public gathering facility to accommodate at least one hundred people, on the site of the current residence. Construction may not begin until any private fundraising group certifies to the office of management and budget that, of the special funds required to complete the project, cash or pledges with a discounted cash value of at least \$500,000 have been received and placed in an account designated for the sole purpose of constructing the project authorized in this Act. If more than \$1,000,000 in donated funds is raised, the office of management and budget may seek emergency commission and budget section approval to spend the funds for the governor's residence project."

Renumber accordingly

Date: 3-27-15
Roll Call Vote #: 7

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2304

House Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: 15-0890-02002

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Dochter Seconded By Steiner

Representatives	Yes	No	Representatives	Yes	No
Chairman Jim Kasper			Rep. Bill Amerman		
Vice Chair Karen Rohr			Rep. Gail Mooney		
Rep. Jason Dochter			Rep. Mary Schneider		
Rep. Mary C. Johnson			Rep. Kris Wallman		
Rep. Karen Karls					
Rep. Ben Koppelman					
Rep. Vernon Laning					
Rep. Scott Louser					
Rep. Jay Seibel					
Rep. Vicky Steiner					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
*Action taken on this amendment
& all other adopted amendments (Roll sheets
2-6)*

Date: 3-27-15
 Roll Call Vote #: 2

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2304**

House Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: B. Koppelman

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider

Motion Made By B. Koppelman Seconded By Rohr

Representatives	Yes	No	Representatives	Yes	No
Chairman Jim Kasper			Rep. Bill Amerman		
Vice Chair Karen Rohr			Rep. Gail Mooney		
Rep. Jason Dockter			Rep. Mary Schneider		
Rep. Mary C. Johnson			Rep. Kris Wallman		
Rep. Karen Karls					
Rep. Ben Koppelman					
Rep. Vernon Laning					
Rep. Scott Louser					
Rep. Jay Seibel					
Rep. Vicky Steiner					

*Voiced
Vote
motion
Carroll*

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: *In section 2, ^{line 3} add the words no less than \$1,000,000 & strike "up to" in line 2, Section 2*

Date: 3-27-15
 Roll Call Vote #: 3

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2304**

House Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: Schneider

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Schneider Seconded By Dockter

Representatives	Yes	No	Representatives	Yes	No
Chairman Jim Kasper			Rep. Bill Amerman		
Vice Chair Karen Rohr			Rep. Gail Mooney		
Rep. Jason Dockter			Rep. Mary Schneider		
Rep. Mary C. Johnson			Rep. Kris Wallman		
Rep. Karen Karls					
Rep. Ben Koppelman					
Rep. Vernon Laning					
Rep. Scott Louser					
Rep. Jay Seibel					
Rep. Vicky Steiner					

*Voice
 vote
 motion
 carries*

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: *Amend Section 1 to say that "there is appropriated out of any money in the Capitol building fund in the state treasury, which are dedicated to improvements on the Capitol grounds, not otherwise appropriated"*

Date: 3-27-15
 Roll Call Vote #: 4

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2304**

House Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: B. Koppelman

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By B. Koppelman Seconded By Schneider

Representatives	Yes	No	Representatives	Yes	No
Chairman Jim Kasper			Rep. Bill Amerman		
Vice Chair Karen Rohr			Rep. Gail Mooney		
Rep. Jason Dockter			Rep. Mary Schneider		
Rep. Mary C. Johnson			Rep. Kris Wallman		
Rep. Karen Karls					
Rep. Ben Koppelman					
Rep. Vernon Laning					
Rep. Scott Louser					
Rep. Jay Seibel					
Rep. Vicky Steiner					

Vote motion carries

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Line 5, Section 2 after the first word residence insert including a public gathering facility to accommodate at least 100 people,

Date: 3-27-15
 Roll Call Vote #: 5

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2304**

House Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: Wallman

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Wallman Seconded By B. Koppelman

Representatives	Yes	No	Representatives	Yes	No
Chairman Jim Kasper			Rep. Bill Amerman		
Vice Chair Karen Rohr			Rep. Gail Mooney		
Rep. Jason Dockter			Rep. Mary Schneider		
Rep. Mary C. Johnson			Rep. Kris Wallman		
Rep. Karen Karls					
Rep. Ben Koppelman					
Rep. Vernon Laning					
Rep. Scott Louser					
Rep. Jay Seibel					
Rep. Vicky Steiner					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: Section 1 and from funds derived from private donations, strike the words other income & substitute Private donations, the sum of no less than \$1 million, to the

Date: 3-27-15
 Roll Call Vote #: 6

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2304**

House Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: B. Koppelman

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider

Motion Made By B. Koppelman Seconded By Steiner

Representatives	Yes	No	Representatives	Yes	No
Chairman Jim Kasper			Rep. Bill Amerman		
Vice Chair Karen Rohr			Rep. Gail Mooney		
Rep. Jason Dockter			Rep. Mary Schneider		
Rep. Mary C. Johnson			Rep. Kris Wallman		
Rep. Karen Karls					
Rep. Ben Koppelman					
Rep. Vernon Laning					
Rep. Scott Louser					
Rep. Jay Seibel					
Rep. Vicky Steiner					

*Voiced
Vote
motion
carries*

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: add at end of section 2
Should more than \$1,000,000 in donated funds be raised, the budget section may appropriate those funds to be used as additional authorization for construction costs.

Date: 3-27-15
 Roll Call Vote #: 7

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2304**

House Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar

Other Actions: Reconsider _____

Motion Made By Dockter Seconded By Wallman

Representatives	Yes	No	Representatives	Yes	No
Chairman Jim Kasper	X		Rep. Bill Amerman		X
Vice Chair Karen Rohr	X		Rep. Gail Mooney		X
Rep. Jason Dockter	X		Rep. Mary Schneider		X
Rep. Mary C. Johnson	X		Rep. Kris Wallman	X	
Rep. Karen Karls	X				
Rep. Ben Koppelman	X				
Rep. Vernon Laning	X				
Rep. Scott Louser	X				
Rep. Jay Seibel	X				
Rep. Vicky Steiner	X				

Total (Yes) 11 No 3

Absent 0

Floor Assignment Dockter

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2304, as engrossed: Government and Veterans Affairs Committee (Rep. Kasper, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (11 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2304 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide an appropriation for the demolition of the governor's residence and the construction of a new residence.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from funds derived from private donations, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of constructing a governor's residence, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 2. CONSTRUCTION AUTHORIZATION - ADDITIONAL INCOME. Section 1 of this Act includes \$5,000,000, of which \$4,000,000 is from the capitol building fund and \$1,000,000 is from funds to be raised from private donations, for the demolition of the governor's residence and for the design and construction of a new residence, including a public gathering facility to accommodate at least one hundred people, on the site of the current residence. Construction may not begin until any private fundraising group certifies to the office of management and budget that, of the special funds required to complete the project, cash or pledges with a discounted cash value of at least \$500,000 have been received and placed in an account designated for the sole purpose of constructing the project authorized in this Act. If more than \$1,000,000 in donated funds is raised, the office of management and budget may seek emergency commission and budget section approval to spend the funds for the governor's residence project."

Re-number accordingly

2015 HOUSE APPROPRIATIONS

SB 2304

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

SB 2304
4/1/2015
Job #25722

- Subcommittee
 Conference Committee

Committee Clerk Signature

Kenneth M. Tarkenton

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for the demolition of the governor's residence and the construction of a new residence.

Minutes:

Chairman Jeff Delzer opened the hearing on SB2304.

Rep. Jim Kasper, District 46 in Fargo: Handed out pictures of the SD governor's residence, and requested they be returned. Spoke on SB 2304. The original bill would have appropriated \$5-million out of the capital grounds building fund to build a new governor's residence. That is a constitutional fund that can only be used for repairs and maintenance and building on the capitol grounds and nothing else. The fund is increasing at a rate of about \$2-million per year. The Senate amended the bill to turn it into a study. This thought has been studied for many bienniums. We're facing two choices right now. I can tell you that our tour of the residence last week was quite eye-opening: from the lack of security to inefficient design.

Chairman Jeff Delzer: Go through what the bill does.

Kasper: It appropriates \$4-million out of the capital building fund to build a governor's residence, and it requires \$1-million of private funds are raised by the private sector, with a total of \$5-million that would be appropriated. The construction could not begin until at least \$500,000 is pledged of the \$1-million from private funds.

Chairman Jeff Delzer: What happens if they don't receive any above the \$500,000? Would they build it for \$4.5-million?

Kasper: We don't know what they would build it for, because if the bill is passed, there would be a competition, the capital building fund would have their committee meetings and begin to consider what the structure would look like.

Chairman Jeff Delzer: The bill doesn't say that, but your understanding is that it would be up to the capital grounds committee to decide what that would look like.

Kasper: It would. (More handouts) You can review these three schematics, but I would like them back. If you remodel for an estimated \$2.8-million, you still have a remodeled structure. On the other two schematics, one would cost about \$3.2-million and one that would cost roughly \$4-million and above. So the committee will put out an RFP and put some parameters on what they'd like to see on bids from architects. I assume architects would compete, and they would provide their ideas, and the committee would decide what they would like to do.

Chairman Jeff Delzer: Would this include furnishings and everything inside? Or would that be over and above this? And how do you plan to pay for those?

Kasper: I'll recite a conversation I had with Nancy Schafer about three years ago. In my talk with her and former Governor Ed Schafer, she said, if you would get a bill passed, I will personally commit to raising all the money that you want to have raised by the private sector. She said it would not be difficult. How much there would be for the personal furnishings and so on, that again would be up to the building committee.

Chairman Jeff Delzer: Is that part of the \$5-million? Or would you expect the \$5-million to be spent on the structure itself?

Kasper: That would be up to the building grounds committee. I would suspect the \$5-million would be appropriate. In addition, because we left it open-ended that the private donations could be greater than \$1-million, if they needed additional dollars, they could secure those from private donations for furnishing in the residence, if they so chose.

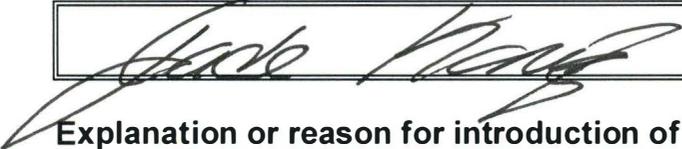
Chairman Jeff Delzer closed the hearing on SB 2304.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

SB 2304
4/7/2015
25894

- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for the demolition of the governor's residence and the construction of a new residence.

Minutes:



Chairman Jeff Delzer: This deals with construction of the Governor's residence. It takes 4 million dollars out of the capital building fund. It says a million dollars in private donations. It is listed that it needs to have pledges with a discounted cash value of at least 500,000 dollars. It doesn't say a whole lot about who does it or anything that way. I am not sure how the bill was introduced I know the Senate had turned it into a study, it came over and GVA put the amendments on to make it go forward.

Representative Thoreson: I believe the version that came from the House GVA committee was almost the bill as it was originally introduced. I know the Senate committee had turned it into a study and from what I understand the house had put the language back in for the construction of a new Governor's residence. When the discussion came up last week on this there were some questions about housing for the governor should this go forward and for furnishings and those types of things. What you see before us is amendment .05008. This amendment is a hog house amendment but the dollar amounts are similar. What it does though is it creates a project committee that is in section 1. As you can read the Governor or their designated I service chair and members from the legislature, also from facilities management and any former Governor who wishes to serve on the committee they would be a non-voting member. You would have the facilities and management division to provide staff services and then also would have the director of facilities management service project manager. Section number 2 is the appropriation and if you go to page two it has the amount of 4 million dollars which comes from the capital building fund and then the 1 million dollars of private donations and section 3 talks about if there is additional money raised over the million dollars the UMB may seek emergency commission in the budget section approval this becomes the excess funds for upgraded fixtures and furniture's for the new residence because there was a question about how that would be paid for and then it would be not to expand the scope of the project. Section 4

deals with housing for the Governor should this project go forward and we put an amount in there of 25,000 dollars. I am not certain what the actual cost would be but that seemed like a reasonable amount if there would need to be. Perhaps there would need to be a different amount but that was the amount that was placed in here and of course it says "the funding provided in this section is a onetime item". Members of the committee I would move amendment .05008 to SB 2304

Representative Skarphol: Seconded

Chairman Jeff Delzer: I did receive some information from one of the counsel people about the capital building fund and where everything is coming into it from. One is a pretty large amount from the royalties, that of course has been adjusted because of the revenue forecast but it is still a pretty healthy amount. The number if I am not mistaken was 2 million still for royalties and I think the overall number is there is almost 7 million available.

Representative Pollert: If I can go just one step further, because we are one of those sections that are reducing budgets and it also tough for me to support a bill when I am having to do a job that is tough to do. I just don't think it sends the right message but that is my opinion.

Representative Glassheim: I can only strongly object having six of nine voting members be legislatures designing a house. This is not the state of business to design houses. To have them sit and talk about the budget is one thing but to have them sit there and actually talk about the design of the house is I don't think ok.

Representative Thoreson: In the end if this project does go forward the public will hold us to a high standard of what happens. This is why it may not be the perfect make up but I do think we have some ownership in the design and building of this project. We put ourselves in the middle of something as big or small as the redesign of our license plate last session. I think this is something that going forward for the next 50 to 100 years hopefully we will do the right thing.

Representative Holman: I just want to add one other issue. One of the things we talk about as we are going through these budgets is what we are paying in rent space for all kinds of state agencies around town and so the capital building fund as stated earlier is for anything that is built on capital grounds. Taking even a million out of there I think sends the wrong message.

Representative Boehning: I am going to support these amendments. We have been discussing this since I have been here and it has been discussed since before I have been here and I think it's time we go and build a decent house for the governor. It is in tough shape. As far as the makeup, I prefer that we are on the committee because otherwise we have all these authorities around the state that do all this stuff and we have no control over non-elected people. We are the ones responsible for spending the money, the money is for the capital grounds and I think the people of the state would really appreciate having a nice residence for the Governor for him to entertain important donors from around the world and so forth. If this does pass we will have address the rental subsidy at some point, that 25,000 because it will take approximately two years to build the house.

Chairman Jeff Delzer: Further discussion?

Motion to adopt amendment .05008 on SB2304.

Motion made by Representative Thoreson.

Seconded by Representative Skarphol.

Voice vote.

Motion Carries.

Representative Martinson: I think we should look at a further amendment, I don't think 25,000 dollars is enough for temporary housing for the governor for a year

Representative Boehning: I think if we did pass that is probably something we can pass and then come back next session and amend that into the bill afterward when we have the number. If this does start it will be carried only to the next biennium when they are building the house.

Representative Martinson: Why would that be when you say it is going to take a year to build this?

Representative Thoreson: It will take probably 6 months to a year to get a design and a year and a half to two years to build the house minimum.

Representative Streyle: I move a Do Pass As Amended.

Representative Boehning: Second.

Representative Thoreson: With the amended bill before us I still understand that this will have further discussion obviously the Senate made it a study so there may be changes. I think this was an effort to keep the process moving forward. I understand that people are concerned about the budgets the way they are, however I will caution the way we are reducing from budgets we have still seen an overall increase over many years.

Representative Glassheim: If there are going to be six legislatures they are going to be one minority.

Chairman Jeff Delzer: I would hope that the Majority leaders on both sides would pick one of the minority members on both sides.

Representative Thoreson: There could be further work done on this if we keep the bill moving forward.

Chairman Jeff Delzer: I think there has been a lot of talk on both sides and I can understand both sides of the issues, I can understand the difference on the make-up of the committee but when you look at the capitol grounds planning committee that isn't a very good make up either. Timing is everything and I do not plan to support it because of timing and some of the issues that were stated before about that money is there for all the capitol grounds not just the capital building.

Representative Guggisberg: We haven't been investigating any capital projects to really speak of yet and the cuts that Representative Pollert were talking about I don't think this is the time. However how long can we kick this political football down the road and I think maybe a better option for this is to put it into a long term capital plan and we will include it with some other needs instead of all of us trying to do it this way I don't see it every happening. I am going to vote against it and maybe later in the session if there are some more capital projects approve we can look at this as well.

Representative Pollert: I think I mentioned reductions not cuts.

Representative Guggisberg: I agree maybe this isn't a good time, a good time maybe would have been two years ago when we had more money than we knew what to do with.

Motion for a Do Pass As Amended on SB 2304.

Motion made by Representative Stryle.

Seconded by Representative Boehning

Total Yes 8. No 13. Absent 2.

Motion fails.

Chairman Jeff Delzer: If we have not motion at this time we can take a day. I don't know if it is going to make a difference because I don't think it's about the bill I think it is the timing and whether we do it.

Representative Nelson: I motion for a Do Not Pass.

Representative Pollert: Second.

Representative Glassheim: For what it is worth without the non-sense I can support this. It is a special fund, the money is there. Security is by all reports terrible. We need to do it. I don't know about sending messages and I don't think we are finished with the notion of building buildings. There is money to do it and I think we will end up building some buildings.

Representative Thoreson: I would object a little bit to the non-sense. This amendment was brought forward because there were legitimate questions raised by the committee about what the costs would be for the buildings and furnishing, that type of thing. In a good faith effort this amendment was brought forward, it passed. If the person who spoke before me would like to make a substitute motion I would be open to it but I do not appreciate that comment.

Motion for a Do Not Pass.

Motion made by Representative Streyle.

Seconded by Representative Pollert.

Total yes 14. No 7. Absent 2.

Motion carries.

Floor assignment Representative Nelson.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

SB 2304
4/10/2015
26045

- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for the demolition of the governor's residence and the construction of a new residence.

Minutes:



Chairman Jeff Delzer: SB 2304 is a bill that deals with the idea of whether or not we build a governor's mansion. We did amend the bill with .05008. We had a motion for a Do Pass which failed; there was a motion for a Do Not Pass which carried. This is a hog house amendment so if we did reconsider you would just move to further amend with .05011.

Representative Skarphol: Amendment 15.0890.05011, if you read through section 1 what we were really attempting to do is get some alternatives delivered so the legislators could evaluate those various alternatives. It says "there will be at least three but not more than five design teams to provide preliminary design documents", so we could have a look at what this particular residence may look like, should look like based on those designs. After the designs are completed they will be distributed to all legislatures who could express an opinion and then the budget section will meet in regards to approving one of them or reject then all and at the time that the budget section would meet to discuss this any legislature wishing to participate in that discussion will be compensated for their expenses. Other than that I don't believe anything changes with the exception of in the last section with regards to temporary housing it goes to 50,000 dollars and it says that any unused money must be returned to the general fund.

Representative Monson: I move to reconsider

Representative Nelson: Second.

Representative Bellew: It says in section 1 "a member of the legislative assembly who attends the budget section meeting is entitled to receive expense reimbursement for attending the meeting". Is that just for one or a number of members attend and get reimbursed?

Chairman Jeff Delzer: That would be as many that wanted to come that are not part of the budget section.

Representative Skarphol: I asked legislative counsel to do this and they chose not to put it in the amendment, I asked them to poll the legislatures as to their preference for your most favorite on down so we can compile an evaluation of the overall legislative opinion.

Chairman Jeff Delzer: Currently we have that the budget section can approve changes in scope and project size on buildings and what not and every legislature is notified of that coming before them by email. I will support the reconsideration I don't know if I will support the bill but I think this is a better set of amendments than what we did put on it before.

Representative Guggisberg: I am wondering what a design team looks like?

Chairman Jeff Delzer: I would guess that that is just an architect firm.

Representative Skarphol: It wouldn't be to propose a blue print but rather a rendition of what the appearance of the facility would be like with some general idea as to the shape and square footage and so forth.

Representative Holman: I was opposing this the other day but I applaud Representative Skarphol that is a nice change and he fixed a lot of the problems we had with it.

Motion to Reconsider the Do Not Pass on SB 2304.
Motion made by Representative Monson.
Seconded by Representative Nelson.
Total yes 21. No 2. Absent 0.
Motion carries.

Representative Skarphol: I move to further amend SB 2304 with amendment .05011.

Representative Boehning: Second.

Motion to Adopt Amendment .05011.
Motion made by Representative Skarphol.
Seconded by Representative Boehning.
Voice vote.
Motion carries.

Representative Skarphol: My sense on the floor was I think we are going to lose the Do Not Pass. Rather than have that happen I thought it was important to have all of us as legislatures involved in trying to evaluate what we thought was the best residence for the Governor if we are going to go forward with this and I thought this was a way we could try and accomplish that and I guess I will probably support it on the floor.

Representative Guggisberg: I think some of the criticism of the previous bill was that there was too much legislative input and that was our roll and this makes more legislative input. I do agree that there are safety concerns at the Governor's residence and we need

to do something about it. I do think that this bill would fit very nicely in the OMB budget and if we kill it we can deal with some other buildings that have safety hazards and need updates to them so I am still going to be opposing this bill.

Representative Streyle: I move a Do Pass As Amended.

Representative Boehning: Second.

Chairman Jeff Delzer: Timing is everything to me and I think the essence of how it is set up is not so bad but I still think it is the wrong time to do this. I won't support the bill because of the timing with what's going on with the economy of the state of North Dakota and the other things that we are doing right now.

Motion for a Do Pass As Amended on SB 2304.

Motion made by Representative Streyle.

Seconded by Representative Boehning.

Total yes 15. No 8. Absent 0.

Motion carries.

Floor assignment Representative Skarphol.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2304

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create a governor's residence project committee; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

**SECTION 1. GOVERNOR'S RESIDENCE PROJECT COMMITTEE -
MEMBERSHIP - DUTIES.**

1. There is created a governor's residence project committee to oversee the construction of a new governor's residence. The committee consists of:
 - a. The governor, or the governor's designee, who shall serve as chairman;
 - b. The speaker of the house of representatives;
 - c. Two additional members of the house of representatives, selected by the majority leader of the house of representatives;
 - d. The president pro tempore of the senate;
 - e. Two additional members of the senate, selected by the majority leader of the senate;
 - f. The director of the facilities management division of the office of management and budget;
 - g. A representative of any private fundraising entity established for the purpose of raising funds for the project, as selected by the governor; and
 - h. Any former governor who wishes to serve on the committee. Any former governor serving on the committee shall be a nonvoting member.
2. Notwithstanding chapter 48-10, the governor's residence project committee shall determine the location and design of the new governor's residence. The director of the facilities management division of the office of management and budget, or the director's designee, shall serve as project manager.
3. The facilities management division of the office of management and budget shall provide staff services for the committee.

SECTION 2. APPROPRIATION - GOVERNOR'S RESIDENCE PROJECT.

There is appropriated out of any moneys in the capitol building fund in the state

treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from funds derived from private donations, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of constructing a governor's residence in accordance with this Act, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 3. CONSTRUCTION AUTHORIZATION - ADDITIONAL INCOME.

Section 2 of this Act includes \$5,000,000, of which \$4,000,000 is from the capitol building fund and \$1,000,000 is from funds to be raised from private donations, for the demolition of the existing governor's residence, the design and construction of a new residence, and for fixtures and furniture for the new residence. Construction may not begin until any private fundraising entity certifies to the office of management and budget that, of the special funds required to complete the project, at least \$500,000 in cash has been received and placed in an account designated for the sole purpose of constructing the project authorized in this Act. If more than \$1,000,000 in donated funds is raised, the office of management and budget may seek emergency commission and budget section approval to spend the excess funds for upgraded fixtures and furniture for the new residence. Any increased spending authority for the project may not be used to expand the scope of the project.

SECTION 4. APPROPRIATION - TEMPORARY HOUSING EXPENSES.

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$25,000, or so much of the sum as may be necessary, to the governor's office for temporary housing expenses for the governor during the demolition of the existing governor's residence and construction of a new residence, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item."

Renumber accordingly

APJ
4-10-15
P1882

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2304

In lieu of the amendments adopted by the House as printed on pages 1228 and 1229 of the House Journal, Engrossed Senate Bill No. 2304 is amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. GOVERNOR'S RESIDENCE - ARCHITECT AND ENGINEERING SERVICES. The office of management and budget shall issue a formal invitation for information for obtaining architect and engineering services, pursuant to chapter 54-44.7, for the design of a governor's residence that must include event space to accommodate meetings and entertainment. The office of management and budget project selection committee shall select at least three, but not more than five, design teams to provide preliminary design documents that must be sufficient for the selection committee to clearly comprehend the aesthetic and functional purposes of the design. The office of management and budget shall submit to each member of the legislative assembly a summary and renderings of each design proposal. The budget section shall meet to review the design proposals and receive comments and suggestions from any member of the legislative assembly. A member of the legislative assembly who attends the budget section meeting is entitled to receive expense reimbursement for attending the meeting. The budget section may approve one project design or may disapprove of all project designs. If the budget section approves a project design, the office of management and budget shall proceed with the next phase of the project. The director of the facility management division of the office of management and budget, or the director's designee, shall serve as the project manager.

SECTION 2. APPROPRIATION - GOVERNOR'S RESIDENCE PROJECT. There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from funds derived from private donations, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of designing and constructing a governor's residence in accordance with this Act, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 3. CONSTRUCTION AUTHORIZATION - ADDITIONAL INCOME. Section 2 of this Act includes \$5,000,000, of which \$4,000,000 is from the capitol building fund and \$1,000,000 is from funds to be raised from private donations, for the demolition of the existing governor's residence, the design and construction of a new residence, and for fixtures and furniture for the new residence. Construction may not begin until any private fundraising entity certifies to the office of management and budget that, of the special funds required to complete the project, at least \$500,000 in

282

cash has been received and placed in an account designated for the sole purpose of constructing the project authorized in this Act. If more than \$1,000,000 in donated funds is raised, the office of management and budget may seek emergency commission and budget section approval to spend the excess funds for upgraded fixtures and furniture for the new residence. Any increased spending authority for the project may not be used to expand the scope of the project.

SECTION 4. APPROPRIATION - TEMPORARY HOUSING EXPENSES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the governor's office for temporary housing expenses for the governor during the demolition of the existing governor's residence and construction of a new residence, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item. Any funds not used for temporary housing expenses may not be spent for any other purpose and must be canceled in accordance with section 54-44.1-11."

Renumber accordingly

Date: 4/7/15

Roll Call Vote #: 3

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2304

House: Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By: Nelson Seconded By: Pollert

Representatives	Yes	No	Absent
Chairman Jeff Delzer	✓		
Vice Chairman Keith Kempenich	✓		
Representative Bellew			AB
Representative Brandenburg	✓		
Representative Boehning		✓	
Representative Dosch		✓	
Representative Kreidt	✓		
Representative Martinson		✓	
Representative Monson	✓		
Representative Nelson	✓		
Representative Pollert	✓		
Representative Sanford	✓		
Representative Schmidt		✓	
Representative Silbernagel	✓		
Representative Skarphol		✓	
Representative Streyle		✓	
Representative Thoreson		✓	
Representative Vigesaa	✓		
Representative Boe			AB
Representative Glassheim	✓		
Representative Guggisberg	✓		
Representative Hogan	✓		
Representative Holman	✓		
TOTALS	14	7	2

Assignment: J. Nelson

If the vote is on an amendment, briefly indicate intent: _____

Date: 4/10/15
 Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES

BILL/RESOLUTION NO. 2304

House: Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider the Do Not Pass on SB 2304

Motion Made By: Monson Seconded By: Nelson

Representatives	Yes	No	Absent
Chairman Jeff Delzer	✓		
Vice Chairman Keith Kempenich	✓		
Representative Bellew		✓	
Representative Brandenburg	✓		
Representative Boehning	✓		
Representative Dosch	✓		
Representative Kreidt	✓		
Representative Martinson	✓		
Representative Monson	✓		
Representative Nelson	✓		
Representative Pollert	✓		
Representative Sanford	✓		
Representative Schmidt	✓		
Representative Silbernagel	✓		
Representative Skarphol	✓		
Representative Streyle	✓		
Representative Thoreson	✓		
Representative Vigasaa	✓		
Representative Boe		✓	
Representative Glassheim	✓		
Representative Guggisberg	✓		
Representative Hogan	✓		
Representative Holman	✓		
TOTALS	<u>21</u>	<u>2</u>	<u>0</u>

Floor Assignment: _____

If the vote is on an amendment, briefly indicate intent: _____

Date: 4/10/15
 Roll Call Vote #: 3

2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES

BILL/RESOLUTION NO. 2304

House: Appropriations Committee

Subcommittee

Amendment LC# or Description: 15.0890.05011

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By: Streyle Seconded By: Boening

Representatives	Yes	No	Absent
Chairman Jeff Delzer		✓	
Vice Chairman Keith Kempenich	✓		
Representative Bellew		✓	
Representative Brandenburg	✓		
Representative Boehning	✓		
Representative Dosch	✓		
Representative Kreidt		✓	
Representative Martinson	✓		
Representative Monson	✓		
Representative Nelson	✓		
Representative Pollert		✓	
Representative Sanford	✓		
Representative Schmidt	✓		
Representative Silbernagel		✓	
Representative Skarphol	✓		
Representative Streyle	✓		
Representative Thoreson	✓		
Representative Vigesaa		✓	
Representative Boe		✓	
Representative Glassheim	✓		
Representative Guggisberg		✓	
Representative Hogan	✓		
Representative Holman	✓		
TOTALS	15	8	0

Floor Assignment: Skarphol

If the vote is on an amendment, briefly indicate intent: _____

REPORT OF STANDING COMMITTEE

SB 2304, as engrossed: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 8 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2304 was placed on the Sixth order on the calendar.

In lieu of the amendments adopted by the House as printed on pages 1228 and 1229 of the House Journal, Engrossed Senate Bill No. 2304 is amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. GOVERNOR'S RESIDENCE - ARCHITECT AND ENGINEERING SERVICES. The office of management and budget shall issue a formal invitation for information for obtaining architect and engineering services, pursuant to chapter 54-44.7, for the design of a governor's residence that must include event space to accommodate meetings and entertainment. The office of management and budget project selection committee shall select at least three, but not more than five, design teams to provide preliminary design documents that must be sufficient for the selection committee to clearly comprehend the aesthetic and functional purposes of the design. The office of management and budget shall submit to each member of the legislative assembly a summary and renderings of each design proposal. The budget section shall meet to review the design proposals and receive comments and suggestions from any member of the legislative assembly. A member of the legislative assembly who attends the budget section meeting is entitled to receive expense reimbursement for attending the meeting. The budget section may approve one project design or may disapprove of all project designs. If the budget section approves a project design, the office of management and budget shall proceed with the next phase of the project. The director of the facility management division of the office of management and budget, or the director's designee, shall serve as the project manager.

SECTION 2. APPROPRIATION - GOVERNOR'S RESIDENCE PROJECT. There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from funds derived from private donations, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of designing and constructing a governor's residence in accordance with this Act, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 3. CONSTRUCTION AUTHORIZATION - ADDITIONAL INCOME. Section 2 of this Act includes \$5,000,000, of which \$4,000,000 is from the capitol building fund and \$1,000,000 is from funds to be raised from private donations, for the demolition of the existing governor's residence, the design and construction of a new residence, and for fixtures and furniture for the new residence. Construction may not begin until any private fundraising entity certifies to the office of management and budget that, of the special funds required to complete the project, at least \$500,000 in cash has been received and placed in an account designated for the sole purpose of constructing the project authorized in this Act. If more than \$1,000,000 in donated funds is raised, the office of management and budget may seek emergency commission and budget section approval to spend the excess funds for upgraded fixtures and furniture for the new residence. Any increased spending authority for the project may not be used to expand the scope of the project.

SECTION 4. APPROPRIATION - TEMPORARY HOUSING EXPENSES.

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the governor's office for temporary housing expenses for the governor during the demolition of the existing governor's residence and construction of a new residence, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item. Any funds not used for temporary housing expenses may not be spent for any other purpose and must be canceled in accordance with section 54-44.1-11."

Renumber accordingly

2015 CONFERENCE COMMITTEE

SB 2304

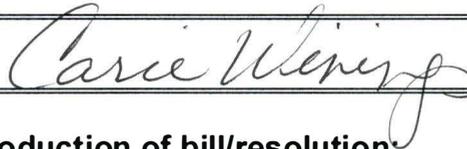
2015 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee
Missouri River Room, State Capitol

SB 2304
4/16/2015
Job # 26189

Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

Minutes:

Attachments 1 - 2

Chairman Poolman: Opened the conference committee on SB 2304. See Attachment #1 for proposed amendment to the bill. The Senate likes what the House has done with the bill and what we found is somewhat of a technical glitch in how we choose the design and the architect. The amendments addresses that issue and it does not change anything else that you have done with the bill.

Representative Kasper: See Attachment #2 for additional information for the committee. The bill that we passed on the House floor is not the bill that we passed on our GVA Committee. The Appropriations Committee, in the course of the bill deliberations, changed section one. We are here to look at a way to make this work.

Senator Laffen, District 43: I am here to give information as an architect and I am not interested in doing this project. I do know how the results of having different architects working on a project can be. As the bill got amended into what is basically a design competition, which is not unique but they are very rare. I can only think of one that has been done in North Dakota. To really get the result you want out of a design competition there are some things you need to do to make it work correctly. I will explain why I do not think that it is the appropriate vehicle for this project. There are probably only 3 or 4 firms in North Dakota that I believe can make this project work. Architecture firms specialize. There are a few that specialize in high end residential design. Most of the big firms like mine don't do these kinds of projects. They take a unique skill set of really wanting to dive into one's personal life and really get into the details of cabinetry, faucets, and sinks etc. To really do a residence right you need a firm that works in the residential world. They are usually much smaller firms. That might not seem like the right firm for this project but they have the experience. With a design competition where you do not pay anyone, that could create a problem. We can do it if we wanted to but you really need to pay all of the firms that are involved. (Example of car bids) There is significant cost in putting the proposals together. It

is really easy to say that it is just a drawing but it can be a \$50,000 drawing. Some might be willing to do that drawing for \$25,000 to \$30,000 but I can guarantee you that they are going to skimp to get down to that point. Those smaller firms that specialize in higher end residential architecture cannot afford to do that and you will not get them to the table. You will get the bigger firms that may for some reason want this high profile, front page of the paper, kind of a project on their resume that should not be doing this. That is usually counter to what you would hear. All of them will say that they do residential design when they really don't. The proper way to get this done is to follow the state procedure. We have in state law an excellent process that will vet all of that out. A short list will be created based on bids/applications and one will get chosen out of that. A design competition doesn't work because the needs and desires need to be discussed over time to program the design. You have to meet with many different people and what is desired needs to be specifically defined and it is a time consuming process. You are not going to want multiple firms having to do that for a design competition or you would have to pay an independent firm to do that for the firms in the competition. My recommendation as well as John Boyle's from OMB is the amendment that you have. It goes back to the normal state law and procedure on how to hire an architect.

(8:58) Senator Dever: The book that you gave us before was very helpful and one of the things that I noticed is that the cost of the residence would be \$1.8 million and the cost including entertaining space in that was an additional \$2.3 million and that was for 70 people. I am wondering if the language in the bill or the amendment allows that committee the flexibility to make a determination as to what extent entertainment space would be included?

Chairman Poolman: (Reads from Section 1 of the bill.) That decision is made in the bill. You need a residence and an entertainment space.

Senator Dever: The book that was provided to us in testimony gave options of two different proposals. One was for 70-75 people and the other was to accommodate 10-12 people. There is a huge difference in space and cost. Part of our previous conversation was whether those kinds of events are just as well held over at the Heritage Center.

Representative Kasper: We are not interested in the 10 person entertainment space with the Governor's residence. We have a lot of people that feel strongly that the Governor's residence should have the ability to entertain up to 150 people at one time. The Heritage Center is a great place and that can be used as the Governor or others wish, but as nice as it is, it is not what we would like. Our position in our committee, after seeing the Governor's residence, and looking at other Governor's residences we start getting ancy and get concerned that if there is not enough guideline in here. The Governor's residence should be the showplace of the state of North Dakota. We are no longer the little old state that everybody flies over and doesn't pay allot of attention to. We have people coming from all over the world to see what is going on in North Dakota. Our position in our committee and the House is that we want to be sure that it is very adequate to present the image that we believe should be presented for the state of North Dakota as well as being able to entertain dignitaries from China, Japan, or Russia etc. That is one our big concerns when we start talking about using the Heritage Center. Obviously it can be used whenever the Governor

wishes, but on the same token our sentiment is that facility has to have the flexibility to be an entertainment place for dignitaries as well as a residence.

Chairman Poolman: I would maybe not use the word showplace, but I think of the Governor's house as the people's house. They host the boy scouts. They host schools that win state championships. They try to bring people into that home to entertain them and acknowledge their contribution to their organization and to their communities. I agree with you on the concept of having an entertainment area so that we can make it truly the people's house. Something that is modest and yet beautiful but has the ability to bring in people from all over North Dakota. I understand that they will certainly entertain dignitaries. We are on the same page but I think for different reasons.

Representative Kasper: I am not here to play semantics. I respect what your statement was, however, in addition to all of the things that you mentioned that it ought to be, we also believe that it is time that the state of North Dakota has a statement about who our Governor is and what our state is. That is a concern of leadership as well. That if we do not have involvement as a legislative body, before the final decision is made, that decision may be something that a lot of the legislators do not like. That is why the amendments were drafted the way they were.

Senator Laffen: When you get to the amendments I think that piece if it is still very well retained. For starters, the normal course of the way this project would be managed is that OMB would manage this project in conjunction with the capitol grounds planning commission which has 2 Senators and 2 Representatives on that commission and then I believe the amendments states that there even be a public hearing to include all legislators that want to come. The only real difference is replacing 4 or 5 firms with the firm that will produce the same amount of concepts.

Chairman Poolman: We are following the same process that we would to build any other state project and in addition to that giving legislators an additional opportunity to weigh in.

Senator Laffen: Absolutely. And if they do not like what they see, I have never seen an architecture firm that would not come back and respond to that and bring new ideas.

Chairman Poolman: I understand that you need to take the amendment to your conferees and to leadership.

Representative Kasper: This is a big deal on our side as I am sure that it is on your side and I know that leadership will want to look at the amendment. The way that the amendment is written leaves the ultimate decision in the planning grounds committee, not the legislature. From that perspective, we may have an issue. Our goal is the same; it is just a matter of how we get there.

Chairman Poolman: I would caution us in terms of legislative input. Yes, we absolutely want some legislative oversight, but getting all House members and all Senate members to agree on what this should look like, I am not so sure that it will be all that practical. I am hoping that what we have proposed will be acceptable. Adjourned the conference committee.

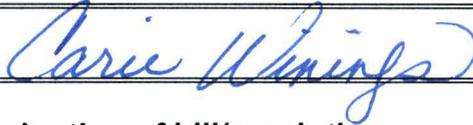
2015 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee
Missouri River Room, State Capitol

SB 2304
4/17/2015
Job # 26211

Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

Minutes:

No Attachments

Chairman Poolman: Opened the conference committee on SB 2304. We offered an amendment yesterday that you had mentioned that you would think on it and take it back to leadership to get some opinions. What have you got?

Representative Kasper: I can give you an overview of my conversation with leadership in the House and some of the other representatives. We are not convinced that the process that your amendment provides is the way that we want to go. However, before we move too far into that, I really would like to ask to John Boyle some questions. We heard Senator Laffen give a presentation from an architect's point of view and now I would like to talk to John Boyle about the perspective of how the building and grounds committee works on a project like this to get some more information on the record.

John Boyle, Director, Facility Management: The capitol grounds planning commission has 9 members and it is chaired by the Lt. Governor. There are two Senators and two Representatives with one being a Republican and one being a Democrat for each side. Then there are four other members that are chosen. One has to be a licensed architect in the state of North Dakota, one has to be from the state Historical Society, and two are from at large that the Governor can choose. Their role is to approve everything that is permanent on the grounds. Any time that we have a project that is on the grounds and it is considered permanent, like the parking lots, they have to have final approval on the plans. (Gave an example of the parking lot project and the process applied in that project.) The process was very open to the public and legislators had the opportunity to be involved as well. I know there are legislators that would like to have input. If we went the exact same route, when we put together the selection committee, we could have certain legislators on the selection committee. We always like to have an odd number so that it is never evenly split. Say we went with 9 people, we could have a couple from OMB, maybe the Lt.

Governor could be on it because he chairs the planning commission, and then the rest could be split evenly between the Senate and the House for people who have a lot of interest in this project. That way the legislators are getting input before there is even a design. That is just at the stage where we select who is going to prepare the designs and then we have the public meeting with the planning commission. We would invite all legislators that would like to participate. Then from that meeting then we could narrow it down to maybe two designs and then down to eventually one design.

(5:32) Representative Kasper: You sort of jumped one step. You talked about the design, but how do we get to the design? That is one of the key issues from the House. Senator Laffen talked about how you could not get many architects willing to submit a proposal. I need to visit with him further because I do not know if the word "proposal" to him is the same as it is to me. What does proposal mean to Senator Laffen? I need that explained. I do not expect an architectural firm to give a complete set of drawings that is encompassing. It would seem to me that the selection committee that you are talking about would be the committee that would come up with the parameters like the square footage, number of bedrooms, and additional broad overview information. Then you could invite the RFQ's to all of the architects in the state of North Dakota but the request would not be to give us a set of drawings but the request would be to give us a rendering of what it would look like. It would take effort but not a lot of expense. You could limit that depending on who would answer the RFQ. There might be a lot of firms that would want to come up with a rendering of what they envision doing and would be willing to spend the time coming up with a drawing to present. That would be a way to narrow it down with something that is concrete as opposed to going out and doing an RFP and looking at the qualifications and then selecting one firm up front. Now the only ideas would be with that one firm. Not saying that they would not be good but it would just be one idea. That I think is more where the House's position is. The second thing would be the concern that the separation between the architect that does the design and the general contractor that does the building, that there would be a separation. I talked to a friend of mine that is an architect in Fargo after our meeting that specializes in residential and small commercial. I asked him if he thought there would be a lot of firms that would be interested in putting time in to be the one that was selected. He said that he does think there would be. He said most likely it would be a smaller firm but there may be some larger firms in the state that might be interested because of the prestige that would be gained by doing that. There is more of a story, at least from our perspective, than simply saying that we have to pay them some money or no one will come forward with a proposal or a rendering.

John Boyle: The way that the RFQ process works is that it distinctly states in Century Code how you would qualify people that would submit it. The idea of going through the process is to get the most qualified firm. If it is one firm or four or five firms, that the design is going to be based and the quality of the design is going to be based on the quality of the committee. If the committee can express what they want to visually see, then I think that one firm can draw that just as well as five different firms. I understand your point but the problem is that the statute does not allow us to do it that way. The statute for the RFQ process allows you to pick a firm and then that firm and the owner design it so that it does turn out the way that the owner, who in this case is the state, would like it to look.

Representative Kasper: We have a bill in front of us that could amend the statute to allow for a change in the method at least on this one residence.

John Boyle: Yes, 54:44-7 statutorial. The problem that I have received from the Attorney General's office is that because it is OMB that is overseeing the project, we have to obey the statutes and the bill does not trump statute the way that it is written right now.

Representative Kasper: I am puzzled. I thought the legislature amends statute or creates new statute. Is there a statute in law right now that we could not amend to solve this little glitch that you are just sharing with us?

John Boyle: I am not saying that there is not a way that you can it, and I don't know what that way would be, but I am saying that the way that the bill came out of the House does not do that.

Rep. Kasper: I see that there are a lot of problems of how the bill came out of the House. That is why we are trying to get a resolution through that we can all agree on.

John Boyle: The reason the amendment was written the way that it was is so that it does follow statute so that OMB could oversee the project.

Senator Davison: As you described the process, does this amendment allow for the process you described in the procedure that we have in front of us?

John Boyle: Yes it does.

Senator Dever: (Reviews what he understands the process to be as John Boyle described.)

John Boyle: That is correct. The first stage is getting an appropriation. Then we put an ad in the paper. Then we have architects submit. That is Phase 1. From those submittals we narrow that down to at least 3. We can interview 5 or 6, but those are based on qualifications. A person that has done luxury homes is going to be very qualified. A person that has designed office buildings is not. Then at the interview stage they have to submit within the interview process recent work that is similar to what we are looking at. The only people that are going to be even interviewed are people that have done luxury residences. We cannot limit to North Dakota firms only because it violates statute. We are looking for the most qualified. Then the selection committee that can be made up of Senators, Representative, and some Executive Branch would sit through this interview and listen to these people present. You would see all of their recent and current work. Then that committee would choose which one of those is the most qualified. All of them will be qualified. We have a scoring sheet and each member scores and then we all get together and we rank it. Whoever we choose will do what we want. It is the quality of the selection committee that will determine how well the process will go.

Chairman Poolman: You said that we could have a number of legislators on that selection committee.

John Boyle: That is something that we just thought of this morning. We can make it where the people that have the most interest in this project be on the committee. We can have legislators from both sides on the committee. On the planning commission you have those four legislators as well. Then we still have a public hearing and at that time if no one likes any of it you start all over and you get the guy to do three or four more.

Chairman Poolman: All of the legislators can come to that.

John Boyle: Exactly and we can schedule it at a time when a lot of them are here town.

Senator Dever: Basically what we are talking about here then is should we choose a design and then choose an architect based on that design, or should we choose an architect that would provide us the choices in different designs.

John Boyle: The law only allows you to choose the architect and then the architect and the team work on the design. I believe the end result will be what everyone is looking for in the end. We are not going to build anything that we are going to be ashamed of.

Senator Dever: I do not deny the possibility of the legislature being involved in the process. At the same time it is the Governor's residence. We are going to ask the friends of the North Dakota Governor's residence to put in 20% of the funding and it seems to me that they should have significant input into the end result. This bill was introduced in the Senate and it came through the GVA committee. The reason the GVA committee adopted the study rather than the bill was just a matter of timing and money is tight and is this the time to do it. As it comes back from the House, the Senate is on board with that part of it. The only thing we are talking about is not the project, but the process. It is entirely Section 1. Section 1 provides that the budget section may approve one project design or may reject all project designs, so when we ask the friends of the Governor's residence to put up \$1 million for the benefit of this, I do not know that we should be putting up barriers allowing someone else to choose. And that someone else is us. I am not so sure that I agree. One of the differences in the two bills also was the timing because the Senate said they wanted to wait until after the next election so that politics would not be a part of this. I am just saying that I am not prepared to support the version of the bill that the House says they are not ready to deviate from.

Chairman Poolman: To echo your statements, the Senate is not interested in violating our current process in state law in order to build a house, as Senator Dever said, will initially be politically sensitive. We are not going to start breaking the rules for this project as opposed to other projects. Since we have been reassured that there is legislative oversight, and certainly a lot of legislative participation in the process as it is outlined in the amendment, I just do not understand why the House would be interested in violating state law for this particular process.

Representative Kasper: Let me object to your last statement. Let me make it perfectly clear to you and to the Senate. The House is not interested in violating any law. We never have been and we would never support it. I find it offensive for you to make the insinuation that we would be willing or want to violate state law. Let's just have that on the record.

Representative Steiner: To echo that, it is not breaking the rules if you amend the statute to allow a design competition. Really that is what the House is trying to do. There is current law that goes through the process a little differently. I think that kind of speaks to that. We could amend but if the design competition becomes an issue then we will have to resolve it. I wanted to mention that on Section 1, I noticed the Senate has the word "entertainment" and I really appreciated Senator Poolman's comments yesterday about being able to honor our Boy Scouts and young people when they come to the Governor's residence and I do not know if "entertainment" is the right word. It sounds like we are having some kind of concert. I would like that word to be reflective of honoring our citizens; maybe with audio and video capability. I think that is what you were speaking to yesterday; a place where they can come and be honored for some accomplishment that they had and maybe they will sing so you would need audio and video capability. I think "entertainment" is addressing that but the public might read that and wonder what kind of entertainment they were talking about. It is just a semantics word for me.

Senator Dever: I would just point out that is drawn from the House amendment. It is the same word but we would be happy to look at that.

Representative Steiner: I obviously missed it on the House side, but I would like to get that adjusted.

Chairman Poolman: I agree with that sentiment and we will have to find a better word. We are on the same page there.

Representative Kasper: The process that Mr. Boyle outlined whereby you could have, in addition to the building and grounds committee, a selection committee with legislators and others. I do not object to Senator Dever's suggestion that we have the friends of the Governor's residence as part of it but I do believe that, based on the sentiment of the House, that the membership as well as a lot of the legislators seem to think that there is a desire to have some type of an input from all legislators at the process if there are three or four choices at the end that we can come to. It may not be the overriding veto effect but at least everyone would have an opportunity to voice what their thoughts are. I like Mr. Boyle's idea of a selection committee and I think if there is a separation between the architect and the general contractor so that you don't have a construction management type concept. In talking to my architect friend yesterday, he recommended against that and said that you should have a general contractor and an architect separate because that allows checks and balances on each other. It keeps one entity from going off and coming up in the end of the project with something different than what was envisioned. I apologize for my firmness in my statement prior but I do not think that we are that far apart. If we can do some tweaking to section 1, I think we can probably get something done. That is our desire. We would not have gone through the heartache in the House GVA committee to get to this point if we did not feel that now was the time to move forward. It is a matter of getting something that we can sell to the House.

Chairman Poolman: Would you be willing to work with John Boyle in terms of crafting some language so that we can follow the process but add those pieces in that you value in the House?

Representative Kasper: I would, but I would like a representative from the Senate as well.

Chairman Poolman: Wonderful.

Representative Schneider: In Section 1, where we are talking about the Governor's residence and that it must include - I would eliminate "entertainment" there, so that it would read "must include space to accommodate meetings and events" and take out "entertainment". To speak to the timing, I think to a certain degree we can eliminate politics from this no matter which direction we go and I would like to take advantage of the slowdown in other part of our economy that would provide us with savings and workers to get this done as quickly as possible for the First Family.

Chairman Poolman: I would echo those comments. Construction costs will only go up if we wait. I agree with that wholeheartedly and I think that is a great amendment. We will work on something. Adjourned the conference committee on SB 2304.

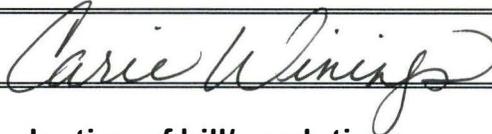
2015 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee
Missouri River Room, State Capitol

SB 2304
4/20/2015
Job # 26285

Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

Minutes:

Attachments 1 - 2

Chairman Poolman: Opened the conference committee on SB 2304. See Attachment #1 for proposed amendments.

(1:55) Representative Kasper: Asked for John Boyle to come to the podium for some questions.

John Boyle, Director, Facility Management: See Attachment #2 for additional information to the committee.

(3:00) Representative Kasper: Can we walk through the process again to make sure that this amendment fits in with what I perceive? If the bill passes and we are going to build the residence, there is going to be a process to build it. My first question is that I want to be sure that the planning commission is involved in the process and that this amendment does not take them out of the process which was certainly not the House's intent. The House's intent was to have a little more legislative input but not replace the planning commission. Does this amendment preserve that?

John Boyle: It does. The process for any project that OMB has is that we choose who will be on the selection committee. If we would like all of the members of the planning commission to be part of it plus these four that we have just added and myself that would be fine. That would be 14 people on the commission. Some of them may not want to serve and then it may bring it down by one or two. There would be 8 legislators on this selection committee and then I would suggest that the same selection committee would continue in the process through then end of the project so that there is consistency. With that the legislature would have to appoint the same people and the Governor because it is a two

year term. There may be some turnover but the core of that committee would stay the same from start to finish.

Representative Kasper: So that is clear. They are there from beginning to end. Then we would use the Office of Management and Budget's normal procedure that you discussed in our last conference committee to call for the RFQ procedure, and then the architects that are interested will submit, one will be selected, and then you go through the rendering and schematics etc. Then that would be presented further down to a public meeting at the capitol grounds and any legislative assembly member could also come to that public meeting and have their input.

John Boyle: That is correct.

Representative Kasper: They have their input but they do not have any veto power. They hear the presentation and they can tell the committee what their thoughts are and then the committee will get back together and make their decision.

John Boyle: That is correct. All they have is input. But, as I said at the last meeting, if there is a lot of opposition to what this selection committee put together, then we would have the architect start over. We want everyone happy in the end.

Representative Kasper: From that perspective, I think that sort of fits with where I think the majority of the House wanted to be.

Representative Schneider: I think that would fit in. I think it would meet with our colleague's satisfaction.

Representative Steiner: I have a question about when you give it to leadership. I think the intent of the House was that there would be more legislators to be involved than just leadership. I don't know. I do know some legislators that will be disappointed to see that. Whether or not it is a big enough deal to squabble over I do not know.

Chairman Poolman: That is why we put the majority and minority leaders or their designees. If they were taking flak from their caucus for placing themselves on there they could always have a designee if people were concerned. As a leader I would probably differ to my designee when I have the opportunity.

Representative Kasper: I have one other issue. From the perspective of Section 1, based on what I have heard, I am comfortable with Section 1. But an area that I want to continue on with is the area of fundraising. Representative Keizer has taught me over the sessions that I have been here that you have to be specific when you are talking about how the money is raised, who is going to raise it, and how that is going to happen. In our bill, we refer to the money being raised but we do not establish an entity to raise the money. We are just assuming it is going to be raised and we talk about any private fundraising entity certifies to the office of management and budget. I am uncomfortable with that. I have asked John Bjornson to work on an amendment that would establish in this bill a fundraising entity that would have oversight from either OMB or the legislative management committee so that it is maybe a separate 501C3 so that it can be a structure and a function

to maybe go out and legally raise the money and be appropriated through this method. He is going to have something by tomorrow morning for the committee to consider. That is a suggestion that I would like to consider if you don't mind.

John Boyle: The fundraising end I do not know how that is going to occur. All I know is how it was done in the past. The selection committee that did the remodeling project interviewed three or four fundraising companies and then they determined that the amount of money that they were going to take in fees was around 20%. So they thought if they formed "The Friends of Governor's Residence" 501C3 they could do it internally. I do not know if that is what the existing members of that foundation signed up to do. I wanted to make sure that this commission knew that probably would be the fund raising arm of it. They may be involved in hosting fundraising events or something at the residence. I do not think we can put it on them to be responsible to raise \$1 million.

Chairman Poolman: Could we make it their job to put together the people who do raise the money? Could the friends say that they are interested in helping with the residence but we are not fundraisers? Since they already exist, could we put something in the bill that outlines that they would put together the fundraising plan and seek out members who would become those fundraisers?

John Boyle: I have no idea how to go about putting this together. As soon as it is certified that the funds are there we will bring the wrecking ball.

Representative Kasper: Can we see what Bjornson puts together and see how we feel about it then?

Senator Davison: For the record, I have a couple of concerns regarding setting up a 501C3. We have had 2 bills on the House side with 5013C's and they have not met with much success. I am concerned that if we set one up that the people that are running the 501C3 might tell us what color the house should be or how big the rooms should be etc. I do think there are ways around it.

Representative Kasper: I agree with you and if the 501C3 is the wrong entity I have no problem with it being some other entity. I totally agree that they raise the money but this committee decides how it is spent.

Chairman Poolman: I spoke to the sponsor and she was not thrilled about getting too definitive in terms of how that money is raised. I am hopeful that we can find some common ground there but I am concerned that if we get to prescriptive in that area. I have concerns on how this is all going to roll and if it is going to get more complicated than it needs to be in terms of how we just come up with \$1 million. I don't think that it is going to be hard to come up with it because we have many people that are excited to raise it. We do not need another entity that will muddy the waters.

Representative Steiner: I have a question on the concern with the sponsor. Is she thinking that the friends were likely to be the entity?

Chairman Poolman: Not maybe the fundraisers, but since that is already set up to take the donations, that is where it would go.

Representative Steiner: If we said that it was going to them, we still could set rules of how there would be legislative oversight so that it would be prescribed.

Chairman Poolman: What would the legislators be prescribing? Is it how we are raising it? Or who gets to donate or give? That is where I am concerned. That now we are going to go down a path where we have already been very prescriptive here in how this is going to be different from our normal process and now we want to be very prescriptive about how the money is going to be raised.

Representative Steiner: What if a group decides they are going to do it and these ladies are doing it and there are two groups and this other group does it on their own and says they are doing it? There is nothing to prevent them from doing it. So they do it, take the donations, and then there are problems with it. What happens then?

Chairman Poolman: I understand what you are saying.

Representative Steiner: We should have some oversight on it so that people know when they give that it is going to go to that project.

Senator Davison: (Question for John Boyle) Are you familiar with any other project where we have raised money and what we used for a pass-through in previous times?

John Boyle: The Heritage Center. When the Heritage Center did their expansion project, they have a foundation, The Historical Society Foundation, and they stated that they were going to raise \$12 million to go towards the project. They also stated that they have to raise \$15 million to net \$12 million. It costs money to raise money. That is the only one that I am familiar with.

Representative Kasper: That point alone is exactly why I believe we need a structure so that we don't allow a large amount of fundraising fees to be paid to raise the money. I think there is going to be lots of money flowing in that you don't have to pay a nickel and you just have to have some volunteers who are going to go out and raise the money. That is the intent of having it established by the legislature so that that does not happen.

Chairman Poolman: I would be very supportive of an amendment that said this is voluntary and that we are not paying outside fundraising organizations to raise the money. Adjourned the conference committee on SB 2304.

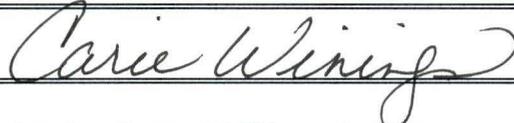
2015 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee
Missouri River Room, State Capitol

SB 2304
4/21/2014
Job # 26298

Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

Minutes:

Attachments 1

Chairman Poolman: Opened the conference committee on SB 2304.

Representative Kasper: See Attachment #1 for proposed amendment.

(5:05) Representative Kasper: Moved Amendment 15.0890.05014.

Representative Steiner: Seconded.

Senator Dever: I guess I have some concerns. It appears to me that we are going to have 8 legislators involved and 5 other members of the capitol grounds planning commission and still somewhere in there we are going to appoint a taskforce and it could very well become the Friends of the Governor's Residence and they really don't have any say in this whole matter. I am not so sure that I feel comfortable with this whole arrangement.

Chairman Poolman: I would agree. I have significant concerns about the legislative micromanagement involved in all of Section 1. We have given in to having a lot of legislative micromanagement in the terms of a selection process. We have all sorts of involvement there and we already have a process for raising money for the residence. The Friends of the Residence is a non-profit that has already been established and if we are taking private donations I believe that they should go into the Friends of the Residence. I would welcome the idea of a subsection 2 of section 1 but I would prefer that it would say "the members of the Friends of the Residence shall appoint a fundraising taskforce coordinating fundraising, the donations, appropriated under Section 2 of this act and any donations received for the project must be deposited in that 501C3 Friends of the Residence. So, we would still have a separate task force that had been appointed. As we have talked about, there are plenty of people who want to raise the money but I have concerns about now taking, not only the legislators that are on the current planning commission, but then adding the four legislators that we are adding to the other commission. Now you have a majority of legislators who are deciding what this taskforce is

going to look like and then they have to go legislative management to approve it as well. We have taken all of the fundraising control out of the hands of the people who are typically doing the fundraising and putting it all under the legislature. When people are donating private funds to a government entity, I do not see that they are going to have the same tax deduction ability that they would if they were donating to another nonprofit. I see so many issues with that and I just generally see issues with legislative over reach in terms of this project verses every other building project that we do that follows this chapter. We have a planning grounds commission for a reason. We have the Friends of the Residence for a reason and I do not know why we are trying to circumvent all of the process that we have had in the past for this particular project. I also would not support the amendment.

Representative Kasper: You make a good point about the tax deductibility of the contributions; which I did not talk with John Bjornson about in our proposed amendment. For certain, you would not want to have the tax deductibility. That is an issue that should be checked into. That may change my viewpoint and I think our viewpoint. I would like that clarified. However, having said that, the question is who is going to be overseeing the project. It is the capitol grounds building committee along with equal representation from both political parties to be involved. If there is a conflict or a problem with the money getting raised, how much would be paid in fees and commissions to entities that are contracted to or by whatever organization to raise the funds. I think there should be little if any fees paid. I think the desire to donate will be large. Also, what happens to the excess dollars if that happens? I do not know that we are that far apart but I guess the concern is there about having a little more legislative input. I like that but it appears that the Senate does not. That might be an area that needs to be further discussed.

Chairman Poolman: I am thinking out loud here. What would you think about having the Friends of the Residence appoint the fundraising taskforce and adding language that says that the taskforce may not contract an outside entity for the purpose of raising funds? And having them give a report to legislative management. Would that be enough? Then you are still keeping the control of the funds in the nonprofit and you are still keeping a lot of the same process that we would ordinarily go through for this but then you are making sure. I agree wholeheartedly. I do not want anyone from the outside being hired and taking a fee. I do understand you concern about maybe just having some idea as to where they are and what is happening. If we would have language that would allow the friends to appoint the taskforce that has the idea that they may not contract an outside entity and that once they have done this that they report to legislative management. We could say how often we want that report. Is that something that would be in the middle in terms of what we are looking for making sure that things are not going wrong but also making sure that we are not getting too much into it as well?

Representative Kasper: I think you are moving in the right direction. That might be a compromise that we could work out. I have not spoken to my colleagues in the House and I certainly want their input. The goal from our perspective is to build this so if we can get to a point where we are all comfortable I think we can go ahead. I think your suggestion might have some merit.

Representative Schneider: I have no problem with the way you are working together to coordinate. I like the flexibility of the general term of "appointing a fundraising taskforce"

because you can do anything you want to with that. It could be the Friend of the Residence or it could be a combination of them and others. The way I changed it in that paragraph is by adding a couple of words. Starting with that sentence that starts "the project oversight committee", it would read "the project oversight committee with the approval of the legislative management may appoint a fundraising taskforce to coordinate volunteer fundraising with the Friends of the Residence for the donations appropriated". It still gives the legislative control to either expand the friends or take a group from the friend and others.

Chairman Poolman: We have a motion on the table.

Representative Kasper: Withdrew motion. (With the caveat that we come to an amendment from this proposed amendment and try to agree in our next meeting that we move forward.)

Representative Steiner: Withdrew second. (I would hope that the Senate could bring an amendment and maybe we can work together on that.)

Chairman Poolman: I was going to make the same suggestion; that maybe one of us from each should go up to legislative council to work that out.

Senator Dever: I think that our approach should be that it is the people's place and that the people should have input into that. We as legislators represent the people but this is a little bit different. It is not a legislative mandated project. I am not sure in this why it needs approval of legislative management if we are going to put together the authority for that task force to come into existence unless there is some other consideration that others see that may come into place prior to that.

Chairman Poolman: That is why I like the idea of reporting to legislative management rather than waiting for their approval for each thing that they want to do.

Representative Kasper: I have no problem putting the word "report" as opposed to the word "approve". That is not a big deal. It is just to keep legislative management involved so that they understand and they can let the legislative body know where the project is going.

Representative Steiner: I know from the House's perspective it was really important that the public be able to see sketches and that the public could have involvement. I would like to encourage leaving Section 1 in place.

Chairman Poolman: Absolutely. I am not interested in touching Section 1.

Senator Dever: I think the fundraising effort is a matter of marketing this whole project to the public. That input just becomes a part of that effort.

Representative Schneider: I think we all agree on the volunteer fundraising too.

Chairman Poolman: Absolutely. That is an easy way of saying that they may not hire someone else. Adjourned conference committee on SB 2304.

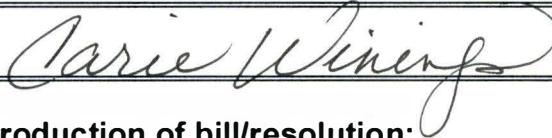
2015 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee
Missouri River Room, State Capitol

SB 2304
4/21/2015
Job # 26318

Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

Minutes:

Attachments 1

Chairman Poolman: Opened the conference committee on SB 2304.

Representative Kasper: See Attachment #1 for proposed amendment 15.0890.05015.

(4:05) Representative Steiner: When you were going through the amendment I noticed on Section 1, the last sentence, "a member of the legislative assembly is entitled to receive compensation", and I think the House version was to include reimbursement for House and Senate members that wanted to come for the unveiling. I thought that was in the original bill. You are just limiting it to those that are involved with the planning commission. Could it also include other legislators that want to come in and be involved? It seemed to me that it was legislators wishing to attend the public hearing would be compensated for that day. I do not know how you want to word it.

Representative Kasper: It might read "member of the legislative assembly serving on the project selection committee and any legislator who attends the project design meeting" or something along those lines. It would be a one-time opportunity when this unveiling occurs. They would not be involved in the decision making process but they would be paid to come and see the big deal. I would not object to that. It was an oversight in our many drafts.

Senator Dever: I believe it was to receive expense reimbursement.

Representative Kasper: Reads from 07000 version on lines 16-18.

Chairman Poolman: Reviewed the 07000 version. If we kept Section 1 as it is and just added that line, since it is different from how we are compensating the people who are

actually serving on the committee, can we just add a sentence at the end? Can we consider that a friendly amendment to the amendment?

Senator Dever: I think we want to make it clear that we are not going to reimburse their attendance at every meeting. It would be just the one that the plans are going to be public.

Chairman Poolman: Correct. I request that we move this amendment first and then further amend.

Representative Kasper: Moved proposed amendment 15.0890.05015.

Representative Steiner: Seconded.

A Roll Call Vote Was Taken: 6 yeas, 0 nays, 0 absent.

Motion Carried.

Representative Steiner: Moved to amend by adding sentence from Pages 16-18 on the 07000 version. (A member of the legislative assembly who attends the public input hearing is entitled to receive expense reimbursement for attending the meeting.)

Representative Kasper: Seconded.

A Roll Call Vote Was Taken: 6 yeas, 0 nays, 0 absent.

Motion Carried.

Representative Kasper: Moved that the House Recede and further amend as agreed upon.

Senator Davison: Seconded.

A Roll Call Vote Was Taken: 6 yeas, 0 nays, 0 absent.

Motion Carried.

Senator Poolman and Representative Kasper will carry the bill.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2304

That the House recede from its amendments as printed on pages 1433 and 1434 of the Senate Journal and pages 1598-1600 of the House Journal and that Engrossed Senate Bill No. 2304 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. GOVERNOR'S RESIDENCE - ARCHITECT AND ENGINEERING SERVICES - FUNDRAISING AND PROJECT OVERSIGHT COMMITTEE.

1. The office of management and budget shall procure architect and engineering professional services pursuant to chapter 54-44.7 for the design of a governor's residence that must include space to accommodate meetings and events. The office of management and budget project selection committee, which must include the majority and minority leaders of the house of representatives or their designees, and the majority and minority leaders of the senate or their designees, shall require the selected person or firm to provide at least three preliminary designs to be presented at a public meeting of the capitol grounds planning commission. The director of the facility management division of the office of management and budget or the director's designee shall serve as the project manager. A member of the legislative assembly serving on the project selection committee is entitled to receive compensation in the amount provided per day for members of the legislative management under section 54-35-10 for attending meetings.
2. The members of the 501(c)(3) Friends of the Residence and the capitol grounds planning commission shall appoint a fundraising task force to coordinate volunteer fundraising for the donations appropriated under section 2 of this Act. Upon request of the legislative management, the Friends of the Residence shall report to the legislative management regarding the fundraising plans of the task force and the progress of fundraising efforts. All donations received for the project must be deposited in a dedicated account by the Friends of the Residence and transferred to the capitol building account upon the request of the capitol grounds planning commission.

SECTION 2. APPROPRIATION - GOVERNOR'S RESIDENCE PROJECT.

There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from funds derived from private donations, the sum of

\$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of designing and constructing a governor's residence in accordance with this Act, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 3. CONSTRUCTION AUTHORIZATION - ADDITIONAL INCOME.

Section 2 of this Act includes \$5,000,000, of which \$4,000,000 is from the capitol building fund and \$1,000,000 is from funds to be raised from private donations and deposited in the capitol building fund, for the demolition of the existing governor's residence, the design and construction of a new residence, and for fixtures and furniture for the new residence. Construction may not begin until the capitol grounds planning commission certifies to the office of management and budget that, of the special funds required to complete the project, at least \$500,000 in cash has been received and placed in the capitol building fund designated for the sole purpose of constructing the project authorized in this Act. If more than \$1,000,000 in donated funds is raised, the office of management and budget may seek emergency commission and budget section approval to spend the excess funds for upgraded fixtures and furniture for the new residence. Any increased spending authority for the project may not be used to expand the scope of the project.

SECTION 4. APPROPRIATION - TEMPORARY HOUSING EXPENSES.

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the governor's office for temporary housing expenses for the governor during the demolition of the existing governor's residence and construction of a new residence, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item. Any funds not used for temporary housing expenses may not be spent for any other purpose and must be canceled in accordance with section 54-44.1-11."

Renumber accordingly

April 21, 2015

1 of 2
TD
4/21/15

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2304

That the House recede from its amendments as printed on pages 1433 and 1434 of the Senate Journal and pages 1598-1600 of the House Journal and that Engrossed Senate Bill No. 2304 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. GOVERNOR'S RESIDENCE - ARCHITECT AND ENGINEERING SERVICES - FUNDRAISING AND PROJECT OVERSIGHT COMMITTEE.

1. The office of management and budget shall procure architect and engineering professional services pursuant to chapter 54-44.7 for the design of a governor's residence that must include space to accommodate meetings and events. The office of management and budget project selection committee, which must include the majority and minority leaders of the house of representatives or their designees, and the majority and minority leaders of the senate or their designees, shall require the selected person or firm to provide at least three preliminary designs to be presented at a public meeting of the capitol grounds planning commission. A member of the legislative assembly who attends the public input hearing is entitled to receive expense reimbursement for attending the meeting. The director of the facility management division of the office of management and budget or the director's designee shall serve as the project manager. A member of the legislative assembly serving on the project selection committee is entitled to receive compensation in the amount provided per day for members of the legislative management under section 54-35-10 for attending meetings.
2. The members of the 501(c)(3) Friends of the Residence and the capitol grounds planning commission shall appoint a fundraising task force to coordinate volunteer fundraising for the donations appropriated under section 2 of this Act. Upon request of the legislative management, the Friends of the Residence shall report to the legislative management regarding the fundraising plans of the task force and the progress of fundraising efforts. All donations received for the project must be deposited in a dedicated account by the Friends of the Residence and transferred to the capitol building account upon the request of the capitol grounds planning commission.

SECTION 2. APPROPRIATION - GOVERNOR'S RESIDENCE PROJECT.

There is appropriated out of any moneys in the capitol building fund in the state

treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from funds derived from private donations, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of designing and constructing a governor's residence in accordance with this Act, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 3. CONSTRUCTION AUTHORIZATION - ADDITIONAL INCOME.

Section 2 of this Act includes \$5,000,000, of which \$4,000,000 is from the capitol building fund and \$1,000,000 is from funds to be raised from private donations and deposited in the capitol building fund, for the demolition of the existing governor's residence, the design and construction of a new residence, and for fixtures and furniture for the new residence. Construction may not begin until the capitol grounds planning commission certifies to the office of management and budget that, of the special funds required to complete the project, at least \$500,000 in cash has been received and placed in the capitol building fund designated for the sole purpose of constructing the project authorized in this Act. If more than \$1,000,000 in donated funds is raised, the office of management and budget may seek emergency commission and budget section approval to spend the excess funds for upgraded fixtures and furniture for the new residence. Any increased spending authority for the project may not be used to expand the scope of the project.

SECTION 4. APPROPRIATION - TEMPORARY HOUSING EXPENSES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the governor's office for temporary housing expenses for the governor during the demolition of the existing governor's residence and construction of a new residence, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item. Any funds not used for temporary housing expenses may not be spent for any other purpose and must be canceled in accordance with section 54-44.1-11."

Renumber accordingly

**2015 SENATE CONFERENCE COMMITTEE
 ROLL CALL VOTES**

BILL/RESOLUTION NO. SB 2304 as engrossed

Senate "Enter committee name" Committee

- Action Taken
- SENATE accede to House Amendments
 - SENATE accede to House Amendments and further amend
 - HOUSE recede from House amendments
 - HOUSE recede from House amendments and amend as follows

 - Unable to agree, recommends that the committee be discharged and a new committee be appointed

Motion Made by: _____ Seconded by: _____

Senators	4/16	4/17	4/20	Yes	No	Representatives	4/16	4/17	4/20	Yes	No
Senator Poolman (Chairman)	✓	✓	✓			Representative Kasper	✓	✓	✓		
Senator Davison	✓	✓	✓			Representative Steiner	✓	✓	✓		
Senator Dever	✓	✓	✓			Representative Schneider	✓	✓	✓		
Total Senate Vote						Total Rep. Vote					

Vote Count Yes: _____ No: _____ Absent: _____

Senate Carrier _____ House Carrier _____

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Date: 4/21
 Roll Call Vote #: 3

2015 SENATE CONFERENCE COMMITTEE
 ROLL CALL VOTES

BILL/RESOLUTION NO. SB 2304 as engrossed

Senate "Enter committee name" Committee

- Action Taken
- SENATE accede to House Amendments
 - SENATE accede to House Amendments and further amend
 - HOUSE recede from House amendments
 - HOUSE recede from House amendments and amend as follows
 - Unable to agree, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Kasper Seconded by: Davison

Senators	4/21 AM	4/21 PM	Yes	No	Representatives	4/21 AM	4/21 PM	Yes	No
Senator Poolman (Chairman)	✓	✓	✓		Representative Kasper	✓	✓	✓	
Senator Davison	✓	✓	✓		Representative Steiner	✓	✓	✓	
Senator Dever	✓	✓	✓		Representative Schneider	✓	✓	✓	
Total Senate Vote					Total Rep. Vote				

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier Poolman House Carrier Kasper

LC Number 15.0890 . 05016 of amendment

LC Number _____ . 08000 of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

15.0890.05015
 + lines 16-18 of 7000 version
 Starting with "Amemember of" ending with
 "attending the meeting"

REPORT OF CONFERENCE COMMITTEE

SB 2304, as engrossed: Your conference committee (Sens. Poolman, Davison, Dever and Reps. Kasper, Steiner, Schneider) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1433-1434, adopt amendments as follows, and place SB 2304 on the Seventh order:

That the House recede from its amendments as printed on pages 1433 and 1434 of the Senate Journal and pages 1598-1600 of the House Journal and that Engrossed Senate Bill No. 2304 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. GOVERNOR'S RESIDENCE - ARCHITECT AND ENGINEERING SERVICES - FUNDRAISING AND PROJECT OVERSIGHT COMMITTEE.

1. The office of management and budget shall procure architect and engineering professional services pursuant to chapter 54-44.7 for the design of a governor's residence that must include space to accommodate meetings and events. The office of management and budget project selection committee, which must include the majority and minority leaders of the house of representatives or their designees, and the majority and minority leaders of the senate or their designees, shall require the selected person or firm to provide at least three preliminary designs to be presented at a public meeting of the capitol grounds planning commission. A member of the legislative assembly who attends the public input hearing is entitled to receive expense reimbursement for attending the meeting. The director of the facility management division of the office of management and budget or the director's designee shall serve as the project manager. A member of the legislative assembly serving on the project selection committee is entitled to receive compensation in the amount provided per day for members of the legislative management under section 54-35-10 for attending meetings.
2. The members of the 501(c)(3) Friends of the Residence and the capitol grounds planning commission shall appoint a fundraising task force to coordinate volunteer fundraising for the donations appropriated under section 2 of this Act. Upon request of the legislative management, the Friends of the Residence shall report to the legislative management regarding the fundraising plans of the task force and the progress of fundraising efforts. All donations received for the project must be deposited in a dedicated account by the Friends of the Residence and transferred to the capitol building account upon the request of the capitol grounds planning commission.

SECTION 2. APPROPRIATION - GOVERNOR'S RESIDENCE PROJECT.

There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from funds derived from private donations, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of designing and constructing a governor's residence in accordance with this Act, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 3. CONSTRUCTION AUTHORIZATION - ADDITIONAL INCOME.

Section 2 of this Act includes \$5,000,000, of which \$4,000,000 is from the capitol building fund and \$1,000,000 is from funds to be raised from private donations and deposited in the capitol building fund, for the demolition of the existing governor's residence, the design and construction of a new residence, and for fixtures and furniture for the new residence. Construction may not begin until the capitol grounds planning commission certifies to the office of management and budget that, of the special funds required to complete the project, at least \$500,000 in cash has been received and placed in the capitol building fund designated for the sole purpose of constructing the project authorized in this Act. If more than \$1,000,000 in donated funds is raised, the office of management and budget may seek emergency commission and budget section approval to spend the excess funds for upgraded fixtures and furniture for the new residence. Any increased spending authority for the project may not be used to expand the scope of the project.

SECTION 4. APPROPRIATION - TEMPORARY HOUSING EXPENSES.

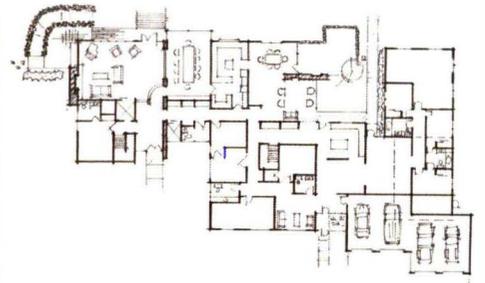
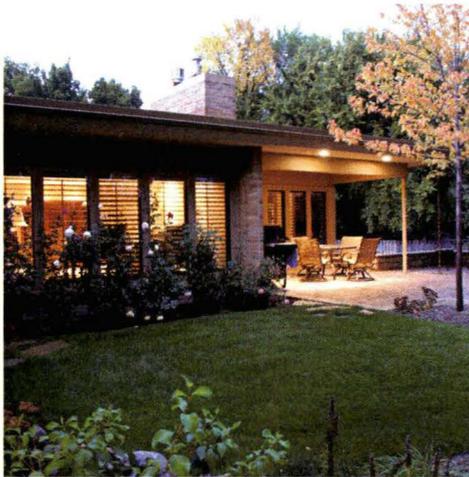
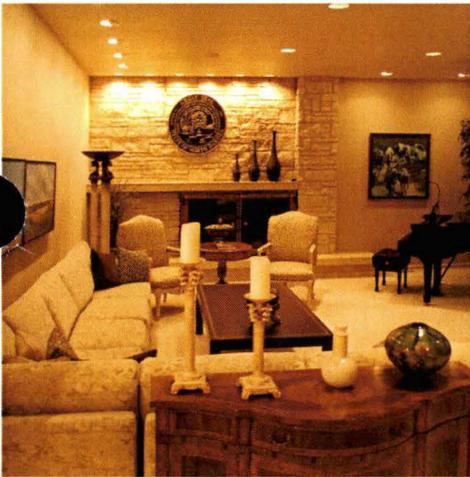
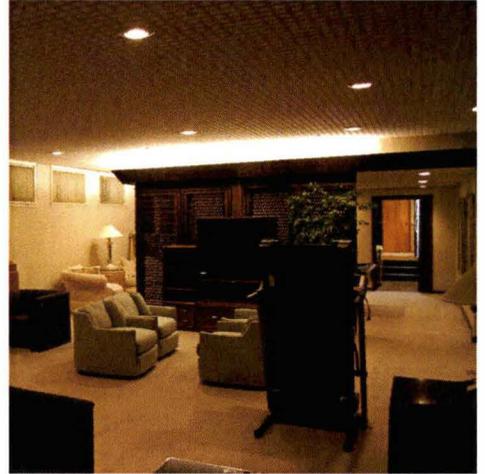
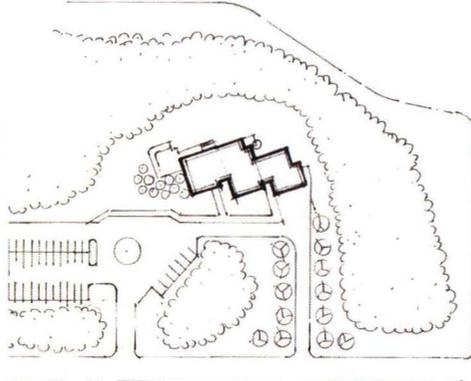
There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the governor's office for temporary housing expenses for the governor during the demolition of the existing governor's residence and construction of a new residence, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item. Any funds not used for temporary housing expenses may not be spent for any other purpose and must be canceled in accordance with section 54-44.1-11."

Renumber accordingly

Engrossed SB 2304 was placed on the Seventh order of business on the calendar.

2015 TESTIMONY

SB 2304



NORTH DAKOTA GOVERNOR'S RESIDENCE

EXECUTIVE SUMMARY

INTRODUCTION

The following document represents a review of the current condition of the North Dakota Governor's Residence. The goal of this document is to aid in determining the suitability of keeping the existing residence for future occupancy or to construct a new facility. The options presented for consideration include a combination of remodeling, repurposing of existing, and new construction.

HISTORY

Officially built in 1960, the basement and north stair were left unfinished until 1971 due to insufficient funding. In the past 54 years, portions of the residence have been renovated, however, significant areas have finishes over 20 years old.

EXISTING FACILITY ISSUES:

Security: The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.

Accessibility: The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events.

Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.

Hazardous materials: Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.

Lack of natural light: The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.

Undersized garage: The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.

PREVIOUS STUDIES COST ESTIMATES:

Michael Burns Report (Appendix A):

Renovation/Addition: \$2,852,200

New Construction: \$4,500,000

Randy Hansen Estimate (Appendix B):

Interiors Renovation: \$628,584

CONCEPT OPTIONS COST ESTIMATES:

Option A - Renovation & Addition: \$3,480,784

Option B - New Residence/Entertain up to 10: \$1,950,000

Option C - New Residence/Entertain up to 75: \$4,500,000

EXISTING FACILITY ISSUES

Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.

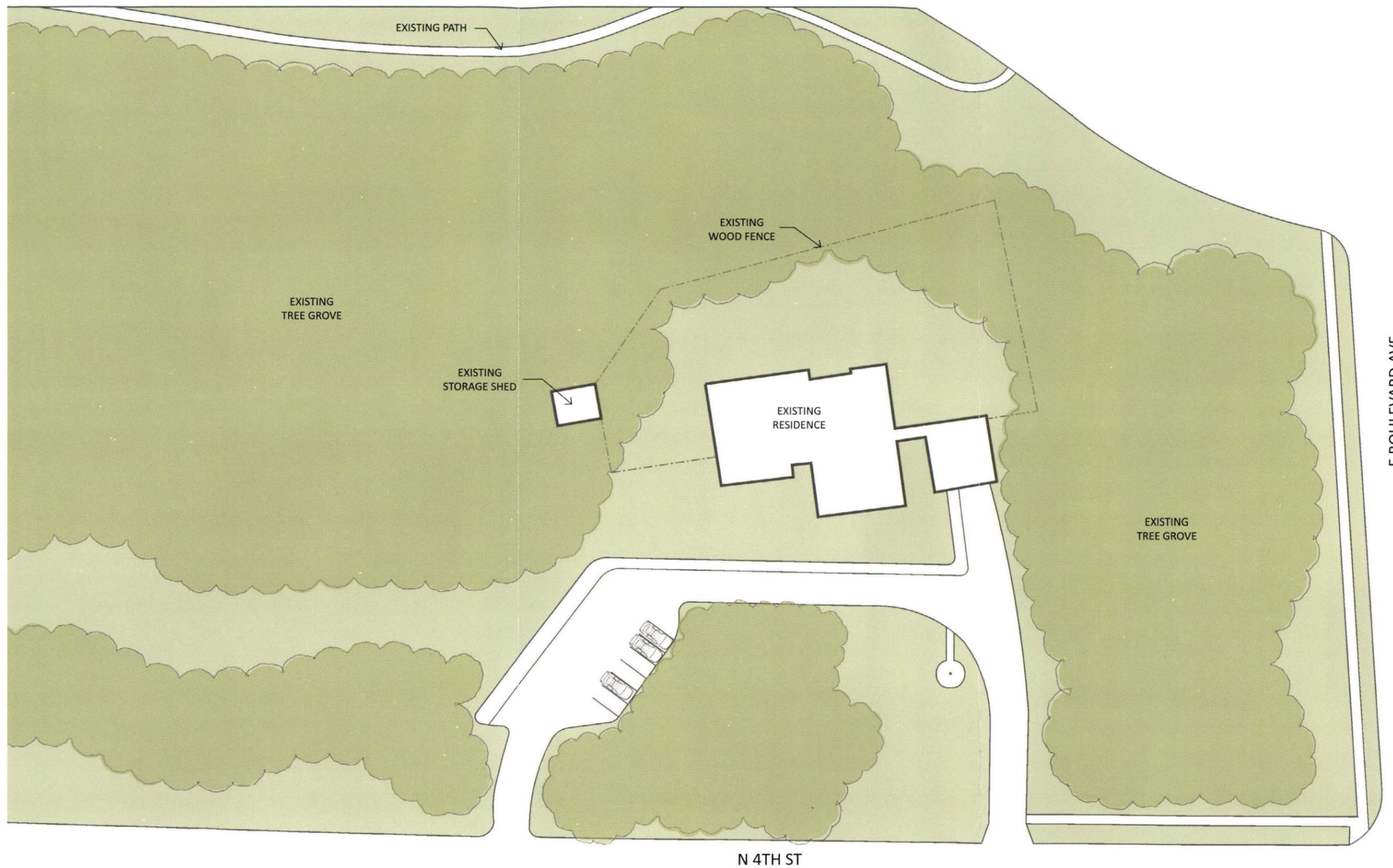
Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.

Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.

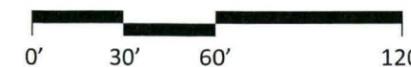
Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.

Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.

Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.



EXISTING SITE PLAN





CONCEPT FACILITY OPTIONS

OPTION A RENOVATION PLAN

Option A balances the needs for security and accessibility, while improving space adjacencies and finishes at significant areas.

Existing : 10,152 Gross Square Feet
Renovation: 3,506 Gross Square Feet
Addition: 3,607 Gross Square Feet
TOTAL: 13,759 Gross Square Feet

Renovation Estimate: \$1,352,200
Addition Estimate: \$1,500,000
Interiors Estimate: \$628,584
TOTAL: \$3,480,784

Pros:

- Balance of investment and essential needs
- Retains historic structure
- Provides efficient reuse of spaces

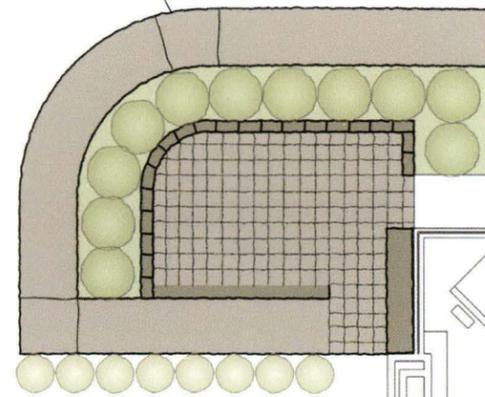
Cons:

- Maximizes use of existing facility, but minimizes potential for future expansion
- Meets minimum requirements, but doesn't create ideal scale and adjacency of spaces
- Existing mechanical and electrical systems would be need to be evaluated to ventilate and power addition.

EXISTING FACILITY ISSUES

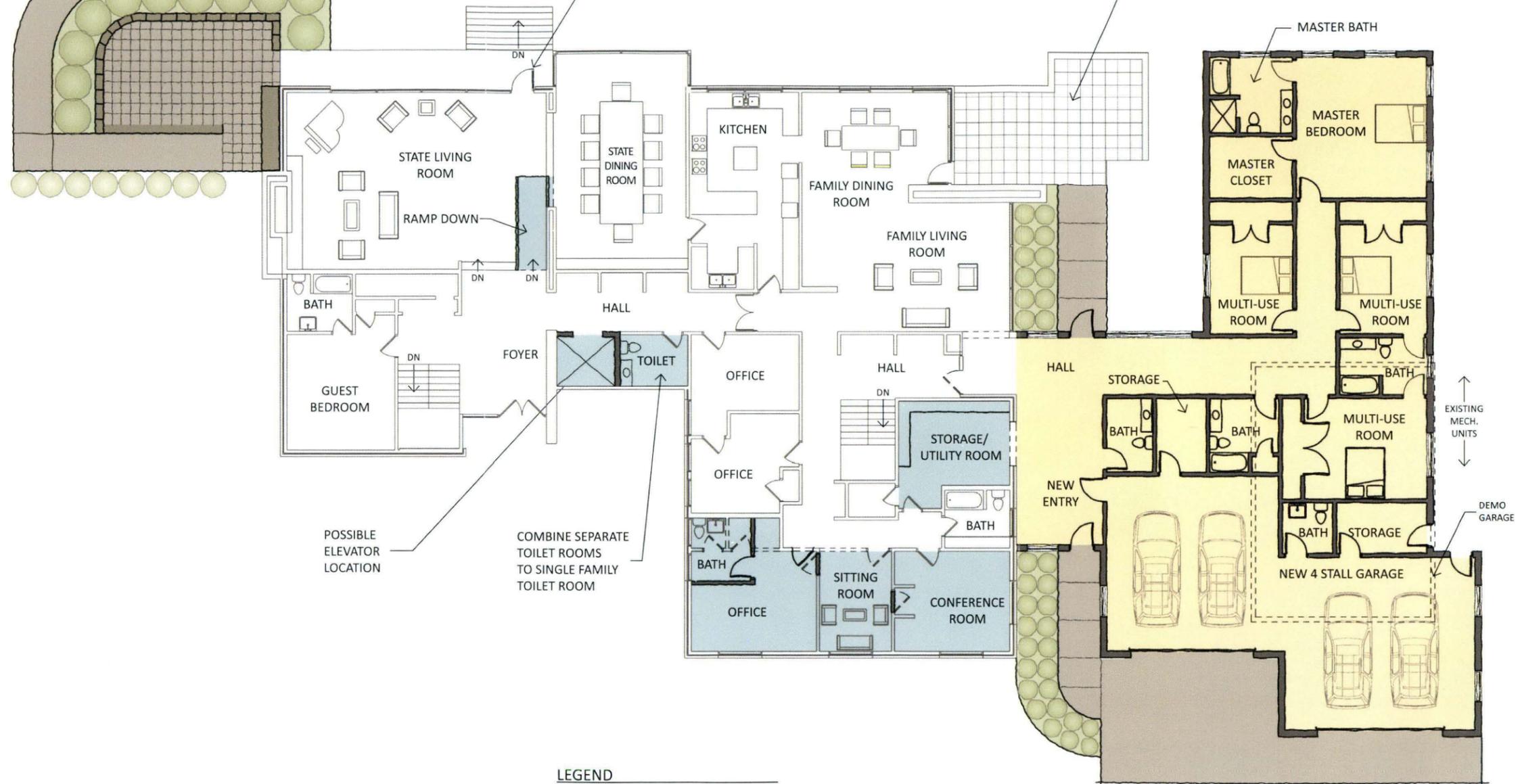
- ○ ○ Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.
- ● ○ Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.
- ○ ○ Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.
- ○ ○ Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.
- ○ ● Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.
- ○ ○ Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.

NEW OUTDOOR PATIO



NEW PATIO DOOR

EXISTING PATIO



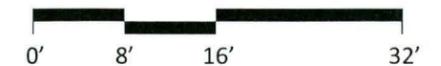
POSSIBLE ELEVATOR LOCATION

COMBINE SEPARATE TOILET ROOMS TO SINGLE FAMILY TOILET ROOM

LEGEND

- NEW AND RENOVATED
- - - DEMO LINES
- EXISTING
- REMODEL
- ADDITION
- NEW OUTDOOR HARDSCAPING
- NEW LANDSCAPING

FIRST FLOOR PLAN



OPTION A RENOVATION PLAN

Option A balances the needs for security and accessibility, while improving space adjacencies and finishes at significant areas.

Existing : 10,152 Gross Square Feet
Renovation: 3,506 Gross Square Feet
Addition: 3,607 Gross Square Feet
TOTAL: 13,759 Gross Square Feet

Renovation Estimate: \$1,352,200
Addition Estimate: \$1,500,000
Interiors Estimate: \$628,584
TOTAL: \$3,480,784

Pros:

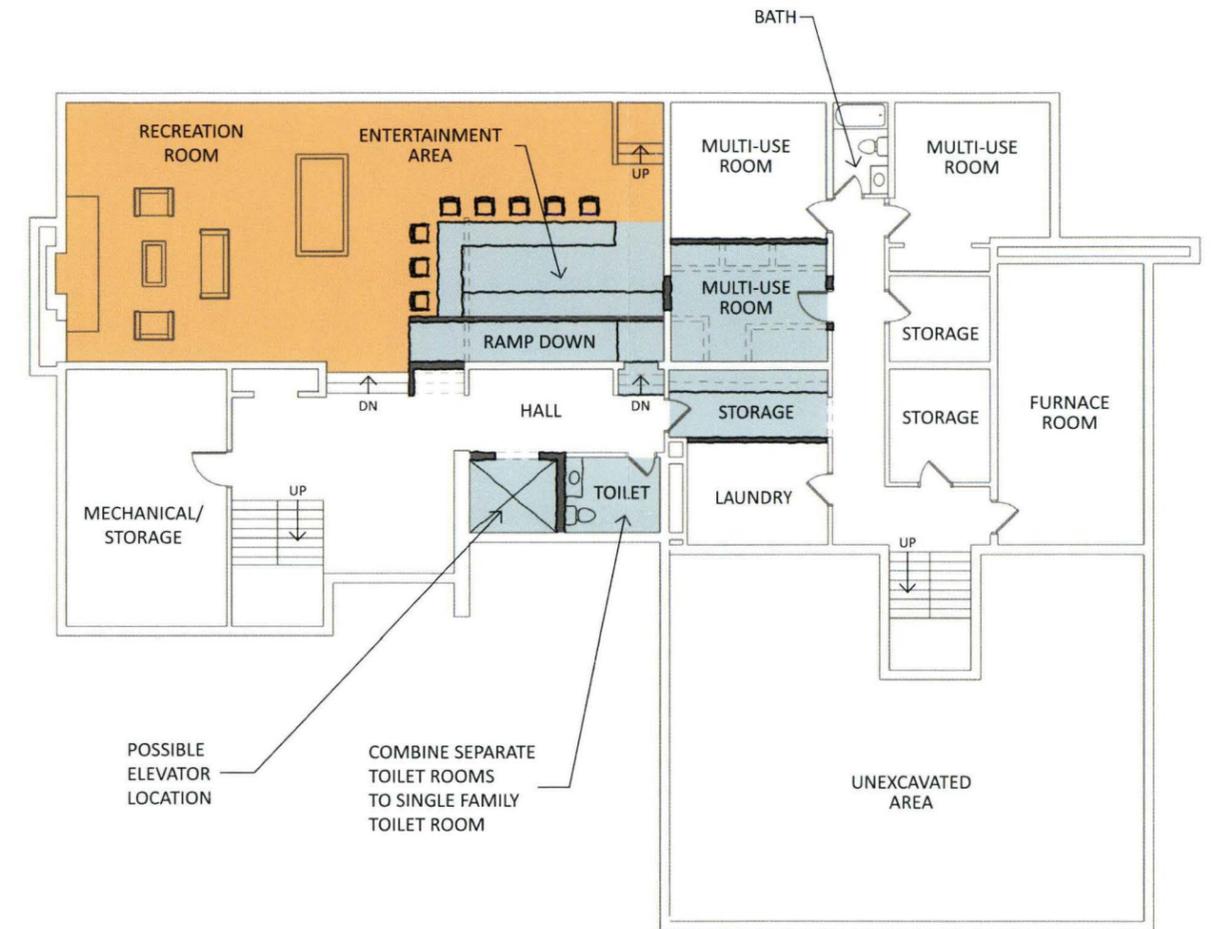
- Balance of investment and essential needs
- Retains historic structure
- Provides efficient reuse of spaces

Cons:

- Maximizes use of existing facility, but minimizes potential for future expansion
- Meets minimum requirements, but doesn't create ideal scale and adjacency of spaces
- Existing mechanical and electrical systems would be need to be evaluated to ventilate and power addition.

EXISTING FACILITY ISSUES

- ○ ○ Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.
- ● ○ Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.
- ○ ○ Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.
- ○ ○ Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.
- ○ ● Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.
- ○ ○ Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.



LEGEND

- NEW AND RENOVATED
- - - DEMO LINES
- EXISTING
- UPDATE FINISHES
- REMODEL

BASEMENT PLAN



OPTION B

NEW PRIVATE RESIDENCE- HOST UP TO 10

Option B proposes a new up-to-date private residence, and assumes state functions would be held off-site. This facility would have the capacity to host an event up to 12 people.

Existing : 10,152 Gross Square Feet
 New Private Residence: 6,230 Gross Square Feet

Building Estimate: \$1,800,000
 Site Estimate: \$50,000
 Demolition Estimate: \$100,000
 TOTAL: \$1,950,000

Pros:

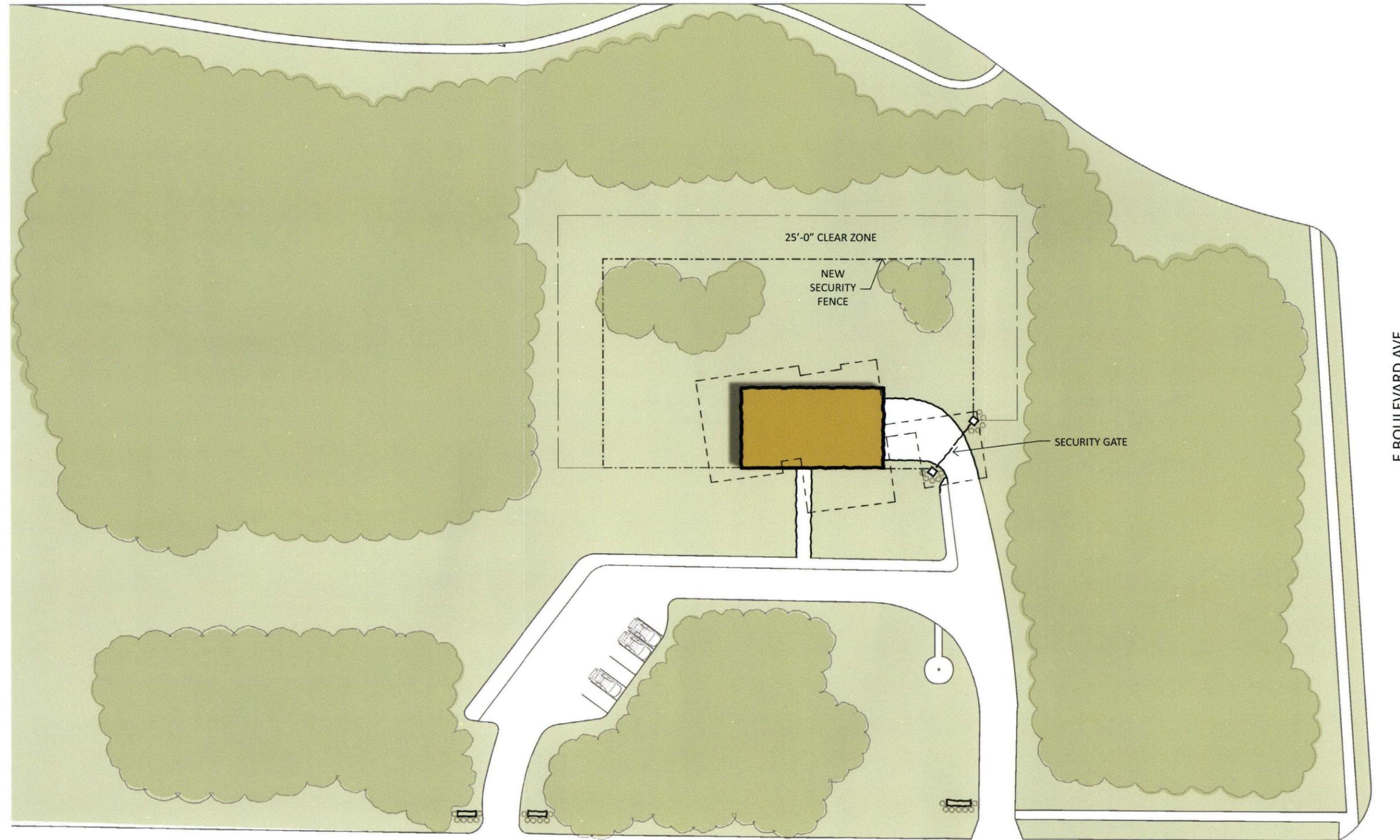
- Low long-term maintenance and operation costs
- Optimizes efficiencies and adjacencies of space
- Presents a new image and presence for governor's residence
- "Complete design": integrating interior/exterior spaces

Cons:

- High initial cost
- Abandons historic structure

EXISTING FACILITY ISSUES

- ○ ○ Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.
- ○ ○ Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.
- ○ ○ Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.
- ○ ○ Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.
- ○ ○ Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.
- ○ ○ Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.



LEGEND

- NEW AND RENOVATED
- - - DEMO LINES
- EXISTING
- NEW LANDSCAPING
-

CONCEPT SITE PLAN



OPTION C

NEW PRIVATE RESIDENCE- HOST UP TO 75

Option C proposes a new up-to-date facility that accomodates both state functions and a private residence. This facility would have the capacity to host an event up to 50 people.

Existing : 10,152 Gross Square Feet
 New Private Residence: 6,230 Gross Square Feet
 New Public Area: 7,120 Gross Square Feet
 Total New Facility: 13,350 Gross Square Feet

Private Residence Estimate: \$1,800,000
 Public Area Estimate: \$2,350,000
 Demolition Estimate: \$100,000
 Site Estimate: \$250,000
 TOTAL: \$4,500,000

Pros:

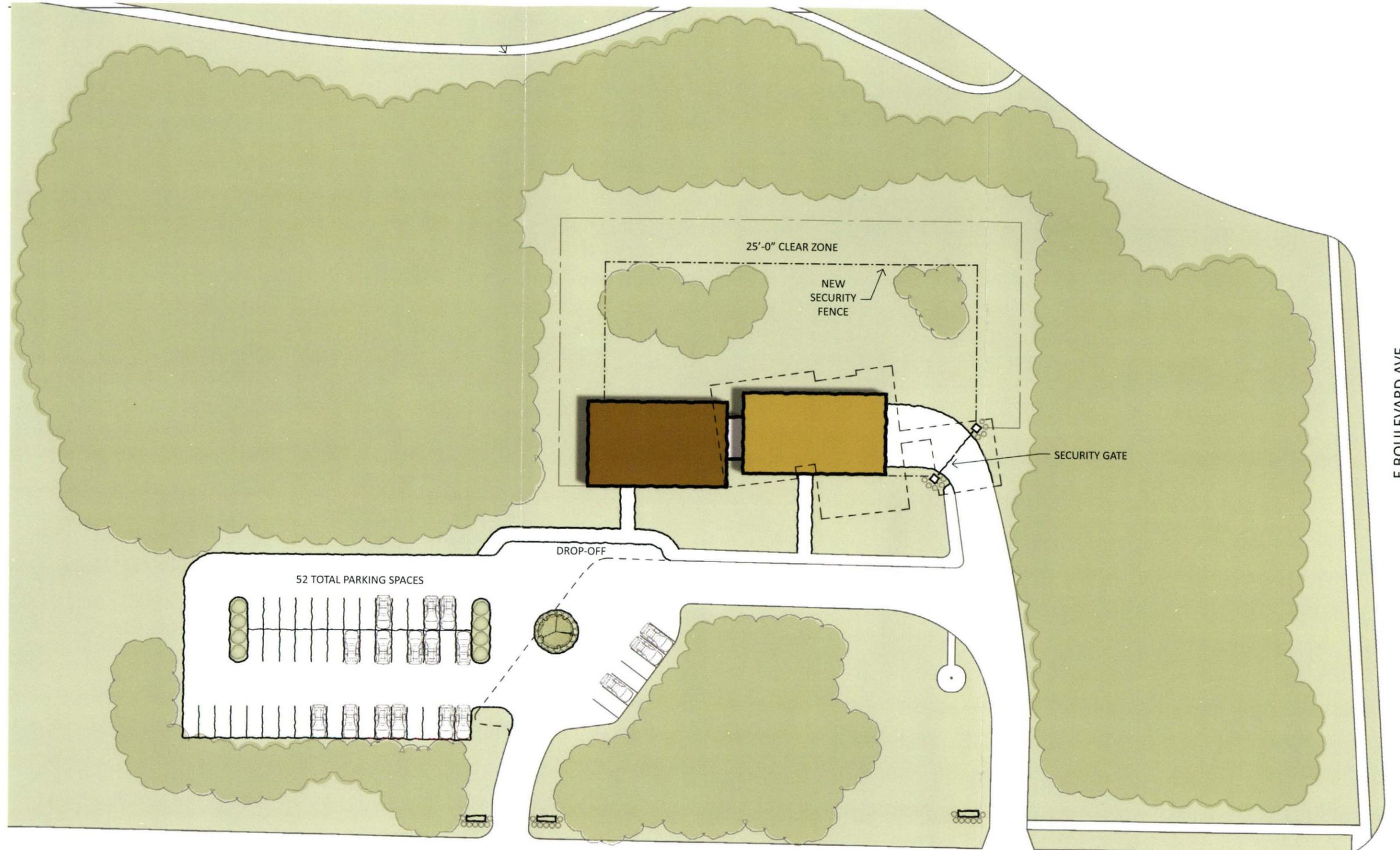
- Low long-term maintenance and operation costs
- Optimizes efficiencies and adjacencies of space
- Presents a new image and presence for governor's residence
- "Complete design": integrating interior/exterior spaces

Cons:

- Highest initial cost
- Abandons historic structure

EXISTING FACILITY ISSUES

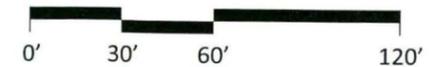
- ○ ○ Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.
- ○ ○ Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.
- ○ ○ Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.
- ○ ○ Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.
- ○ ○ Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.
- ○ ○ Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.



LEGEND

- NEW AND RENOVATED
- - - DEMO LINES
- EXISTING
- NEW LANDSCAPING
- PUBLIC
- PRIVATE

CONCEPT SITE PLAN





APPENDIX A

2012 NORTH DAKOTA GOVERNOR'S RESIDENCE MASTER PLAN

NORTH DAKOTA GOVERNOR'S RESIDENCE MASTERPLAN



CAPITOL GROUNDS PLANNING COMMISSION

Drew Wrigley, Lt. Governor and Chair
Lonnie Laffen, Senator
Richard Marcellais, Senator
Matt Klein, Representative
Robert Kilichowski, Representative
Merl Paaverud
Doug Prchal
Lisa Carlson
Michael Burns

FACILITIES MANAGEMENT

John Boyle, Director
Steve Sharkey, Governor's Residence Manager

Report Prepared By:
MICHAEL J. BURNS ARCHITECTS, LTD.
Fargo, North Dakota

May 2, 2012

In April 2011 Michael J. Burns Architects, Ltd. was hired by the ND Capitol Grounds Planning Commission to assess, provide options and a corresponding cost estimate to determine the realistic value of the current Governor's Residence which was completed in early 1960. The current size is just over 10,000 square feet on both upper and lower levels, excluding the exterior balcony, patio, garage walkway and garage.

Presentations were made to the Commission in September 2011 and January 2012 to review the preliminary findings, updated information and estimated costs.

PLANNING PRIORITIES

- To assess the current condition of the residence
- To examine its potential for renovation and expansion to meet current building and accessibility codes and the adaptability to meet the growing needs of the state's executive branch to socially interact with legislators, private company executives and various state agencies flourishing in economic growth
- To compare those modifications to a new residence

HISTORY

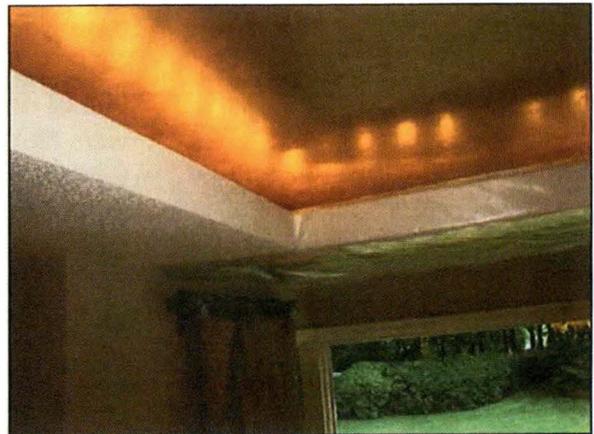
The construction of the home is a blend of light commercial and residential construction. The basement floor is concrete slab-on-grade; the first floor is a concrete floor on steel decking that rests on steel joists. A concrete bearing wall occurs between the public formal dining room and living rooms on both the basement and first floors. The roof is made of "stick-built" wood trusses. All interior walls are finished plaster with stained wood trim.

The residence was completed in March 1960 and Governor John Davis and his family moved into the three-bedroom home. The lower level/basement was not finished at this time due to an exhausted budget. In December 1960 Governor-elect William Guy and his family moved into the residence. The Guys had three children so in 1961 the two bedrooms and bath, which remain, were finished in the basement. Numerous other changes have occurred in the 52-year history and are briefly described below:

construction of the home is a blend of light commercial and residential construction. The basement floor is concrete slab-on-grade; the first floor is a concrete floor on steel decking that rests on steel joists. A concrete bearing wall occurs between the public formal dining room and living rooms on both the basement and first floors. The roof is made of "stick-built" wood trusses. All interior walls are finished plaster with stained wood trim.

The residence was completed in March 1960 and Governor John Davis and his family moved into the three-bedroom home. The lower level/basement was not finished at this time due to an exhausted budget. In December 1960 Governor-elect William Guy and his family moved into the residence. The Guys had three children so in 1961 the two bedrooms and bath, which remain, were finished in the basement. Numerous other changes have occurred in the 52-year history and are briefly described on the next couple pages:

- Public: corridor areas
Added a new fire egress door from the Dakota Room and connected with the bedroom as an exit way
- 2011 Public: The shingle roof was replaced after new ventilation holes were cut into the wood joists to prevent condensation from accumulating which had damaged the soffit and ceiling in the formal dining room
- 2012 Family: Basement bath was remodeled
- 2012 Family: Enclose covered walkway between house and garage with glass walls (tentative)



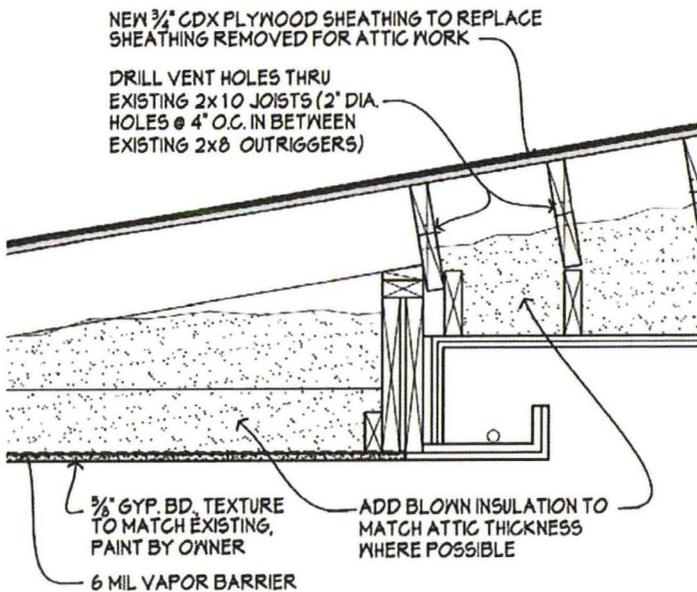
Damaged Dining Room ceiling (2010)



Dining Room roof repair (2011)



Dining Roof repair-new ventilation holes (2011)



Original soffit detail in dining room



Basement Bath (2010/2011)



RECOMMENDATIONS FOR THE EXISTING RESIDENCE

Areas examined include the following:

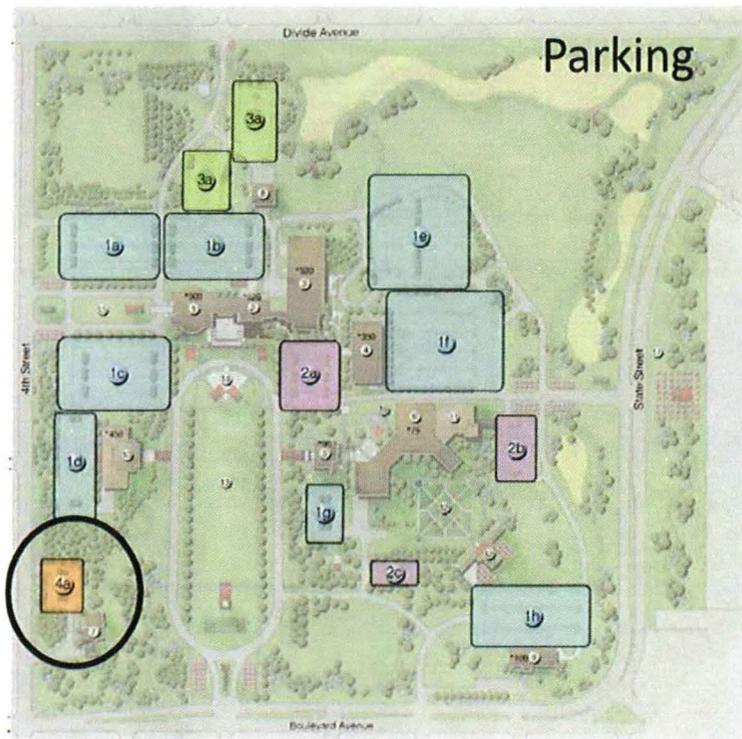
Exterior

- Additional parking for larger group gatherings
- Site and building accessibility
- Improve roof drainage system
- Patio expansion
- Additional natural light in the basement
- Enclose walkway between house and garage
- Enlarge garage or add 2 more stalls

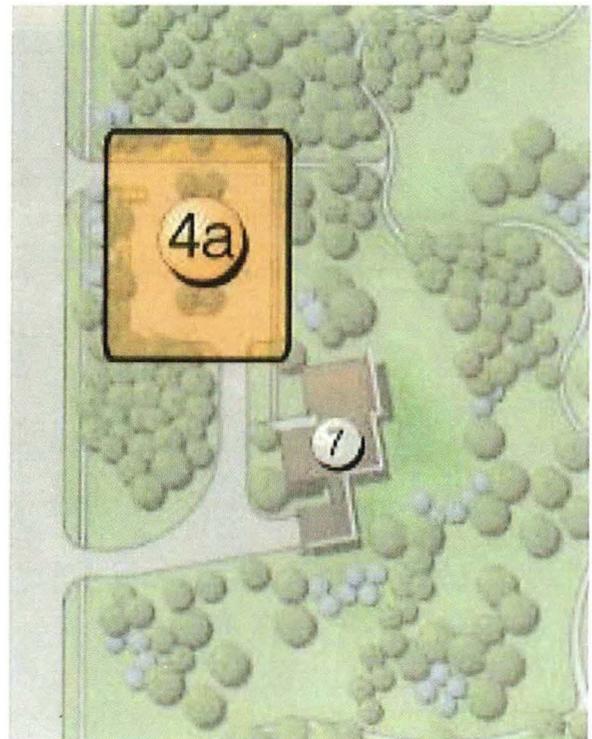
Interior

- Accessibility
- Basement kitchen upgrades
- Sauna/exercise room
- Large windows at the Dakota room
- Egress windows at bedrooms
- Upgrade interior finishes
- Hazardous materials removal

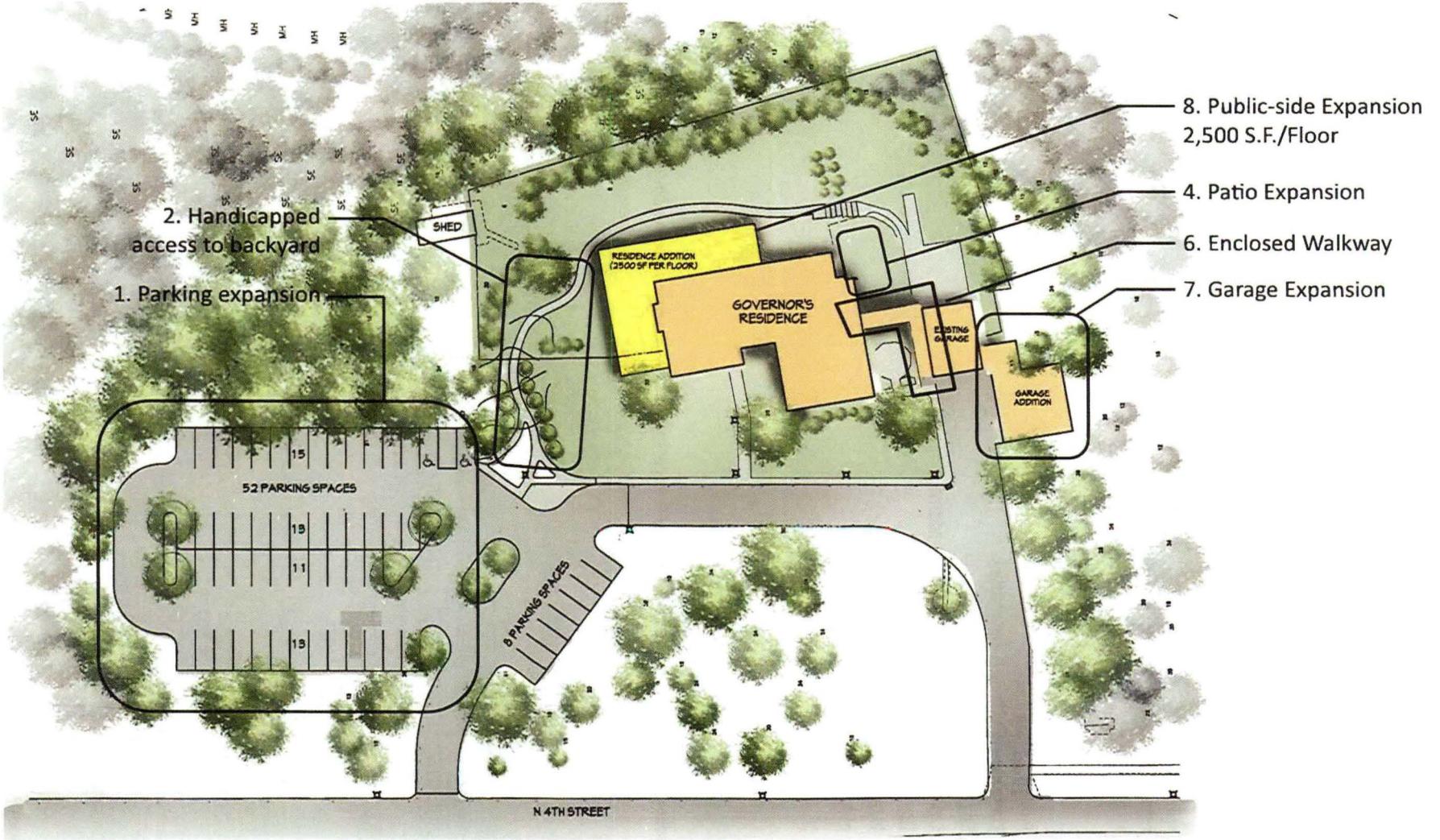
****NOTE:** Numbers preceding image descriptions refer to corresponding "Specific Recommendations".



Capitol Grounds Masterplan



1. Governor's Residence



SPECIFIC RECOMMENDATIONS

Exterior Improvements:

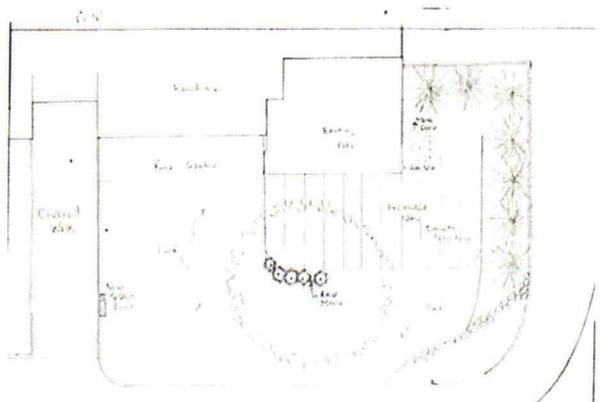
1. Parking—Provide more off-street spaces
 - a. The 2000 Capitol Grounds Masterplan recommends the location for parking lot, which is adjacent and to the north of the existing parking area and is set back from 4th Street and can be partially concealed by a grove of existing large trees
 - b. Various sources have expressed the need for more parking for the social events that are often held at the residence as the existing lot holds about 18 cars and any excess are required to park on 4th Street.
 - c. Recommended capacity is approximately 50-55 cars
2. Accessibility
 - a. Separate public parking access from the private access
 - b. Create a ramped walking surface from the parking area to both the residence's front door and into the backyard. (e.g., Grassy-Crete for backyard)
 - c. Add a fence for limiting backyard access
3. Improve roof drainage system
 - a. Shallow gutters with open outlets rather than downspouts
 - b. Due to large overhang of the public side of the roof, adding downspouts will alter the appearance of the home and will possibly interfere with regular yard maintenance
4. Private patio expansion
 - a. Existing patio is too small for any seating greater than 5 people
 - b. Provide landscaping at south edge for shading and the creation of an outdoor space
5. Natural light/egress windows in basement
 - a. Remove lower level windows in the Dakota Room and drop exterior grade to provide deeper windows for more light
 - b. Remove bedroom windows and enlarge them to meet building code egress
6. Garage/House Walkway enclosure
 - a. Provide temperature controlled enclosure
 - b. Within the existing structure, provide all glass doors, both fixed and operating patio doors for access to/from backyard and landscaped garden



3. Roof Drainage

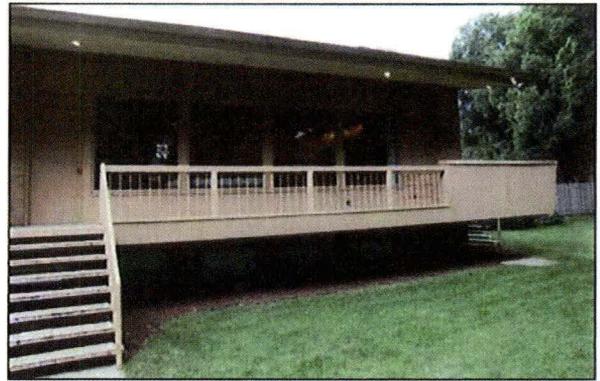


4. Patio expansion needs



4. Proposed Patio expansion

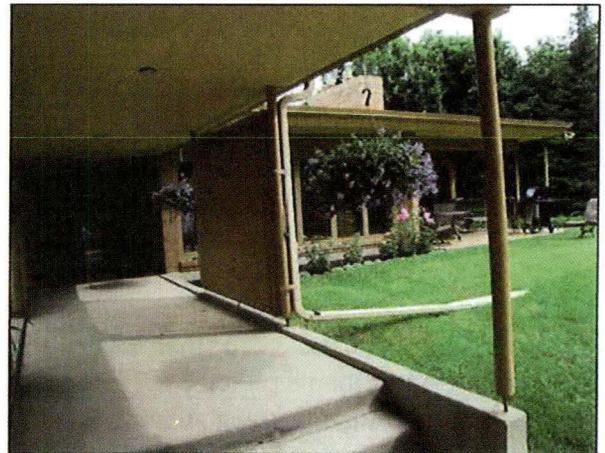
- 7. Enlarge existing garage
 - a. Connect the existing garage via a new link to a new two-stall garage to the south and west of the current garage
 - b. Modify driveway slab as required
 - c. Provide secure access to and from garbage containers
- 8. Expand public space in residence to current entertaining needs and to provide sound and secure separation between the public and private sides of the residence
 - a. Add another 5,000 sf (2,500/floor) to accommodate the public and private needs



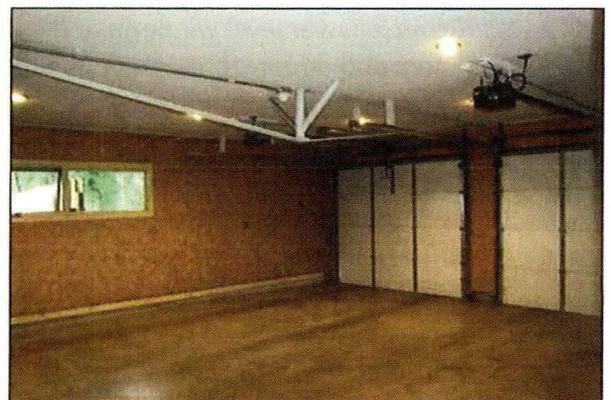
5. Exterior windows & rail



6. Garage link & rerouted downspout



6. Walkway



7. Existing Garage-2 stalls

Interior Improvements

A. Accessibility

1. Provide a 2-person, Limited Use, Limited Access (LULA) elevator to provide access to all levels of the residence. The formal dining room must be accessed via the kitchen.
2. Modify the public restrooms to accommodate handicapped requirements.

B. Basement kitchen upgrades

1. Kitchen is used for large events that use both levels of the residence
2. Original design remains and is very small allowing limited use and is no accessibility
3. Limited space for storage and preparing food
4. No dumbwaiter exists-food must be hand-carried from the main floor kitchen for events
5. Enlarge kitchen into the existing laundry room which provides either same-level access to the elevator or use of existing steps to the Dakota Room

C. Sauna/exercise room

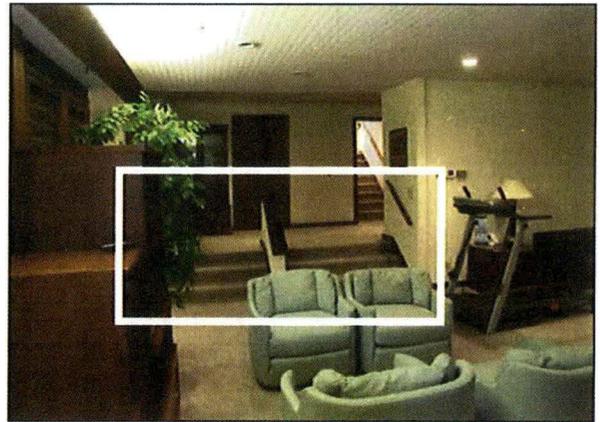
1. No designated private space exists
2. First family must either use off-site facilities or the Dakota Room
3. Sauna can be created renovating the existing cedar-lined and dry-goods pantry into a small bath and sauna; the exercise room can be located in the original garage by using the existing NE room and expanding it providing windows overlooking the backyard to the east

D. Interior design finishes upgrades

1. Dakota Room
2. Recreation Room which is separated by a partial wood screen from the Dakota Room
3. When replacing finishes it is recommended to use a classic color scheme, which won't go in and out of style and remains flexible for updating accessories as needed.

E. Hazardous materials removal

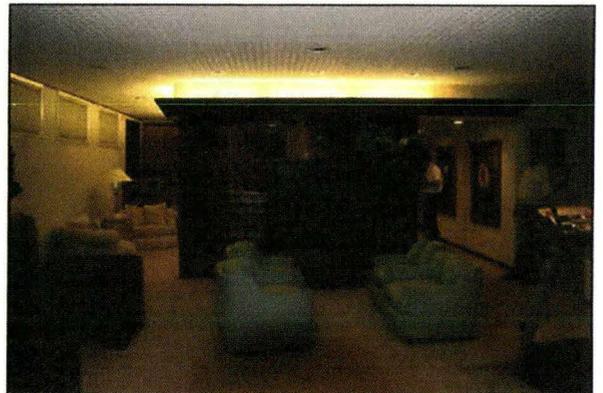
1. This is an unconfirmed issue that must be addressed prior to any major renovation work



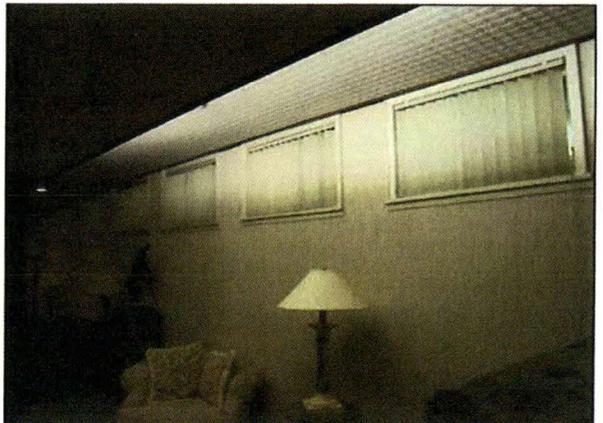
A. Dakota Room access



C./D. Dakota Room

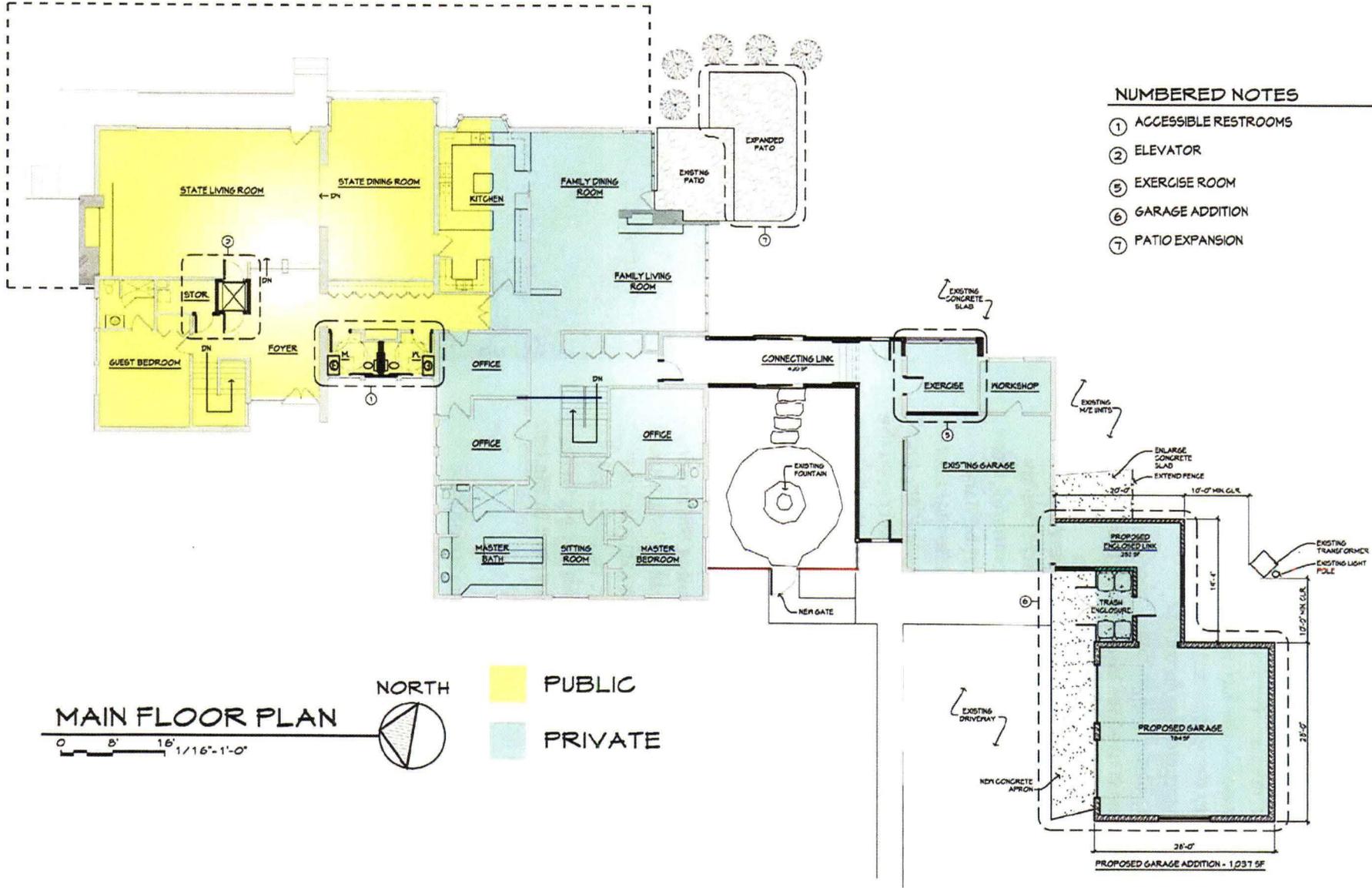


D. Dakota Room



D. Dakota Room

2,500 S.F. EXPANSION



NUMBERED NOTES

- ① ACCESSIBLE RESTROOMS
- ② ELEVATOR
- ③ EXERCISE ROOM
- ④ GARAGE ADDITION
- ⑤ PATIO EXPANSION

MAIN FLOOR PLAN

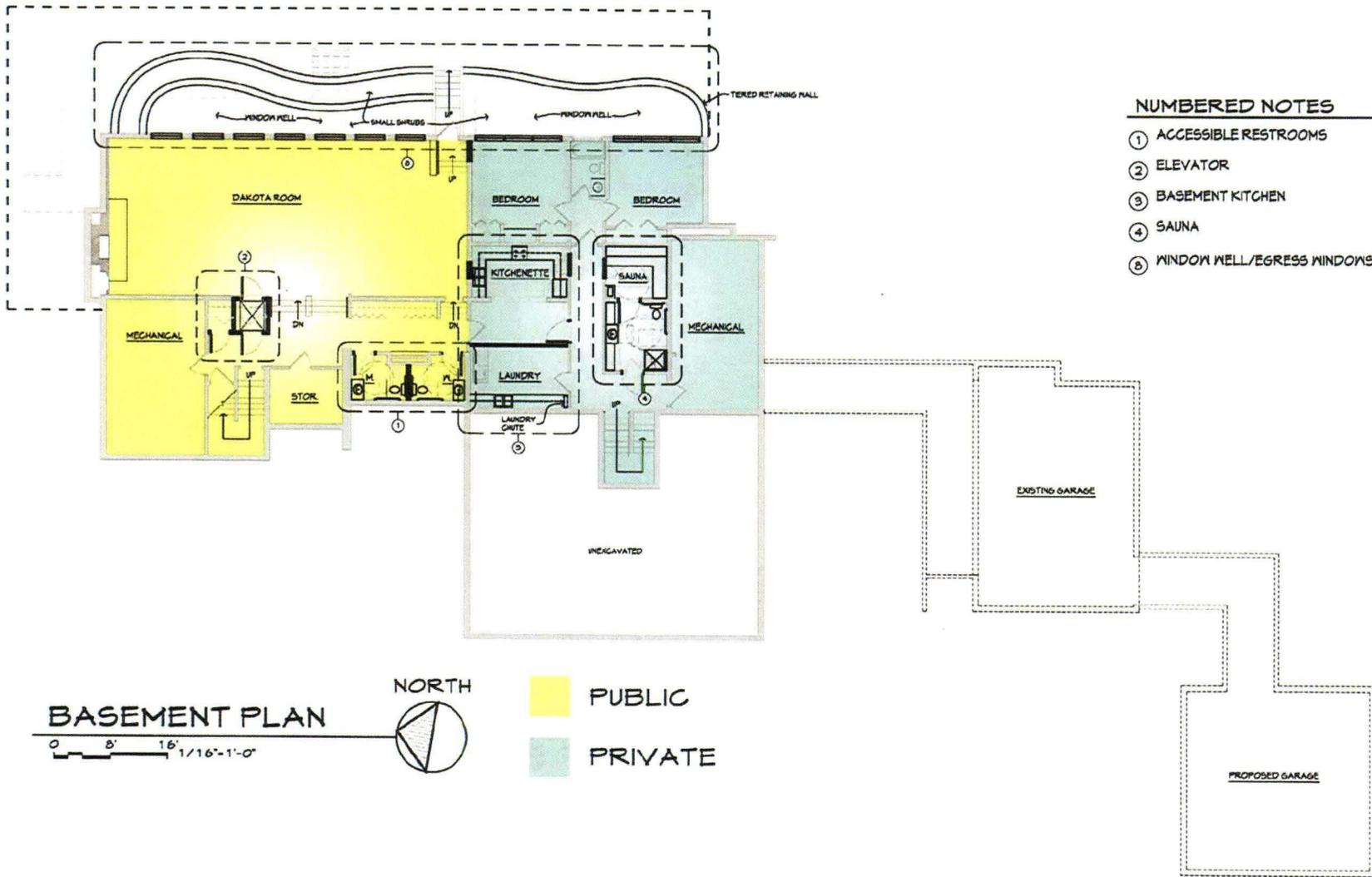
0 5' 16' 1/16" = 1'-0"

NORTH

■ PUBLIC

■ PRIVATE

2,500 S.F. EXPANSION



NUMBERED NOTES

- ① ACCESSIBLE RESTROOMS
- ② ELEVATOR
- ③ BASEMENT KITCHEN
- ④ SAUNA
- ⑤ WINDOW WELL/EGRESS WINDOWS

BASEMENT PLAN

0 8' 16' 1/16"-1'-0"



■ PUBLIC
■ PRIVATE

COST ESTIMATE-RENOVATION/ADDITION

The current estimated and insured value of the residence is \$1,667,000.

Exterior

Parking/ADA walk to backyard	\$151,400
Enlarge Dakota Rm and Bedroom windows	71,600
Garage Link Enclosure	151,400
New Garage/trash enclosure	124,800
Private patio and landscaping	18,000

Sub-total \$512,700

Interior

Elevator	\$120,000
Upgrade public toilet rooms	52,300
Upgrade finishes in Dakota Rm	88,300
Modify Basement Kitchen/Laundry	62,600
Provide sauna/shower and toilet	25,900
Exercise room	15,000

Sub-total \$364,100

New Residence Expansion - 5,000 SF @ \$300/SF \$1,500,000

TOTAL RENOVATIONS AND UPGRADES \$2,376,800

Softcosts¹ \$475,400

TOTAL ESTIMATED PROJECT COST \$2,852,200

¹ Softcosts are 20% of the above estimate and include design fees, administrative management costs, testing, abatement, reports, etc.

COST ESTIMATE-NEW CONSTRUCTION 15,000 SF Residence/Public Hall

Recommended features:

1. New residence on one floor
2. Two master suites
 - a. Governor
 - b. Guest Dignitary
3. Provide on present site
 - a. Demolish existing home
 - b. Build new home north of existing home; demolish existing when new one is complete
4. Landscaping and sitework to accommodate large gatherings
5. Complete separation between public use areas and the family residence
6. Security
7. Nearby parking lot for large functions

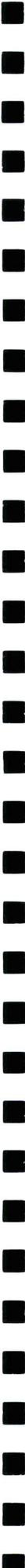
Cost Estimate

Building with fire protection systems:	\$3,150,000
Demolition:	\$150,000
Parking Lot for 55 cars:	\$200,000
Landscaping/Security:	\$250,000
 Subtotal:	 \$3,750,000
 Softcosts ¹	 \$750,000
 TOTAL NEW CONSTRUCTION PROJECT COST	 \$4,500,000

SUMMARY:

1. Age: 52 years old
2. Construction methodology—recent examples of condensation problem in the public dining room roof/ceiling, its cost and inconvenience of repair indicate that additional problems may accelerate due the building’s age and construction assemblies.
3. Handicapped access—no provisions have been made to provide access to the backyard that is barrier free. Due to the “sunken” public living room on the main floor and Dakota Room in the basement access is not readily available.
4. Safety/security/fire protection—this can be improved upon; no fire suppression system exists in the residence.
5. Parking—is insufficient for large public gatherings
6. Inflexible public use—the governor must participate whenever the public portion of the residence is used therefore limiting the amount of public use that could be available with distinctive separation between the public and private parts of the residence. In addition:
 - a. public spaces are too small for most gatherings requiring that entertaining the legislature be done in several parties
 - b. basement bedrooms and bath must be accessed via same halls that are used by state staff when entertaining
 - c. Public/private driveways should be separate to maximize privacy
7. Serving kitchen for Dakota Room and backyard events is too small and inaccessible. Two separate sets of steps must be traversed between the level of the Dakota Room and the backyard, which creates both safety and efficiency issues.

END OF REPORT



APPENDIX B

2014 NORTH DAKOTA GOVERNOR'S RESIDENCE INTERIOR REMODEL

GOVERNOR'S RESIDENCE

2014 REMODEL SCOPE

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
116	KITCHEN CIRCA 1992	EXISTING CABINETRY	55	\$ 650.00	\$ 35,750.00	\$ 1,000.00
		FLOORING	420	\$ 20.00	\$ 8,400.00	\$ 500.00
		WALL FINISH	576	\$ 4.50	\$ 2,592.00	
		CEILING	288	\$ 2.75	\$ 792.00	
		PLUMBING FIXTURES			\$ 3,000.00	
		LIGHTING			\$ 1,000.00	
		DOORS AND MILLWORK			\$ 6,500.00	
		APPLIANCES			\$ 2,000.00	
		COUNTER STOOLS			\$ 500.00	
117/118	LIVING/DINING	FLOOR COVERING	900	\$ 20.00	\$ 18,000.00	
		WALL FINISH	1080	\$ 4.50	\$ 4,860.00	
		CEILING	900	\$ 2.75	\$ 2,475.00	
		DOORS AND MILLWORK			\$ 3,000.00	
		FURNITURE			\$ 30,000.00	
		AUDIO/VIDEO			\$ 2,500.00	
		LIGHTING			\$ 3,000.00	
		FIREPLACE REDESIGN			\$ 10,000.00	\$ 1,000.00
119	SOUTH BACK ENTRY	WALL FINISH	1010	\$ 4.50	\$ 4,545.00	
		DOORS AND MILLWORK			\$ 11,000.00	
		CEILING	484	\$ 2.75	\$ 1,331.00	
		LIGHTING			\$ 2,500.00	
		SKYLIGHT?			\$ 10,000.00	
		STAIRWELL FIXTURE?			\$ 1,000.00	

GOVERNOR'S RESIDENCE
 REMODEL SCOPE 2014
 PAGE 2 OF 6

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
137	PRIVATE SIDE STAIRWELL	FLOOR COVERING	192	\$ 20.00	\$ 3,840.00	
		MILLWORK			\$ 10,000.00	
		CEILING	300	\$ 2.75	\$ 825.00	
		LIGHTING			\$ 1,000.00	\$ 15,665.00
122/123	OFFICES	FLOOR COVERING	448	\$ 20.00	\$ 8,960.00	
		WALL FINISH	1080	\$ 4.50	\$ 4,860.00	
		CEILING	350	\$ 2.75	\$ 962.50	
		DOORS AND MILLWORK			\$ 10,250.00	\$ 25,032.50
125/126	MASTER CLOSET AND SITTING AREA	FLOOR COVERING	704	\$ 20.00	\$ 14,080.00	\$ 600.00
		WALL FINISH	1100	\$ 4.50	\$ 4,950.00	
		CEILING	392	\$ 2.75	\$ 1,078.00	
		CABINERY	24	\$ 460.00	\$ 11,040.00	
		DOORS AND MILLWORK			\$ 8,000.00	
		PLUMBING			\$ 2,500.00	
		WINDOW COVERING			\$ 2,800.00	
		LIGHTING			\$ 2,000.00	
	INSULATE WALLS			\$ 2,800.00	\$ 49,848.00	
127	PRIVATE W/C	WALL FINISH	200	\$ 4.50	\$ 900.00	
		CEILING	30	\$ 2.75	\$ 82.50	
		INSULATE WALLS			\$ 400.00	
		PLUMBING FIXTURES			\$ 1,750.00	
		LIGHTING			\$ 500.00	\$ 3,632.50
128	PRIVATE SHOWE	PLUMBING FIXTURES			\$ 1,500.00	
		TILEWORK	300	\$ 30.00	\$ 9,000.00	\$ 1,000.00 \$ 11,500.00

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
129	MASTER BEDROOM	FLOOR COVERING	NA			\$ 500.00
		WALL FINISH	675	\$ 4.50	\$ 3,037.50	
		CEILING	225	\$ 2.75	\$ 618.75	
		WINDOW COVERING			\$ 1,000.00	
		LIGHTING				
		INSULATE WALLS			\$ 1,500.00	\$ 6,656.25
139	GUEST BATHROOM	WALL FINISH	324	\$ 4.50	\$ 1,458.00	
		CEILING	80	\$ 2.75	\$ 220.00	
		VANITY CABINET	8	\$ 460.00	\$ 3,680.00	\$ 750.00
		DOORS AND MILLWORK			\$ 2,500.00	
		PLUMBING FIXTURES			\$ 1,800.00	
		WINDOW COVERING			\$ 250.00	
		LIGHTING			\$ 750.00	\$ 11,408.00
132	GUEST BEDROOM	FLOOR COVERING	265	\$ 20.00	\$ 5,300.00	
		WALL FINISH	400	\$ 4.50	\$ 1,800.00	
		CEILING	275	\$ 2.75	\$ 756.25	
		DOORS AND MILLWORK			\$ 5,000.00	
		WINDOW COVERING			\$ 500.00	
		INSULATE WALLS			\$ 900.00	
		LIGHTING			\$ 1,500.00	\$ 15,756.25
B-1/B-7	LOWER NORTH HALL	FLOOR COVERING	538	\$ 20.00	\$ 10,760.00	\$ 750.00
		WALL FINISH	1250	\$ 4.50	\$ 5,625.00	
		CEILING	400	\$ 2.75	\$ 1,100.00	
		DOORS AND MILLWORK			\$ 14,500.00	
		LIGHTING			\$ 2,500.00	\$ 35,235.00

GOVERNOR'S RESIDENCE
 REMODEL SCOPE 2014
 PAGE 4 OF 6

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
B-8,9,10	LOWER LEVEL BATHROOMS (CIRCA 1971)	FLOOR COVERING	200	\$ 20.00	\$ 4,000.00	
		WALL FINISH	800	\$ 4.50	\$ 3,600.00	
		CEILING	200	\$ 2.75	\$ 550.00	
		DOORS AND MILLWORK			\$ 6,500.00	
		LIGHTING			\$ 2,500.00	
		PLUMBING FIXTURES			\$ 3,000.00	
B-5	LOWER LEVEL FAMILY ROOM (WALL FINISH CIRCA 1989) (CIRCA 1959)	FLOOR COVERING	936	\$ 20.00	\$ 18,720.00	
		WALL FINISH	1080	\$ 4.50	\$ 4,860.00	
		CEILING	864	\$ 2.75	\$ 2,376.00	
		INSULATE EXTERIOR WALL			\$ 2,500.00	
		DOORS AND MILLWORK			\$ 3,000.00	
		NEW WINDOWS			\$ 10,000.00	
		WINDOW COVERING			\$ 2,000.00	
		FIREPLACE UPGRADE			\$ 10,000.00	\$ 2,000.00
		FURNITURE			\$ 30,000.00	
		LIGHTING			\$ 7,000.00	
					\$ 92,456.00	
B-6	LOWER LEVEL ACTIVITY RM (CIRCA 1959)	FLOOR COVERING	470	\$ 20.00	\$ 9,400.00	
		WALL FINISH	470	\$ 4.50	\$ 2,115.00	
		CEILING-REMOVE SOFFIT?	470	\$ 2.75	\$ 1,292.50	\$ 3,500.00
		DOORS AND MILLWORK			\$ 5,000.00	
		BAR BACK	14	\$ 640.00	\$ 8,960.00	
		BAR FRONT	14	\$ 460.00	\$ 6,440.00	
		REMOVE ROCK WALL			\$ 1,000.00	
		MEDIA ROOM?				
		NEW WINDOWS			\$ 6,000.00	
		WINDOW TREATMENT			\$ 1,000.00	
		INSULATE EAST WALL			\$ 1,500.00	
		FURNITURE			\$ 12,000.00	

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
B-14/B-11	GALLEY	REDESIGN/REPURPOSE				\$ 2,000.00
	LAUNDRY	LIGHTING				
	(CIRCA 1960)	FLOOR COVERING	480	\$ 20.00	\$ 9,600.00	
		WALL FINISH	480	\$ 4.50	\$ 2,160.00	
		CEILING	340	\$ 2.75	\$ 935.00	
		DOORS AND MILLWORK			\$ 9,000.00	
		PLUMBING FIXTURES			\$ 2,000.00	
	(CIRCA 1971)	CABINETS	15	\$ 300.00	\$ 4,500.00	\$ 30,195.00
B-12/B-13	LOWER LEVEL	FLOOR COVERING	276	\$ 20.00	\$ 5,520.00	\$ 500.00
	BEDROOM	WALL FINISH	800	\$ 4.50	\$ 3,600.00	
	HALLWAY	CEILING	220	\$ 2.75	\$ 605.00	
		DOORS AND MILLWORK			\$ 17,500.00	
		LIGHTING			\$ 2,500.00	\$ 30,225.00
B-21/22	LOWER	FLOOR COVERING				
	HALLWAY	WALL FINISH				
	CLOSETS	CEILING				
		DOORS AND MILLWORK			N/A	
		LIGHTING				
		CABINETS				
		HVAC				
B-18	LOWER LEVEL	REMODELED				
	BATHROOM					

2-6-15

#1

SB 2304

Chairman Holmberg and Members of the Senate Appropriations Committee:

I am Senator Joan Heckaman from New Rockford and I represent District 23. I am here in support of SB 2304.

I am supporting this bill as the right opportunity at the right time. Last session even the Governor was not in favor of building a new residence. But this session I understand that he is neutral on this issue.

If you think about the receptions we attend in that residence, you can certainly see the need for expanded space for entertaining, updating outdated fixtures, parking problems, and the issue of security.

It is estimated that it would take over \$2 million to renovate the current residence. I would suspect that may be even more given that any renovations we have attempted at our house cost much more than the estimate. Once you begin a renovation project, things don't always fall into place as expected.

We are a showcase state right now and the opportunity is before us. Let's make the step forward to proceed with this project and provide an up to date residence for our Governor and First Lady or First Man.

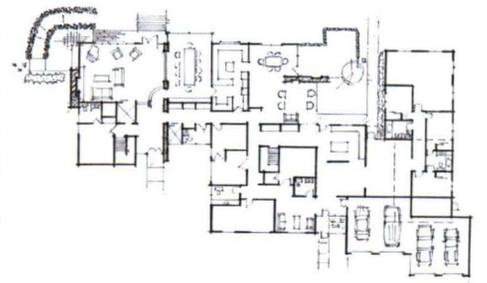
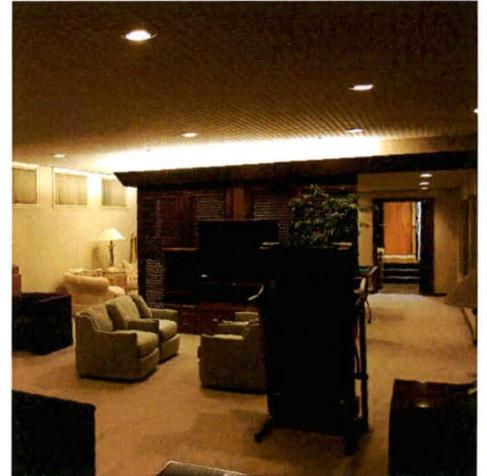
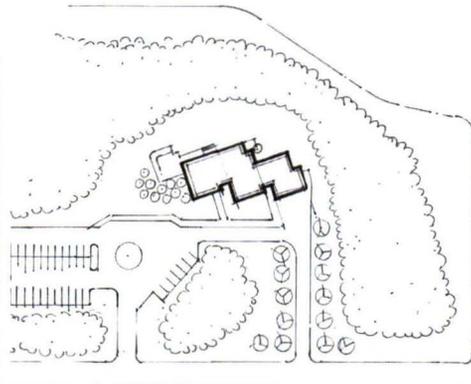
Senator Joan Heckaman

l.l

SB 2304

2

2-6-15



NORTH DAKOTA GOVERNOR'S RESIDENCE
December, 2014

EXECUTIVE SUMMARY

INTRODUCTION

The following document represents a review of the current condition of the North Dakota Governor's Residence. The goal of this document is to aid in determining the suitability of keeping the existing residence for future occupancy or to construct a new facility. The options presented for consideration include a combination of remodeling, repurposing of existing, and new construction.

HISTORY

Officially built in 1960, the basement and north stair were left unfinished until 1971 due to insufficient funding. In the past 54 years, portions of the residence have been renovated, however, significant areas have finishes over 20 years old.

EXISTING FACILITY ISSUES:

Security: The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.

Accessibility: The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events.

Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.

Hazardous materials: Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.

Lack of natural light: The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.

Undersized garage: The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.

PREVIOUS STUDIES COST ESTIMATES:

Michael Burns Report (Appendix A):

Renovation/Addition: \$2,852,200
New Construction: \$4,500,000

Randy Hansen Estimate (Appendix B):

Interiors Renovation: \$628,584

CONCEPT OPTIONS COST ESTIMATES:

Option A - Renovation & Addition: \$3,480,784
Option B - New Residence/Entertain up to 10: \$1,950,000
Option C - New Residence/Entertain up to 75: \$4,500,000

EXISTING FACILITY ISSUES

Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.

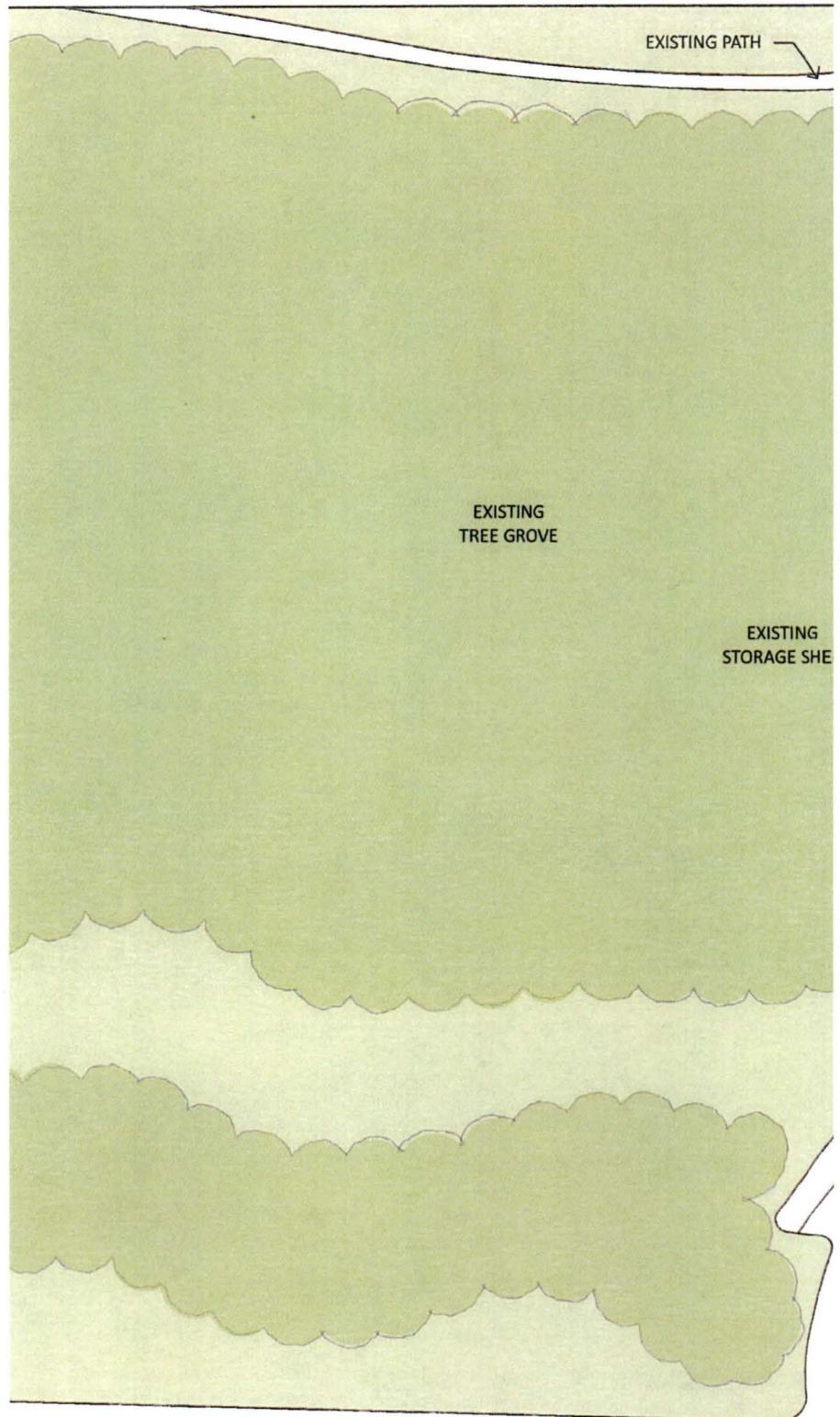
Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.

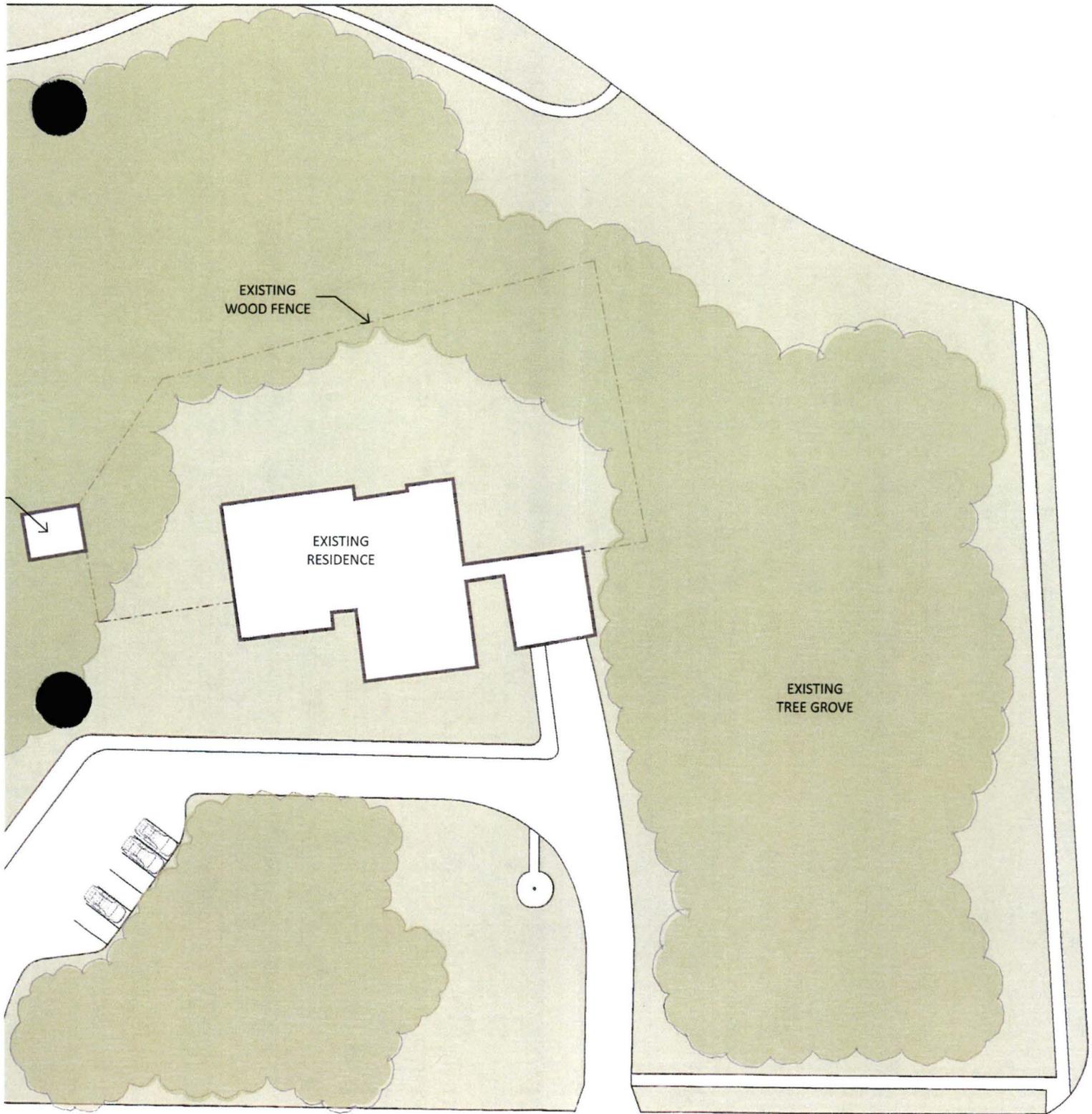
Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.

Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.

Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.

Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.





EXISTING
WOOD FENCE

EXISTING
RESIDENCE

EXISTING
TREE GROVE

N 4TH ST

E BOULEVARD AVE

EXISTING SITE PLAN



2.4



CONCEPT FACILITY OPTIONS

OPTION A RENOVATION PLAN

Option A balances the needs for security and accessibility, while improving space adjacencies and finishes at significant areas.

Existing : 10,152 Gross Square Feet
 Renovation: 3,506 Gross Square Feet
 Addition: 3,607 Gross Square Feet
 TOTAL: 13,759 Gross Square Feet

Renovation Estimate: \$1,352,200
 Addition Estimate: \$1,500,000
 Interiors Estimate: \$628,584
 TOTAL: \$3,480,784

Pros:

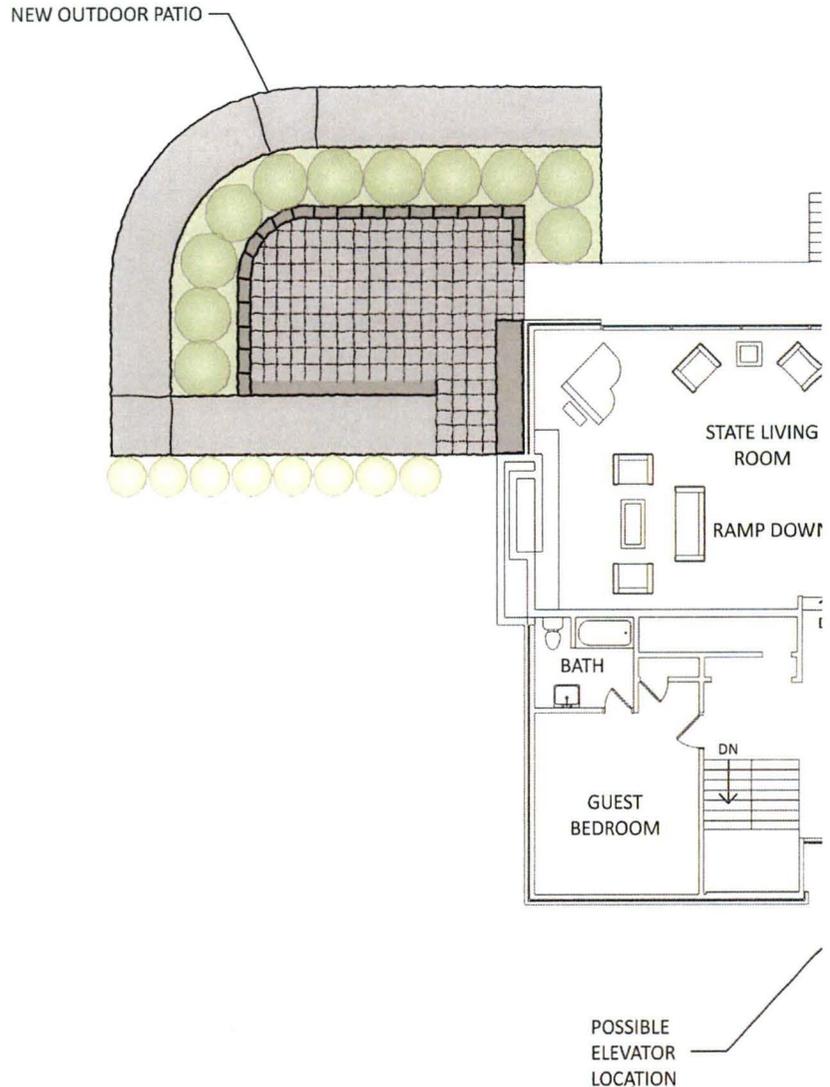
- Balance of investment and essential needs
- Retains historic structure
- Provides efficient reuse of spaces

Cons:

- Maximizes use of existing facility, but minimizes potential for future expansion
- Meets minimum requirements, but doesn't create ideal scale and adjacency of spaces
- Existing mechanical and electrical systems would be need to be evaluated to ventilate and power addition.

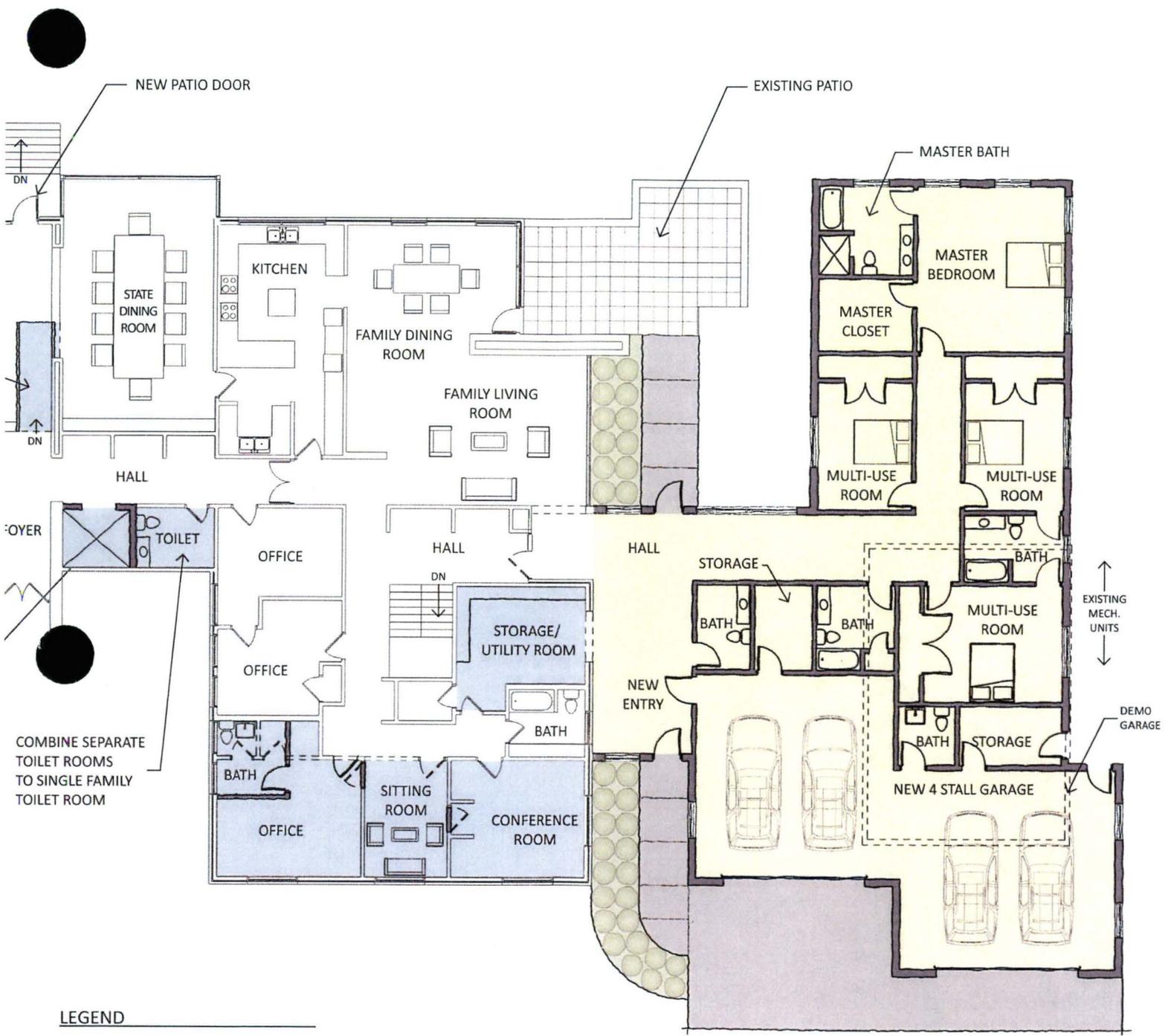
EXISTING FACILITY ISSUES

- ○ ○ Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.
- ● ○ Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.
- ○ ○ Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.
- ○ ○ Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.
- ○ ● Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.
- ○ ○ Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.



3.4 M

2.6



LEGEND

- NEW AND RENOVATED
- - - DEMO LINES
- EXISTING
- REMODEL
- ADDITION
- NEW OUTDOOR HARDSCAPING
- NEW LANDSCAPING

FIRST FLOOR PLAN



2.7

OPTION A

RENOVATION PLAN

Option A balances the needs for security and accessibility, while improving space adjacencies and finishes at significant areas.

Existing : 10,152 Gross Square Feet
Renovation: 3,506 Gross Square Feet
Addition: 3,607 Gross Square Feet
TOTAL: 13,759 Gross Square Feet

Renovation Estimate: \$1,352,200
Addition Estimate: \$1,500,000
Interiors Estimate: \$628,584
TOTAL: \$3,480,784

Pros:

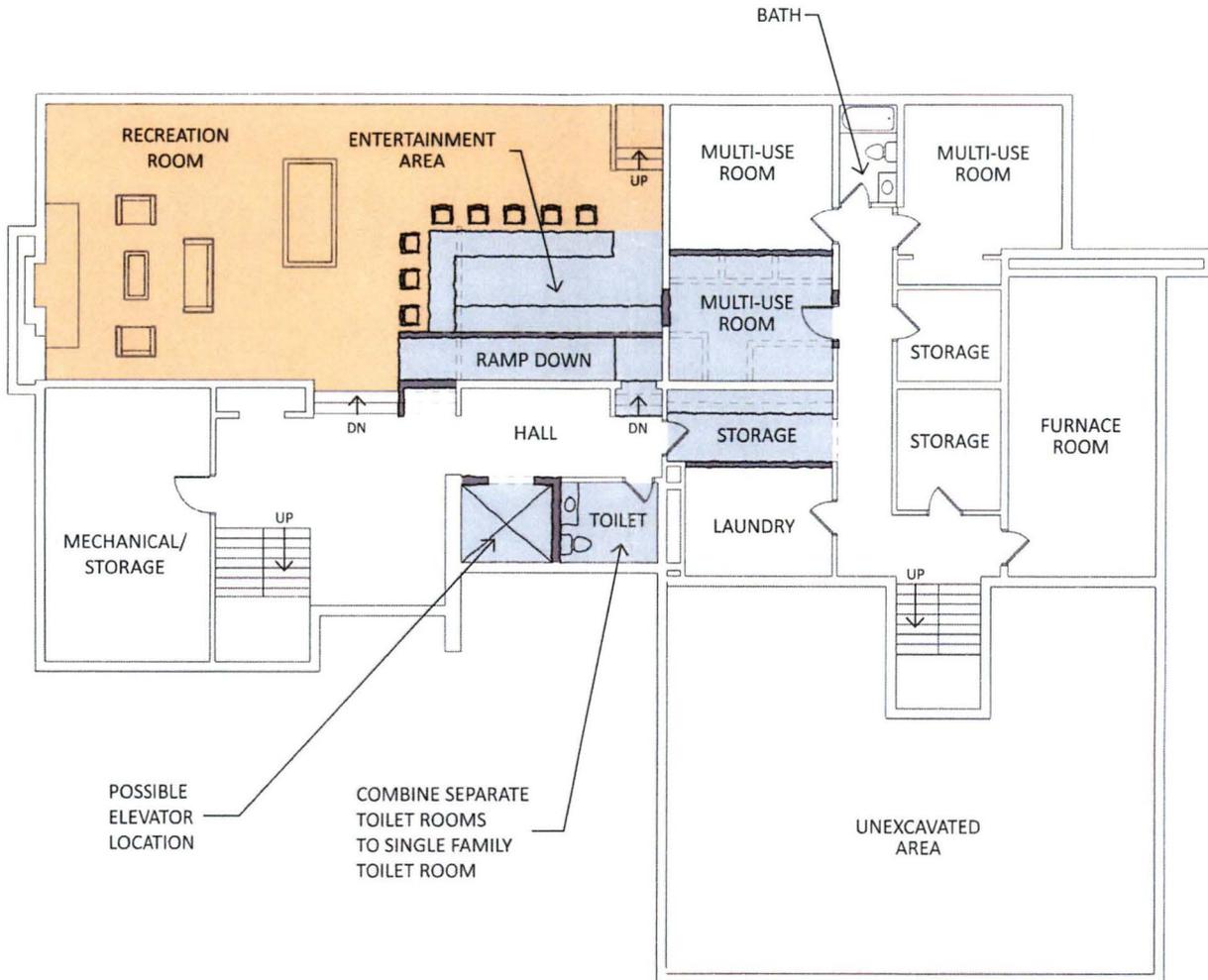
- Balance of investment and essential needs
- Retains historic structure
- Provides efficient reuse of spaces

Cons:

- Maximizes use of existing facility, but minimizes potential for future expansion
- Meets minimum requirements, but doesn't create ideal scale and adjacency of spaces
- Existing mechanical and electrical systems would need to be evaluated to ventilate and power addition.

EXISTING FACILITY ISSUES

- ○ ○ Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.
- ● ○ Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.
- ○ ○ Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.
- ○ ○ Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.
- ○ ● Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.
- ○ ○ Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.



LEGEND

— NEW AND RENOVATED

- - - DEMO LINES

— EXISTING

● UPDATE FINISHES

■ REMODEL

BASEMENT PLAN



OPTION B

NEW PRIVATE RESIDENCE- HOST UP TO 10

Option B proposes a new up-to-date private residence, and assumes state functions would be held off-site. This facility would have the capacity to host an event up to 12 people.

Existing : 10,152 Gross Square Feet

New Private Residence: 6,230 Gross Square Feet

Building Estimate: \$1,800,000

Site Estimate: \$50,000

Demolition Estimate: \$100,000

TOTAL: \$1,950,000

Pros:

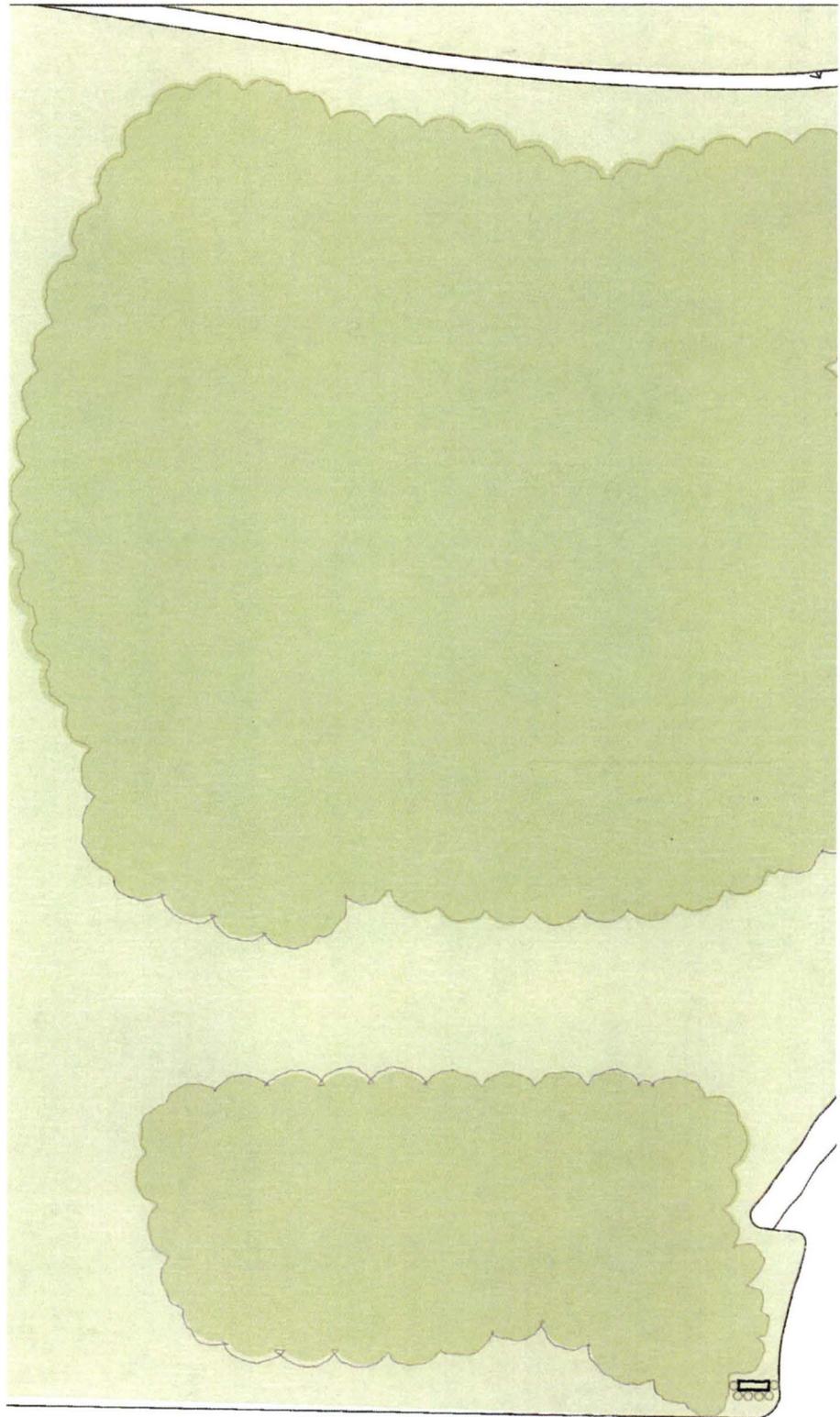
- Low long-term maintenance and operation costs
- Optimizes efficiencies and adjacencies of space
- Presents a new image and presence for governor's residence
- "Complete design": integrating interior/exterior spaces

Cons:

- High initial cost
- Abandons historic structure

EXISTING FACILITY ISSUES

- ○ ○ Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.
- ○ ○ Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.
- ○ ○ Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.
- ○ ○ Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.
- ○ ○ Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.
- ○ ○ Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.



LEGEND

—— NEW AND RENOVATED

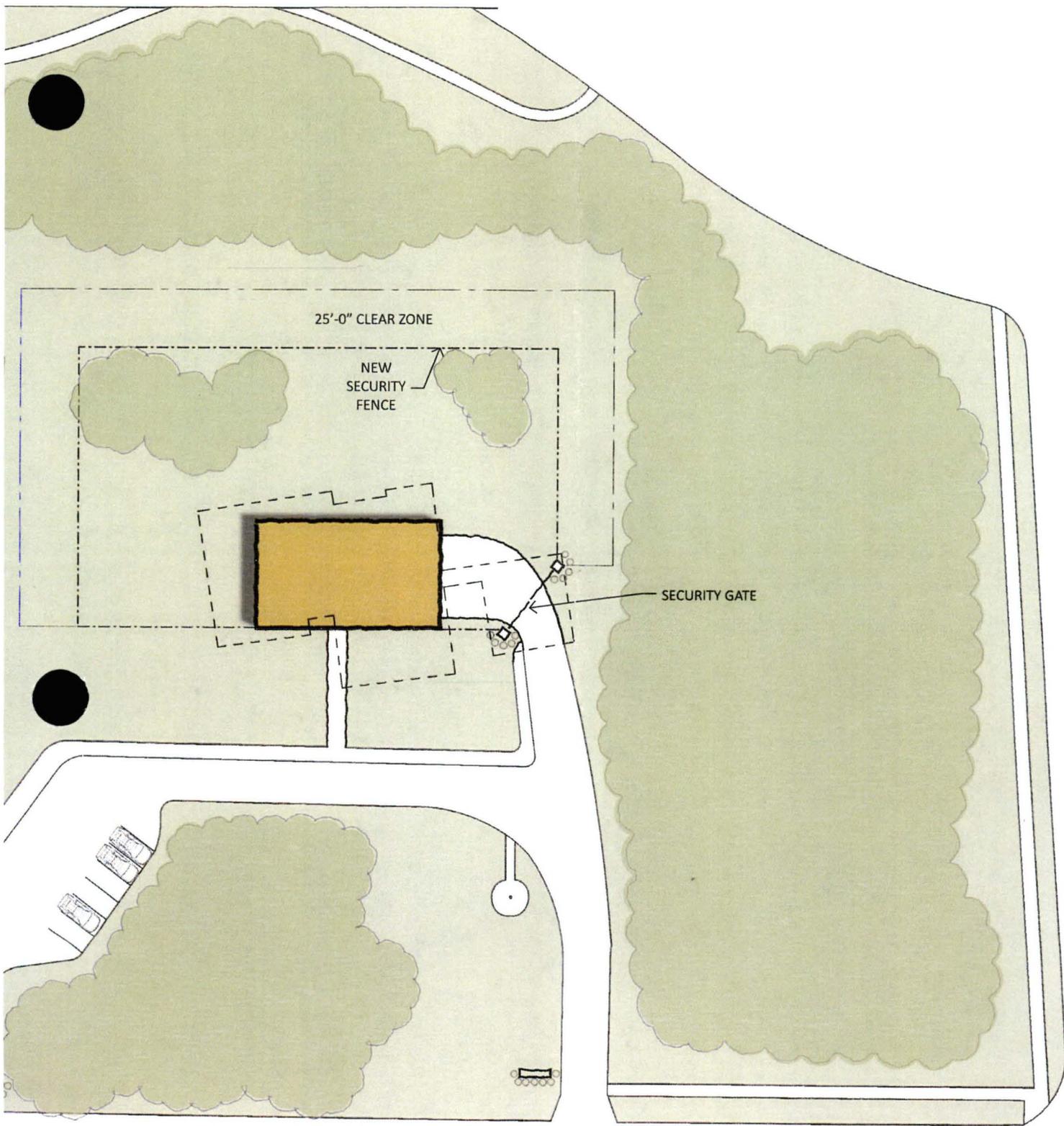
--- DEMO LINES

— EXISTING



NEW LANDSCAPING





25'-0" CLEAR ZONE

NEW SECURITY FENCE

SECURITY GATE

N 4TH ST

E BOULEVARD AVE

*roughly
2.5m*

CONCEPT SITE PLAN



OPTION C

NEW PRIVATE RESIDENCE- HOST UP TO 75

Option C proposes a new up-to-date facility that accommodates both state functions and a private residence. This facility would have the capacity to host an event up to 50 people.

Existing : 10,152 Gross Square Feet
 New Private Residence: 6,230 Gross Square Feet
 New Public Area: 7,120 Gross Square Feet
 Total New Facility: 13,350 Gross Square Feet

Private Residence Estimate: \$1,800,000
 Public Area Estimate: \$2,350,000
 Demolition Estimate: \$100,000
 Site Estimate: \$250,000
 TOTAL: \$4,500,000

Pros:

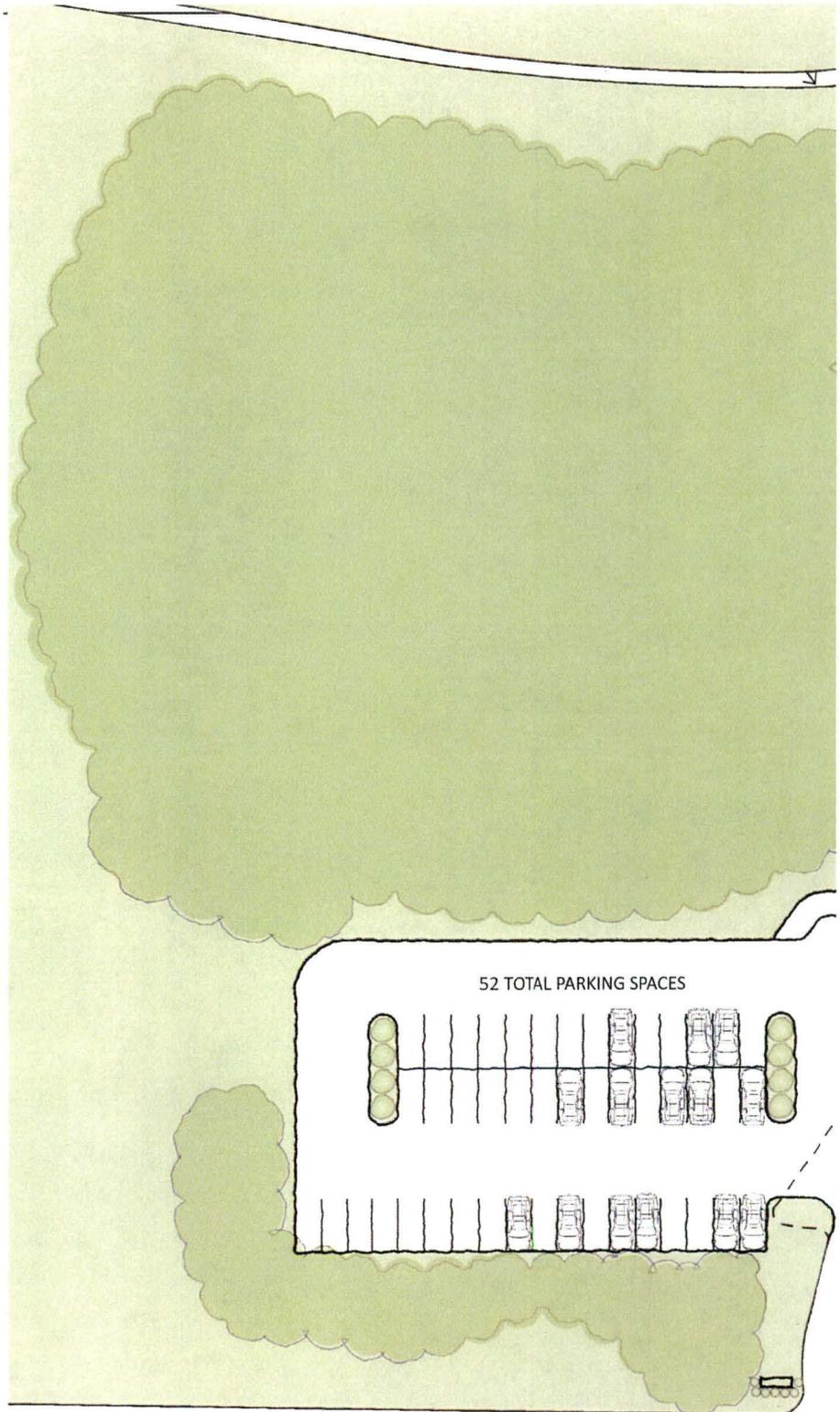
- Low long-term maintenance and operation costs
- Optimizes efficiencies and adjacencies of space
- Presents a new image and presence for governor's residence
- "Complete design": integrating interior/exterior spaces

Cons:

- Highest initial cost
- Abandons historic structure

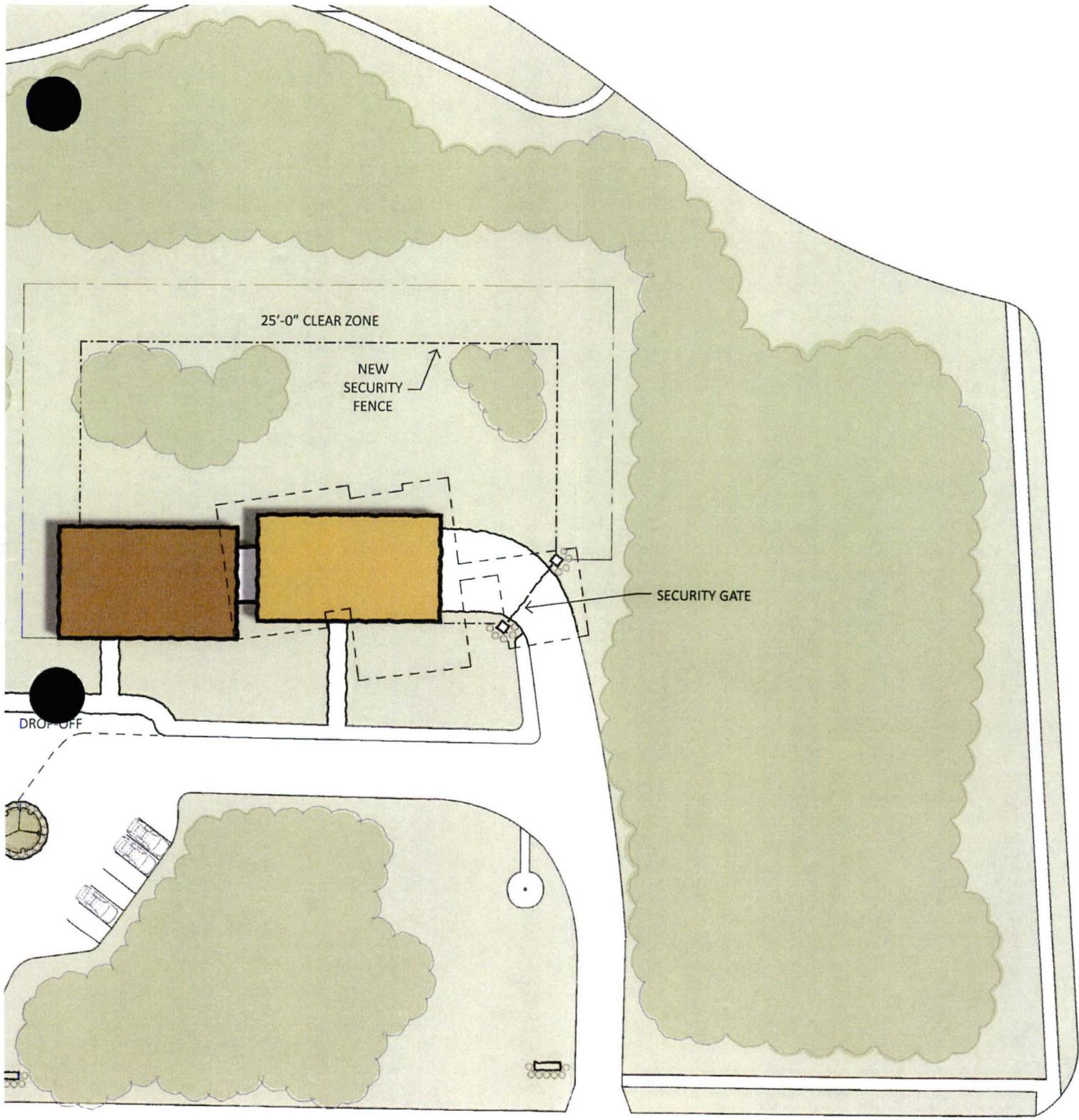
EXISTING FACILITY ISSUES

- ○ ○ Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.
- ○ ○ Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.
- ○ ○ Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.
- ○ ○ Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.
- ○ ○ Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.
- ○ ○ Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.



LEGEND

- NEW AND RENOVATED
- DEMO LINES
- EXISTING
- PUBLIC
- PRIVATE
- NEW LANDSCAPING



E BOULEVARD AVE

N 4TH ST

CONCEPT SITE PLAN



AS M

2.13

APPENDIX A

2012 NORTH DAKOTA GOVERNOR'S RESIDENCE MASTER PLAN

NORTH DAKOTA GOVERNOR'S RESIDENCE MASTERPLAN



CAPITOL GROUNDS PLANNING COMMISSION

Drew Wrigley, Lt. Governor and Chair
Lonnie Laffen, Senator
Richard Marcellais, Senator
Matt Klein, Representative
Robert Kilichowski, Representative
Merl Paaverud
Doug Prchal
Lisa Carlson
Michael Burns

FACILITIES MANAGEMENT

John Boyle, Director
Steve Sharkey, Governor's Residence Manager

Report Prepared By:
MICHAEL J. BURNS ARCHITECTS, LTD.
Fargo, North Dakota

May 2, 2012

In April 2011 Michael J. Burns Architects, Ltd. was hired by the ND Capitol Grounds Planning Commission to assess, provide options and a corresponding cost estimate to determine the realistic value of the current Governor's Residence which was completed in early 1960. The current size is just over 10,000 square feet on both upper and lower levels, excluding the exterior balcony, patio, garage walkway and garage.

Presentations were made to the Commission in September 2011 and January 2012 to review the preliminary findings, updated information and estimated costs.

PLANNING PRIORITIES

- To assess the current condition of the residence
- To examine its potential for renovation and expansion to meet current building and accessibility codes and the adaptability to meet the growing needs of the state's executive branch to socially interact with legislators, private company executives and various state agencies flourishing in economic growth
- To compare those modifications to a new residence

HISTORY

The construction of the home is a blend of light commercial and residential construction. The basement floor is concrete slab-on-grade; the first floor is a concrete floor on steel decking that rests on steel joists. A concrete bearing wall occurs between the public formal dining room and living rooms on both the basement and first floors. The roof is made of "stick-built" wood trusses. All interior walls are finished plaster with stained wood trim.

The residence was completed in March 1960 and Governor John Davis and his family moved into the three-bedroom home. The lower level/basement was not finished at this time due to an exhausted budget. In December 1960 Governor-elect William Guy and his family moved into the residence. The Guys had three children so in 1961 the two bedrooms and bath, which remain, were finished in the basement. Numerous other changes have occurred in the 52-year history and are briefly described below:

construction of the home is a blend of light commercial and residential construction. The basement floor is concrete slab-on-grade; the first floor is a concrete floor on steel decking that rests on steel joists. A concrete bearing wall occurs between the public formal dining room and living rooms on both the basement and first floors. The roof is made of "stick-built" wood trusses. All interior walls are finished plaster with stained wood trim.

The residence was completed in March 1960 and Governor John Davis and his family moved into the three-bedroom home. The lower level/basement was not finished at this time due to an exhausted budget. In December 1960 Governor-elect William Guy and his family moved into the residence. The Guys had three children so in 1961 the two bedrooms and bath, which remain, were finished in the basement. Numerous other changes have occurred in the 52-year history and are briefly described on the next couple pages:

Public: corridor areas
 Added a new fire egress door from the Dakota Room and connected with the bedroom as an exit way

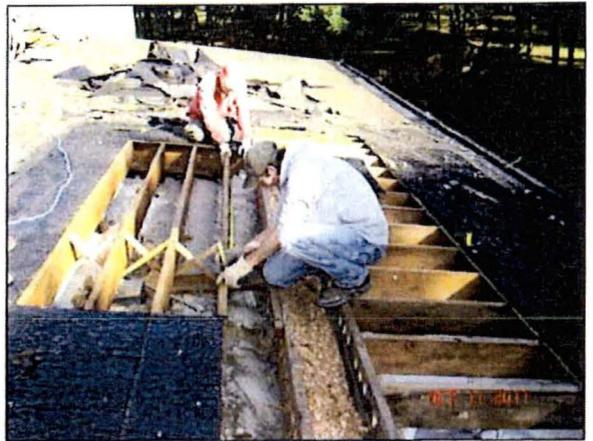
2011 Public: The shingle roof was replaced after new ventilation holes were cut into the wood joists to prevent condensation from accumulating which had damaged the soffit and ceiling in the formal dining room

Family: Basement bath was remodeled

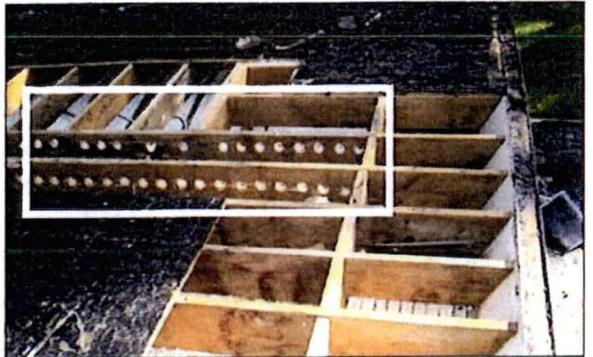
2012 Family: Enclose covered walkway between house and garage with glass walls (tentative)



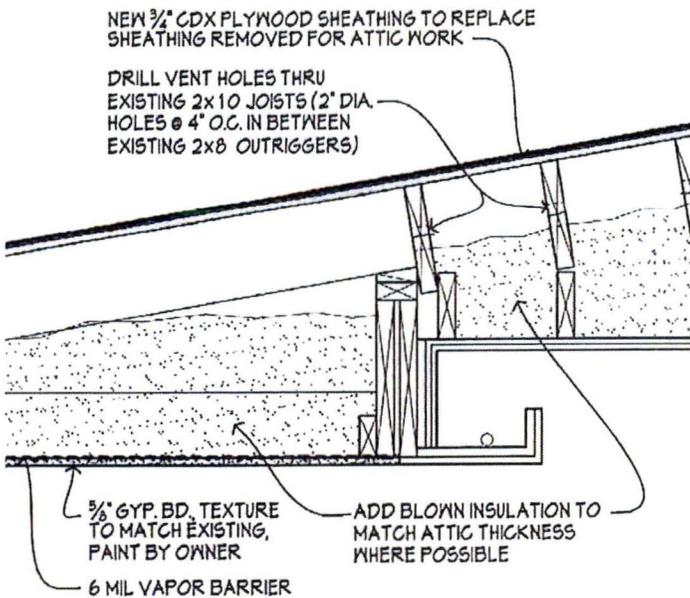
Damaged Dining Room ceiling (2010)



Dining Room roof repair (2011)



Dining Roof roof repair-new ventilation holes (2011)



Original soffit detail in dining room



Basement Bath (2010/2011)

RECOMMENDATIONS FOR THE EXISTING RESIDENCE

Areas examined include the following:

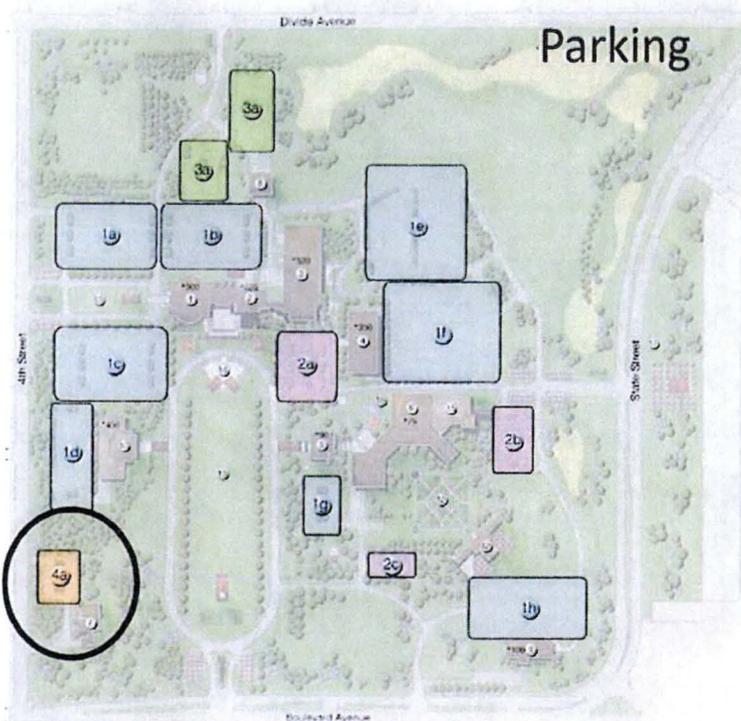
Exterior

- Additional parking for larger group gatherings
- Site and building accessibility
- Improve roof drainage system
- Patio expansion
- Additional natural light in the basement
- Enclose walkway between house and garage
- Enlarge garage or add 2 more stalls

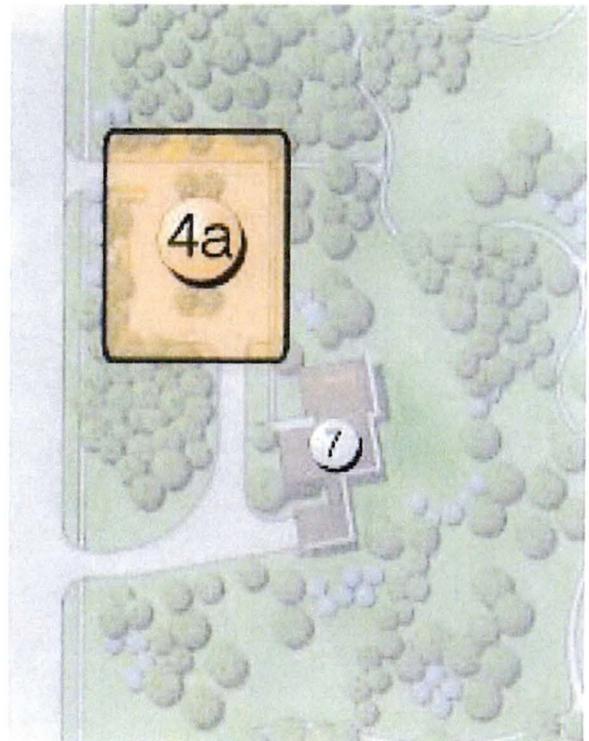
Interior

- Accessibility
- Basement kitchen upgrades
- Sauna/exercise room
- Large windows at the Dakota room
- Egress windows at bedrooms
- Upgrade interior finishes
- Hazardous materials removal

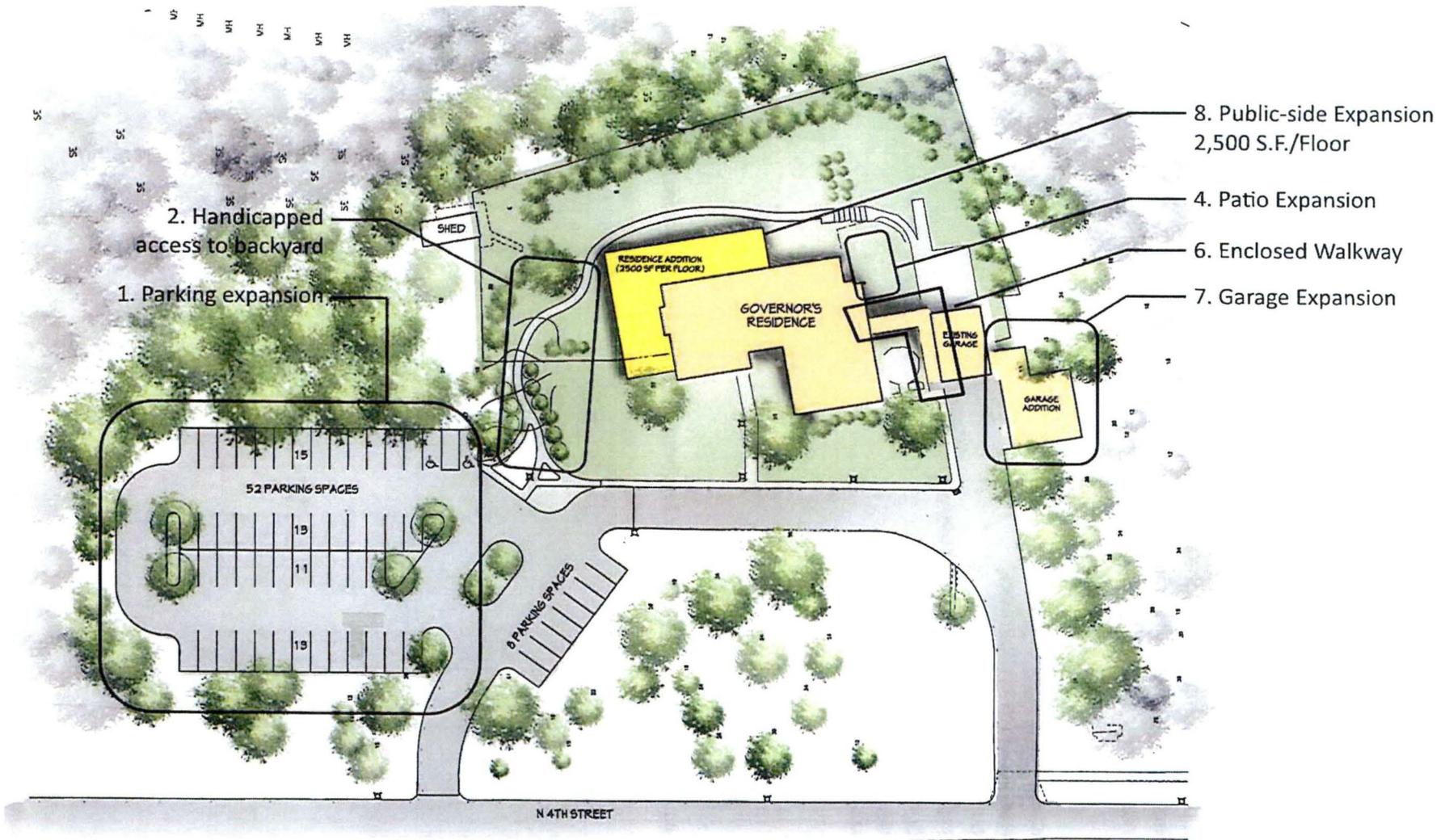
****NOTE:** Numbers preceding image descriptions refer to corresponding "Specific Recommendations".



Capitol Grounds Masterplan



1. Governor's Residence



2. Handicapped access to backyard
1. Parking expansion

8. Public-side Expansion 2,500 S.F./Floor
4. Patio Expansion
6. Enclosed Walkway
7. Garage Expansion

5
2.20

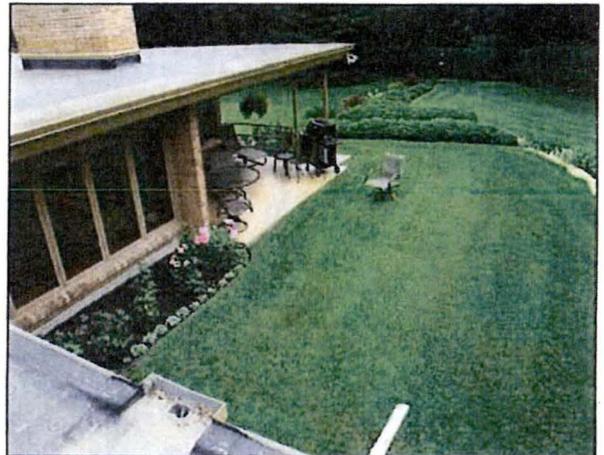
SPECIFIC RECOMMENDATIONS

Exterior Improvements:

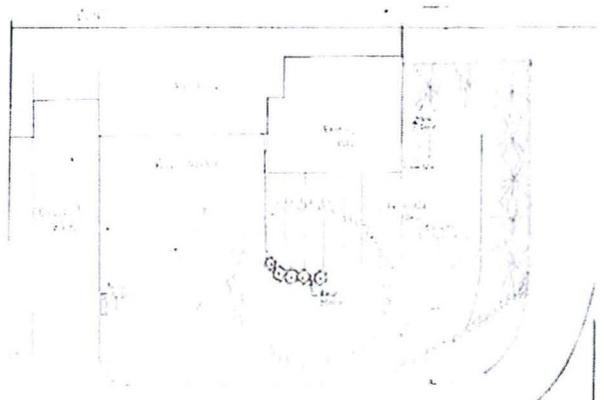
1. Parking—Provide more off-street spaces
 - a. The 2000 Capitol Grounds Masterplan recommends the location for parking lot, which is adjacent and to the north of the existing parking area and is set back from 4th Street and can be partially concealed by a grove of existing large trees
 - b. Various sources have expressed the need for more parking for the social events that are often held at the residence as the existing lot holds about 18 cars and any excess are required to park on 4th Street.
 - c. Recommended capacity is approximately 50-55 cars
2. Accessibility
 - a. Separate public parking access from the private access
 - b. Create a ramped walking surface from the parking area to both the residence's front door and into the backyard. (e.g., Grassy-Crete for backyard)
 - c. Add a fence for limiting backyard access
3. Improve roof drainage system
 - a. Shallow gutters with open outlets rather than downspouts
 - b. Due to large overhang of the public side of the roof, adding downspouts will alter the appearance of the home and will possibly interfere with regular yard maintenance
4. Private patio expansion
 - a. Existing patio is too small for any seating greater than 5 people
 - b. Provide landscaping at south edge for shading and the creation of an outdoor space
5. Natural light/egress windows in basement
 - a. Remove lower level windows in the Dakota Room and drop exterior grade to provide deeper windows for more light
 - b. Remove bedroom windows and enlarge them to meet building code egress
6. Garage/House Walkway enclosure
 - a. Provide temperature controlled enclosure
 - b. Within the existing structure, provide all glass doors, both fixed and operating patio doors for access to/from backyard and landscaped garden



3. Roof Drainage



4. Patio expansion needs



4. Proposed Patio expansion

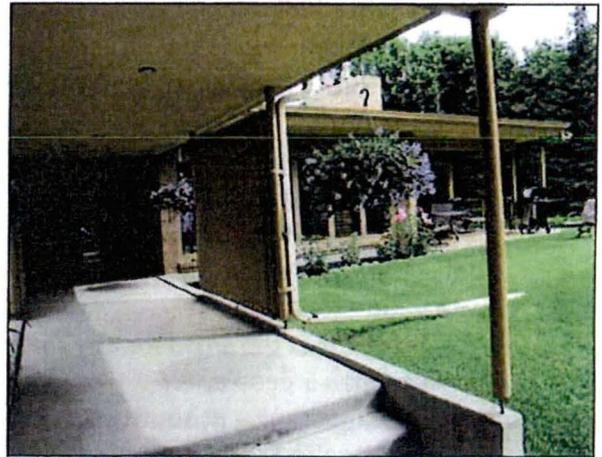
- 7. Enlarge existing garage
 - a. Connect the existing garage via a new link to a new two-stall garage to the south and west of the current garage
 - b. Modify driveway slab as required
 - c. Provide secure access to and from garbage containers
- 8. Expand public space in residence to current entertaining needs and to provide sound and secure separation between the public and private sides of the residence
 - a. Add another 5,000 sf (2,500/floor) to accommodate the public and private needs



5. Exterior windows & rail



6. Garage link & rerouted downspout



6. Walkway



7. Existing Garage-2 stalls

Interior Improvements

A. Accessibility

1. Provide a 2-person, Limited Use, Limited Access (LULA) elevator to provide access to all levels of the residence. The formal dining room must be accessed via the kitchen.
2. Modify the public restrooms to accommodate handicapped requirements.

B. Basement kitchen upgrades

1. Kitchen is used for large events that use both levels of the residence
2. Original design remains and is very small allowing limited use and is no accessibility
3. Limited space for storage and preparing food
4. No dumbwaiter exists-food must be hand-carried from the main floor kitchen for events
5. Enlarge kitchen into the existing laundry room which provides either same-level access to the elevator or use of existing steps to the Dakota Room

C. Sauna/exercise room

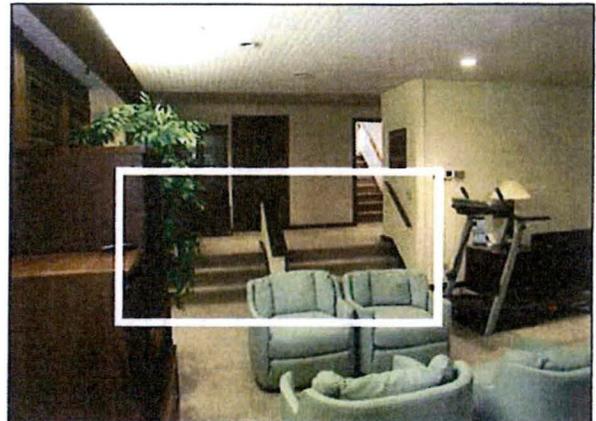
1. No designated private space exists
2. First family must either use off-site facilities or the Dakota Room
3. Sauna can be created renovating the existing cedar-lined and dry-goods pantry into a small bath and sauna; the exercise room can be located in the original garage by using the existing NE room and expanding it providing windows overlooking the backyard to the east

D. Interior design finishes upgrades

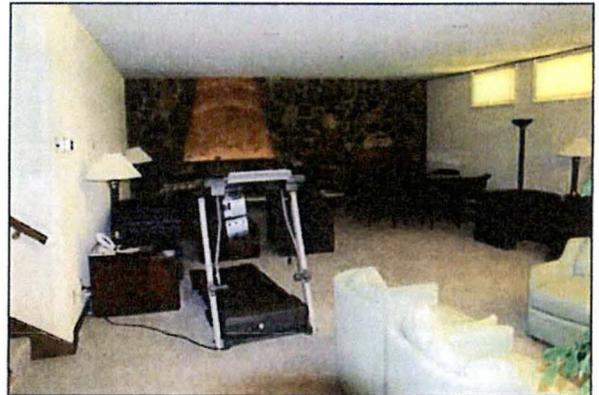
1. Dakota Room
2. Recreation Room which is separated by a partial wood screen from the Dakota Room
3. When replacing finishes it is recommended to use a classic color scheme, which won't go in and out of style and remains flexible for updating accessories as needed.

E. Hazardous materials removal

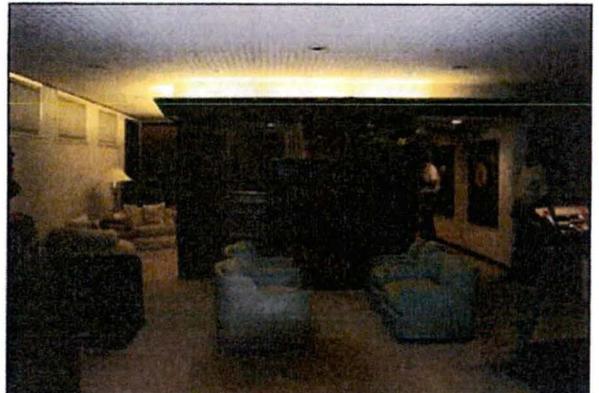
1. This is an unconfirmed issue that must be addressed prior to any major renovation work



A. Dakota Room access



C./D. Dakota Room

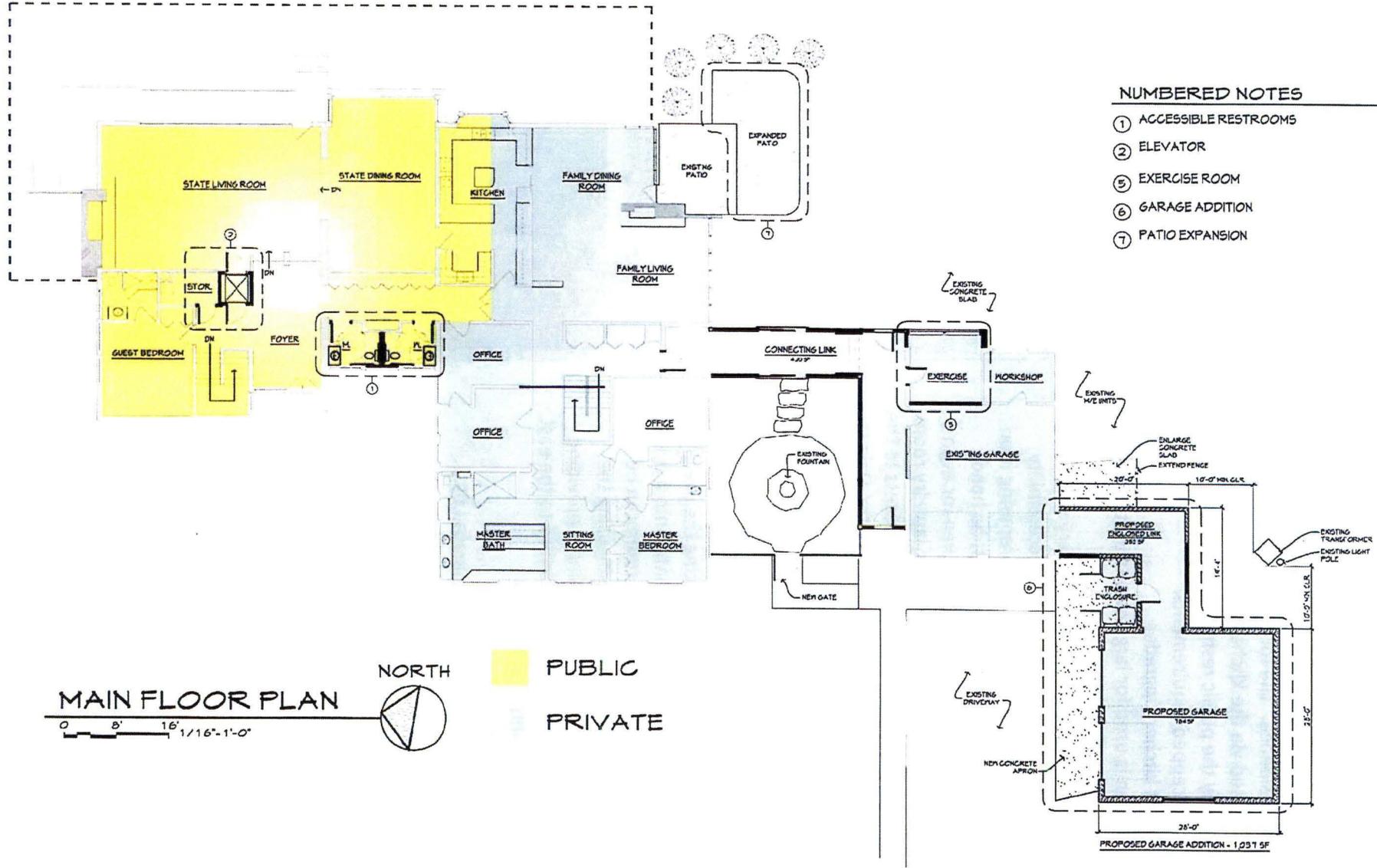


D. Dakota Room



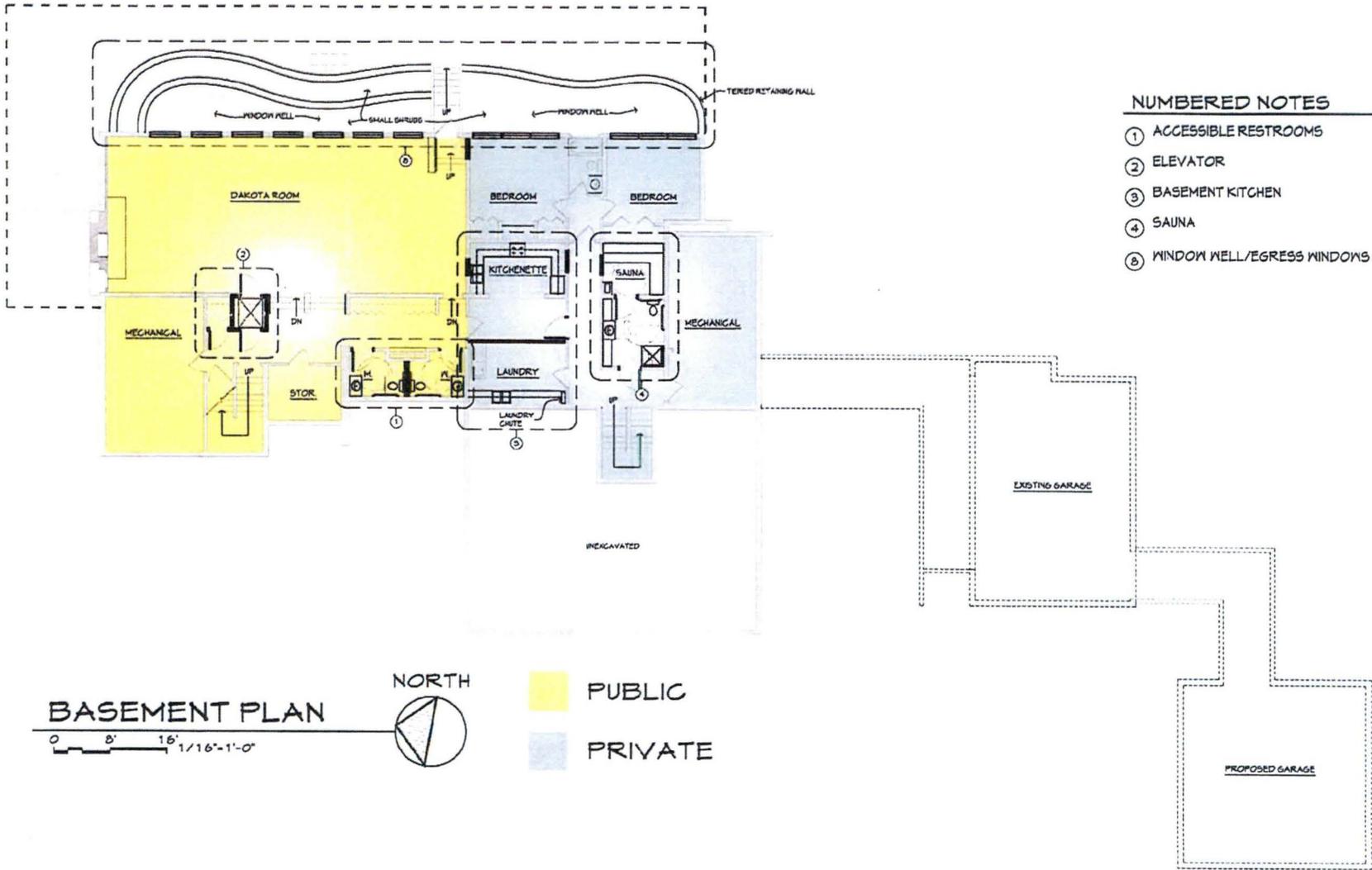
D. Dakota Room

2,500 S.F. EXPANSION



9
2.24

2,500 S.F. EXPANSION



NUMBERED NOTES

- ① ACCESSIBLE RESTROOMS
- ② ELEVATOR
- ③ BASEMENT KITCHEN
- ④ SAUNA
- ⑤ WINDOW WELL/EGRESS WINDOWS

10
2.25

COST ESTIMATE-RENOVATION/ADDITION

The current estimated and insured value of the residence is \$1,667,000.

Exterior		
Parking/ADA walk to backyard	\$151,400	
Enlarge Dakota Rm and Bedroom windows	71,600	
Garage Link Enclosure	151,400	
New Garage/trash enclosure	124,800	
Private patio and landscaping	18,000	
Sub-total		\$512,700
Interior		
Elevator	\$120,000	
Upgrade public toilet rooms	52,300	
Upgrade finishes in Dakota Rm	88,300	
Modify Basement Kitchen/Laundry	62,600	
Provide sauna/shower and toilet	25,900	
Exercise room	15,000	
Sub-total		\$364,100
New Residence Expansion - 5,000 SF @ \$300/SF		\$1,500,000
TOTAL RENOVATIONS AND UPGRADES		\$2,376,800
Softcosts ¹	\$475,400	

TOTAL ESTIMATED PROJECT COST **\$2,852,200**

¹ Softcosts are 20% of the above estimate and include design fees, administrative management costs, testing, abatement, reports, etc.

COST ESTIMATE-NEW CONSTRUCTION **15,000 SF Residence/Public Hall**

Recommended features:

1. New residence on one floor
2. Two master suites
 - a. Governor
 - b. Guest Dignitary
3. Provide on present site
 - a. Demolish existing home
 - b. Build new home north of existing home; demolish existing when new one is complete
4. Landscaping and sitework to accommodate large gatherings
5. Complete separation between public use areas and the family residence
6. Security
7. Nearby parking lot for large functions

Cost Estimate

Building with fire protection systems:	\$3,150,000
Demolition:	\$150,000
Parking Lot for 55 cars:	\$200,000
Landscaping/Security:	\$250,000
 Subtotal:	 \$3,750,000
 Softcosts ¹	 \$750,000
 TOTAL NEW CONSTRUCTION PROJECT COST	 \$4,500,000

SUMMARY:

1. Age: 52 years old
2. Construction methodology—recent examples of condensation problem in the public dining room roof/ceiling, its cost and inconvenience of repair indicate that additional problems may accelerate due the building’s age and construction assemblies.
3. Handicapped access—no provisions have been made to provide access to the backyard that is barrier free. Due to the “sunken” public living room on the main floor and Dakota Room in the basement access is not readily available.
4. Safety/security/fire protection—this can be improved upon; no fire suppression system exists in the residence.
5. Parking—is insufficient for large public gatherings
6. Inflexible public use—the governor must participate whenever the public portion of the residence is used therefore limiting the amount of public use that could be available with distinctive separation between the public and private parts of the residence. In addition:
 - a. public spaces are too small for most gatherings requiring that entertaining the legislature be done in several parties
 - b. basement bedrooms and bath must be accessed via same halls that are used by state staff when entertaining
 - c. Public/private driveways should be separate to maximize privacy
7. Serving kitchen for Dakota Room and backyard events is too small and inaccessible. Two separate sets of steps must be traversed between the level of the Dakota Room and the backyard, which creates both safety and efficiency issues.

END OF REPORT

2.27

APPENDIX B

2014 NORTH DAKOTA GOVERNOR'S RESIDENCE INTERIOR REMODEL

GOVERNOR'S RESIDENCE

2014 REMODEL SCOPE

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
116	KITCHEN CIRCA 1992	EXISTING CABINETRY	55	\$ 650.00	\$ 35,750.00	\$ 1,000.00
		FLOORING	420	\$ 20.00	\$ 8,400.00	\$ 500.00
		WALL FINISH	576	\$ 4.50	\$ 2,592.00	
		CEILING	288	\$ 2.75	\$ 792.00	
		PLUMBING FIXTURES			\$ 3,000.00	
		LIGHTING			\$ 1,000.00	
		DOORS AND MILLWORK			\$ 6,500.00	
		APPLIANCES			\$ 2,000.00	
		COUNTER STOOLS			\$ 500.00	
117/118	LIVING/DINING	FLOOR COVERING	900	\$ 20.00	\$ 18,000.00	
		WALL FINISH	1080	\$ 4.50	\$ 4,860.00	
		CEILING	900	\$ 2.75	\$ 2,475.00	
		DOORS AND MILLWORK			\$ 3,000.00	
		FURNITURE			\$ 30,000.00	
		AUDIO/VIDEO			\$ 2,500.00	
		LIGHTING			\$ 3,000.00	
		FIREPLACE REDESIGN			\$ 10,000.00	\$ 1,000.00
119	SOUTH BACK ENTRY	WALL FINISH	1010	\$ 4.50	\$ 4,545.00	
		DOORS AND MILLWORK			\$ 11,000.00	
		CEILING	484	\$ 2.75	\$ 1,331.00	
		LIGHTING			\$ 2,500.00	
		SKYLIGHT?			\$ 10,000.00	
		STAIRWELL FIXTURE?			\$ 1,000.00	

2.29

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
137	PRIVATE SIDE STAIRWELL	FLOOR COVERING	192	\$ 20.00	\$ 3,840.00	
		MILLWORK			\$ 10,000.00	
		CEILING	300	\$ 2.75	\$ 825.00	
		LIGHTING			\$ 1,000.00	\$ 15,665.00
122/123	OFFICES	FLOOR COVERING	448	\$ 20.00	\$ 8,960.00	
		WALL FINISH	1080	\$ 4.50	\$ 4,860.00	
		CEILING	350	\$ 2.75	\$ 962.50	
		DOORS AND MILLWORK			\$ 10,250.00	\$ 25,032.50
125/126	MASTER CLOSET AND SITTING AREA	FLOOR COVERING	704	\$ 20.00	\$ 14,080.00	\$ 600.00
		WALL FINISH	1100	\$ 4.50	\$ 4,950.00	
		CEILING	392	\$ 2.75	\$ 1,078.00	
		CABINETS	24	\$ 460.00	\$ 11,040.00	
		DOORS AND MILLWORK			\$ 8,000.00	
		PLUMBING			\$ 2,500.00	
		WINDOW COVERING			\$ 2,800.00	
		LIGHTING			\$ 2,000.00	
		INSULATE WALLS			\$ 2,800.00	\$ 49,848.00
127	PRIVATE W/C	WALL FINISH	200	\$ 4.50	\$ 900.00	
		CEILING	30	\$ 2.75	\$ 82.50	
		INSULATE WALLS			\$ 400.00	
		PLUMBING FIXTURES			\$ 1,750.00	
		LIGHTING			\$ 500.00	\$ 3,632.50
128	PRIVATE SHOWE	PLUMBING FIXTURES			\$ 1,500.00	
		TILEWORK	300	\$ 30.00	\$ 9,000.00	\$ 1,000.00 \$ 11,500.00

2.30

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
129	MASTER BEDROOM	FLOOR COVERING	NA			\$ 500.00
		WALL FINISH	675	\$ 4.50	\$ 3,037.50	
		CEILING	225	\$ 2.75	\$ 618.75	
		WINDOW COVERING			\$ 1,000.00	
		LIGHTING				
		INSULATE WALLS			\$ 1,500.00	\$ 6,656.25
139	GUEST BATHROOM	WALL FINISH	324	\$ 4.50	\$ 1,458.00	
		CEILING	80	\$ 2.75	\$ 220.00	
		VANITY CABINET	8	\$ 460.00	\$ 3,680.00	\$ 750.00
		DOORS AND MILLWORK			\$ 2,500.00	
		PLUMBING FIXTURES			\$ 1,800.00	
		WINDOW COVERING			\$ 250.00	
		LIGHTING			\$ 750.00	\$ 11,408.00
132	GUEST BEDROOM	FLOOR COVERING	265	\$ 20.00	\$ 5,300.00	
		WALL FINISH	400	\$ 4.50	\$ 1,800.00	
		CEILING	275	\$ 2.75	\$ 756.25	
		DOORS AND MILLWORK			\$ 5,000.00	
		WINDOW COVERING			\$ 500.00	
		INSULATE WALLS			\$ 900.00	
		LIGHTING			\$ 1,500.00	\$ 15,756.25
B-1/B-7	LOWER NORTH HALL	FLOOR COVERING	538	\$ 20.00	\$ 10,760.00	\$ 750.00
		WALL FINISH	1250	\$ 4.50	\$ 5,625.00	
		CEILING	400	\$ 2.75	\$ 1,100.00	
		DOORS AND MILLWORK			\$ 14,500.00	
		LIGHTING			\$ 2,500.00	\$ 35,235.00

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
B-8,9,10	LOWER LEVEL BATHROOMS (CIRCA 1971)	FLOOR COVERING	200	\$ 20.00	\$ 4,000.00	
		WALL FINISH	800	\$ 4.50	\$ 3,600.00	
		CEILING	200	\$ 2.75	\$ 550.00	
		DOORS AND MILLWORK			\$ 6,500.00	
		LIGHTING			\$ 2,500.00	
		PLUMBING FIXTURES			\$ 3,000.00	\$ 20,150.00
B-5	LOWER LEVEL FAMILY ROOM (WALL FINISH CIRCA 1989) (CIRCA 1959)	FLOOR COVERING	936	\$ 20.00	\$ 18,720.00	
		WALL FINISH	1080	\$ 4.50	\$ 4,860.00	
		CEILING	864	\$ 2.75	\$ 2,376.00	
		INSULATE EXTERIOR WALL			\$ 2,500.00	
		DOORS AND MILLWORK			\$ 3,000.00	
		NEW WINDOWS			\$ 10,000.00	
		WINDOW COVERING			\$ 2,000.00	
		FIREPLACE UPGRADE			\$ 10,000.00	\$ 2,000.00
		FURNITURE			\$ 30,000.00	
		LIGHTING			\$ 7,000.00	\$ 92,456.00
B-6	LOWER LEVEL ACTIVITY RM (CIRCA 1959)	FLOOR COVERING	470	\$ 20.00	\$ 9,400.00	
		WALL FINISH	470	\$ 4.50	\$ 2,115.00	
		CEILING-REMOVE SOFFIT?	470	\$ 2.75	\$ 1,292.50	\$ 3,500.00
		DOORS AND MILLWORK			\$ 5,000.00	
		BAR BACK	14	\$ 640.00	\$ 8,960.00	
		BAR FRONT	14	\$ 460.00	\$ 6,440.00	
		REMOVE ROCK WALL			\$ 1,000.00	
		MEDIA ROOM?				
		NEW WINDOWS			\$ 6,000.00	
		WINDOW TREATMENT			\$ 1,000.00	
		INSULATE EAST WALL			\$ 1,500.00	
		FURNITURE			\$ 12,000.00	\$ 58,207.50

2.32

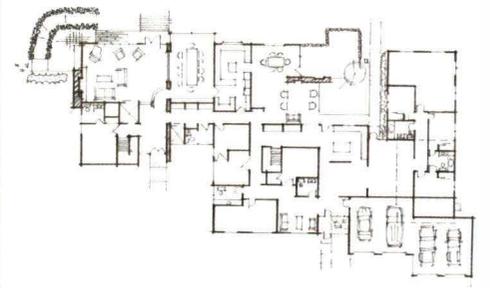
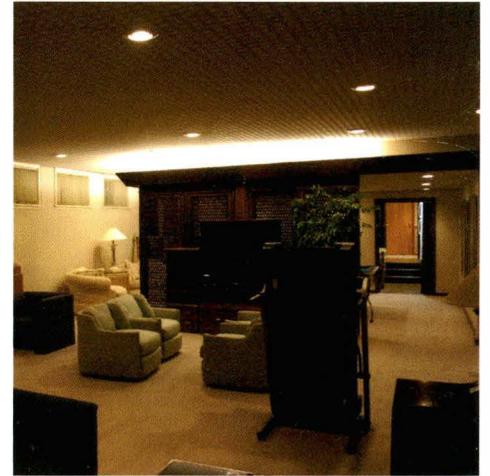
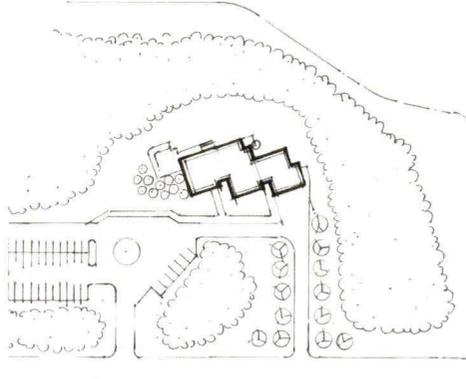
ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
B-14/B-11	GALLEY	REDESIGN/REPURPOSE				\$ 2,000.00
	LAUNDRY	LIGHTING				
	(CIRCA 1960)	FLOOR COVERING	480	\$ 20.00	\$ 9,600.00	
		WALL FINISH	480	\$ 4.50	\$ 2,160.00	
		CEILING	340	\$ 2.75	\$ 935.00	
		DOORS AND MILLWORK			\$ 9,000.00	
		PLUMBING FIXTURES			\$ 2,000.00	
	(CIRCA 1971)	CABINETS	15	\$ 300.00	\$ 4,500.00	\$ 30,195.00
B-12/B-13	LOWER LEVEL	FLOOR COVERING	276	\$ 20.00	\$ 5,520.00	\$ 500.00
	BEDROOM	WALL FINISH	800	\$ 4.50	\$ 3,600.00	
	HALLWAY	CEILING	220	\$ 2.75	\$ 605.00	
		DOORS AND MILLWORK			\$ 17,500.00	
		LIGHTING			\$ 2,500.00	\$ 30,225.00
B-21/22	LOWER	FLOOR COVERING				
	HALLWAY	WALL FINISH				
	CLOSETS	CEILING				
		DOORS AND MILLWORK				N/A
		LIGHTING				
		CABINETS				
		HVAC				
B-18	LOWER LEVEL	REMODELED				
	BATHROOM					

2.33

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
B-17/B-19	LOWER LEVEL	FLOOR COVERING	608	\$ 20.00	\$ 12,160.00	
	BEDROOMS	WALL FINISH	1400	\$ 4.50	\$ 6,300.00	
		CEILING	448	\$ 2.75	\$ 1,232.00	
		DOORS AND MILLWORK			\$ 15,000.00	
		LIGHTING				
		HVAC				
		FURNITURE				
		WINDOW COVERING			\$ 2,000.00	
	(CIRCA 1959)	WINDOWS			\$ 12,000.00	
		INSULATE EXTERIOR WALLS			\$ 3,000.00	
		CABINETRY	8	\$ 460.00	\$ 3,680.00	\$ 55,372.00
						\$ 628,584.00

2.34

#1 2304
3-19-15



NORTH DAKOTA GOVERNOR'S RESIDENCE

EXECUTIVE SUMMARY

INTRODUCTION

The following document represents a review of the current condition of the North Dakota Governor's Residence. The goal of this document is to aid in determining the suitability of keeping the existing residence for future occupancy or to construct a new facility. The options presented for consideration include a combination of remodeling, repurposing of existing, and new construction.

HISTORY

Officially built in 1960, the basement and north stair were left unfinished until 1971 due to insufficient funding. In the past 54 years, portions of the residence have been renovated, however, significant areas have finishes over 20 years old.

EXISTING FACILITY ISSUES:

Security: The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.

Accessibility: The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events.

Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.

Hazardous materials: Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.

Lack of natural light: The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.

Undersized garage: The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.

PREVIOUS STUDIES COST ESTIMATES:

Michael Burns Report (Appendix A):

Renovation/Addition: \$2,852,200

New Construction: \$4,500,000

Randy Hansen Estimate (Appendix B):

Interiors Renovation: \$628,584

CONCEPT OPTIONS COST ESTIMATES:

Option A - Renovation & Addition: \$3,480,784

Option B - New Residence/Entertain up to 10: \$1,950,000

Option C - New Residence/Entertain up to 75: \$4,500,000

EXISTING FACILITY ISSUES

Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.

Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.

Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.

Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.

Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.

Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.



EXISTING SITE PLAN



CONCEPT FACILITY OPTIONS

OPTION A RENOVATION PLAN

Option A balances the needs for security and accessibility, while improving space adjacencies and finishes at significant areas.

Existing : 10,152 Gross Square Feet
 Renovation: 3,506 Gross Square Feet
 Addition: 3,607 Gross Square Feet
 TOTAL: 13,759 Gross Square Feet

Renovation Estimate: \$1,352,200
 Addition Estimate: \$1,500,000
 Interiors Estimate: \$628,584
 TOTAL: \$3,480,784

Pros:

- Balance of investment and essential needs
- Retains historic structure
- Provides efficient reuse of spaces

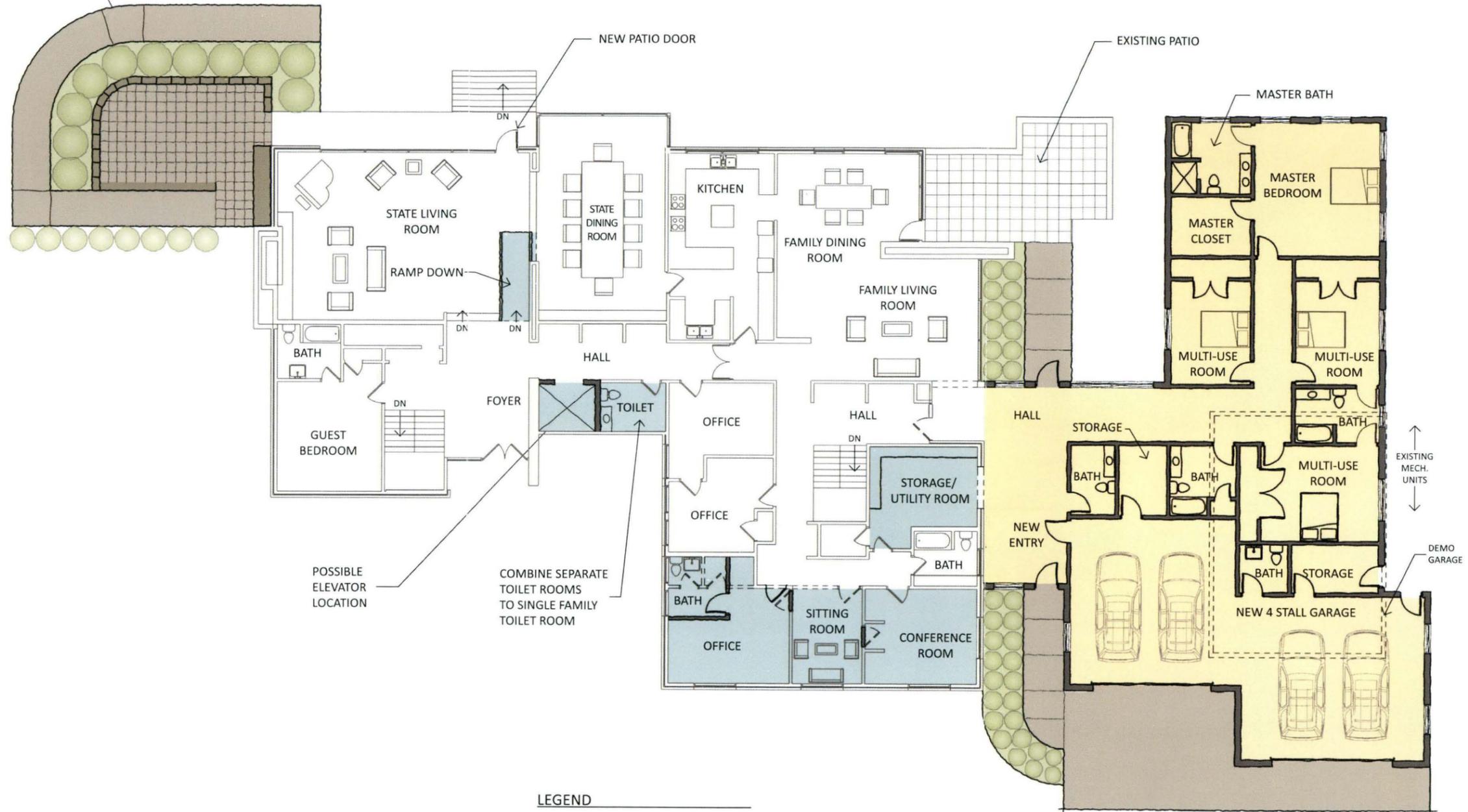
Cons:

- Maximizes use of existing facility, but mimimizes potential for future expansion
- Meets minimum requirements, but doesn't create ideal scale and adjacency of spaces
- Existing mechanical and electrical systems would be need to be evaluated to ventilate and power addition.

EXISTING FACILITY ISSUES

- ○ ○ Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.
- ● ○ Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.
- ○ ○ Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.
- ○ ○ Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.
- ○ ● Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.
- ○ ○ Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.

NEW OUTDOOR PATIO



LEGEND

- NEW AND RENOVATED
- - - DEMO LINES
- EXISTING
- REMODEL
- ADDITION
- NEW OUTDOOR HARDSCAPING
- NEW LANDSCAPING

FIRST FLOOR PLAN



OPTION A RENOVATION PLAN

Option A balances the needs for security and accessibility, while improving space adjacencies and finishes at significant areas.

Existing : 10,152 Gross Square Feet
Renovation: 3,506 Gross Square Feet
Addition: 3,607 Gross Square Feet
TOTAL: 13,759 Gross Square Feet

Renovation Estimate: \$1,352,200
Addition Estimate: \$1,500,000
Interiors Estimate: \$628,584
TOTAL: \$3,480,784

Pros:

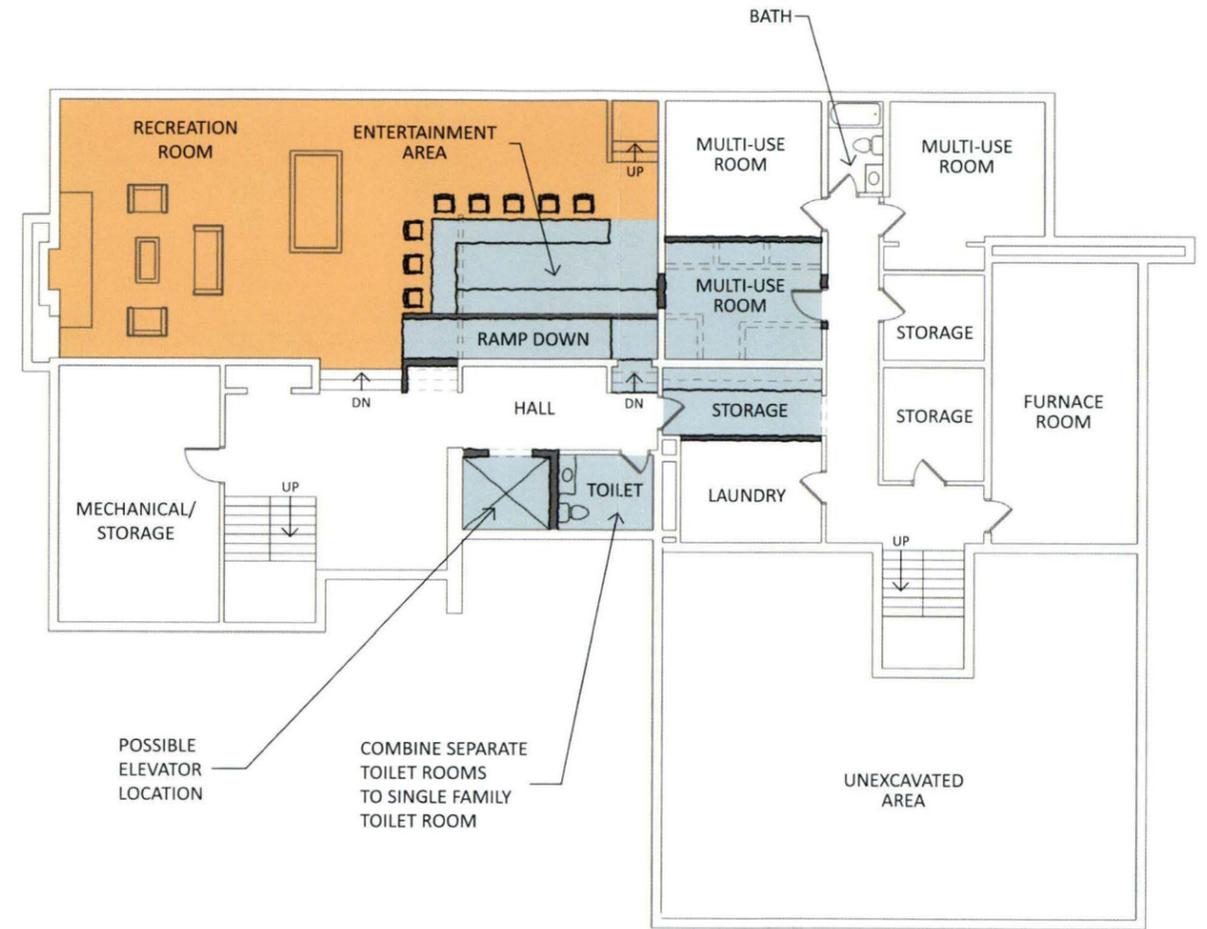
- Balance of investment and essential needs
- Retains historic structure
- Provides efficient reuse of spaces

Cons:

- Maximizes use of existing facility, but mimimizes potential for future expansion
- Meets minimum requirements, but doesn't create ideal scale and adjacency of spaces
- Existing mechanical and electrical systems would be need to be evaluated to ventilate and power addition.

EXISTING FACILITY ISSUES

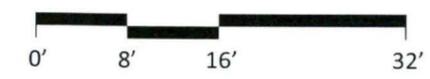
- ○ ○ Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.
- ● ○ Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.
- ○ ○ Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.
- ○ ○ Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.
- ○ ● Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.
- ○ ○ Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.



LEGEND

- NEW AND RENOVATED
- - - DEMO LINES
- EXISTING
- UPDATE FINISHES
- REMODEL

BASEMENT PLAN



OPTION B

NEW PRIVATE RESIDENCE- HOST UP TO 10

Option B proposes a new up-to-date private residence, and assumes state functions would be held off-site. This facility would have the capacity to host an event up to 12 people.

Existing : 10,152 Gross Square Feet
New Private Residence: 6,230 Gross Square Feet

Building Estimate: \$1,800,000
Site Estimate: \$50,000
Demolition Estimate: \$100,000
TOTAL: \$1,950,000

Pros:

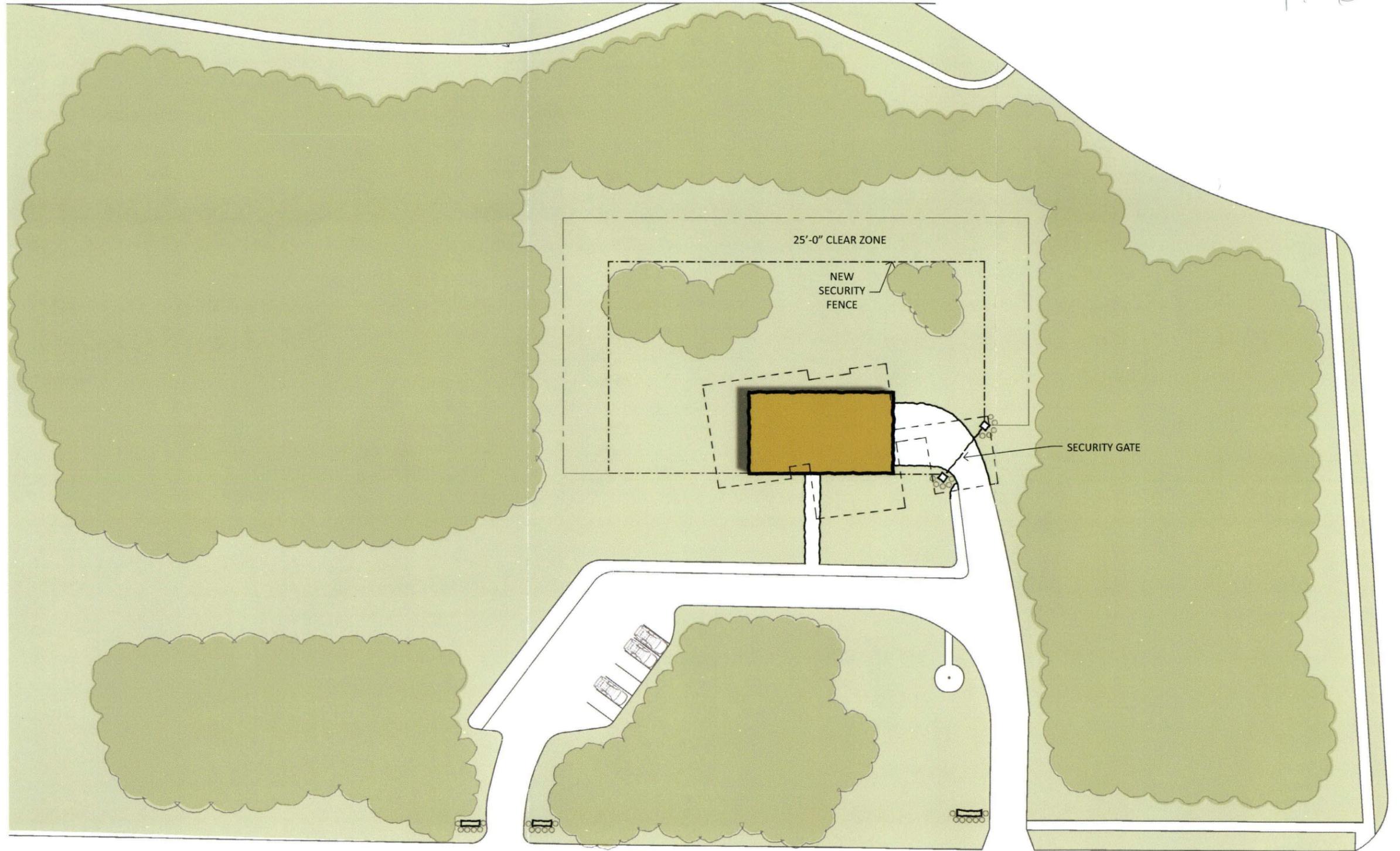
- Low long-term maintenance and operation costs
- Optimizes efficiencies and adjacencies of space
- Presents a new image and presence for governor's residence
- "Complete design": integrating interior/exterior spaces

Cons:

- High initial cost
- Abandons historic structure

EXISTING FACILITY ISSUES

- ○ ○ Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.
- ○ ○ Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.
- ○ ○ Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.
- ○ ○ Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.
- ○ ○ Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.
- ○ ○ Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.



LEGEND

- NEW AND RENOVATED
- - - DEMO LINES
- EXISTING
- NEW LANDSCAPING
-

CONCEPT SITE PLAN



OPTION C

NEW PRIVATE RESIDENCE- HOST UP TO 75

Option C proposes a new up-to-date facility that accommodates both state functions and a private residence. This facility would have the capacity to host an event up to 50 people.

Existing : 10,152 Gross Square Feet
 New Private Residence: 6,230 Gross Square Feet
 New Public Area: 7,120 Gross Square Feet
 Total New Facility: 13,350 Gross Square Feet

Private Residence Estimate: \$1,800,000
 Public Area Estimate: \$2,350,000
 Demolition Estimate: \$100,000
 Site Estimate: \$250,000
 TOTAL: \$4,500,000

Pros:

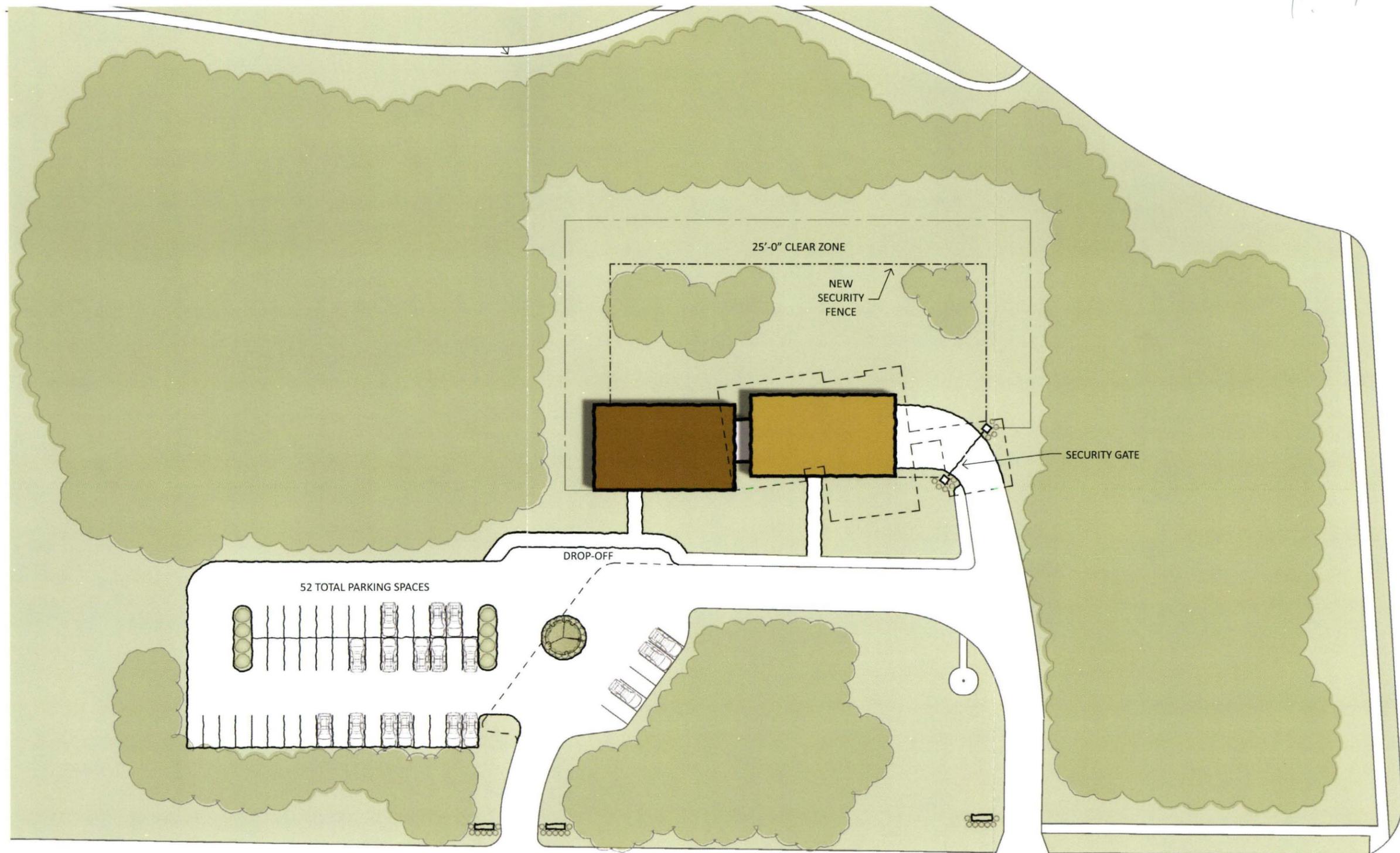
- Low long-term maintenance and operation costs
- Optimizes efficiencies and adjacencies of space
- Presents a new image and presence for governor's residence
- "Complete design": integrating interior/exterior spaces

Cons:

- Highest initial cost
- Abandons historic structure

EXISTING FACILITY ISSUES

- ○ ○ Security. The placement of the bedrooms and the open breezeway between the garage and house have raised security concerns.
- ○ ○ Accessibility. The "step-down" living room and basement entertainment room do not meet ADA requirements for accessibility. Lack of accessibility to the backyard has also been identified as problematic. These barriers present challenges for hosting events of any scale.
- ○ ○ Sleeping Quarters: Bedrooms are currently located on separate levels; preferred design would be to locate all sleeping areas on the same level. There are an insufficient number of bedrooms.
- ○ ○ Hazardous materials. Although future investigation needs to be completed, it is assumed that given the 1960 construction date of the facility that hazardous materials are present.
- ○ ○ Lack of natural light. The original location of the basement windows (clerestory height and below the porch) do not provide ample daylight for the tenants in the recreation and game room.
- ○ ○ Undersized garage. The 2-stall garage served its purpose when it was first built, however the residential garage of the 21st century requires more space than what was originally constructed.



LEGEND

- | | | | |
|-------|-------------------|---|---------|
| — | NEW AND RENOVATED | ■ | PUBLIC |
| - - - | DEMO LINES | ■ | PRIVATE |
| — | EXISTING | | |
| ● | NEW LANDSCAPING | | |

CONCEPT SITE PLAN



APPENDIX A

2012 NORTH DAKOTA GOVERNOR'S RESIDENCE MASTER PLAN

NORTH DAKOTA GOVERNOR'S RESIDENCE MASTERPLAN



CAPITOL GROUNDS PLANNING COMMISSION

Drew Wrigley, Lt. Governor and Chair
Lonnie Laffen, Senator
Richard Marcellais, Senator
Matt Klein, Representative
Robert Kilichowski, Representative
Merl Paaverud
Doug Prchal
Lisa Carlson
Michael Burns

FACILITIES MANAGEMENT

John Boyle, Director
Steve Sharkey, Governor's Residence Manager

Report Prepared By:
MICHAEL J. BURNS ARCHITECTS, LTD.
Fargo, North Dakota

May 2, 2012

In April 2011 Michael J. Burns Architects, Ltd. was hired by the ND Capitol Grounds Planning Commission to assess, provide options and a corresponding cost estimate to determine the realistic value of the current Governor's Residence which was completed in early 1960. The current size is just over 10,000 square feet on both upper and lower levels, excluding the exterior balcony, patio, garage walkway and garage.

Presentations were made to the Commission in September 2011 and January 2012 to review the preliminary findings, updated information and estimated costs.

PLANNING PRIORITIES

- To assess the current condition of the residence
- To examine its potential for renovation and expansion to meet current building and accessibility codes and the adaptability to meet the growing needs of the state's executive branch to socially interact with legislators, private company executives and various state agencies flourishing in economic growth
- To compare those modifications to a new residence

HISTORY

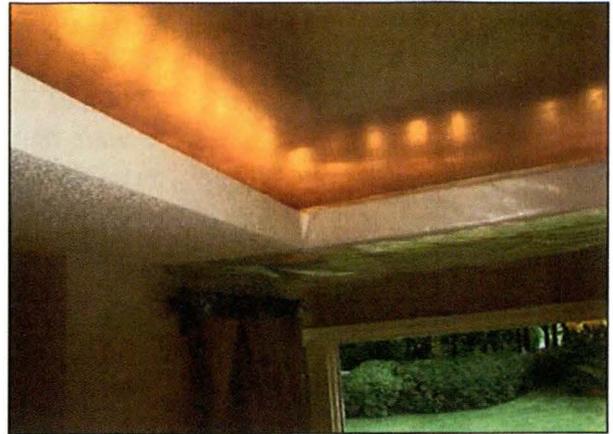
The construction of the home is a blend of light commercial and residential construction. The basement floor is concrete slab-on-grade; the first floor is a concrete floor on steel decking that rests on steel joists. A concrete bearing wall occurs between the public formal dining room and living rooms on both the basement and first floors. The roof is made of "stick-built" wood trusses. All interior walls are finished plaster with stained wood trim.

The residence was completed in March 1960 and Governor John Davis and his family moved into the three-bedroom home. The lower level/basement was not finished at this time due to an exhausted budget. In December 1960 Governor-elect William Guy and his family moved into the residence. The Guys had three children so in 1961 the two bedrooms and bath, which remain, were finished in the basement. Numerous other changes have occurred in the 52-year history and are briefly described below:

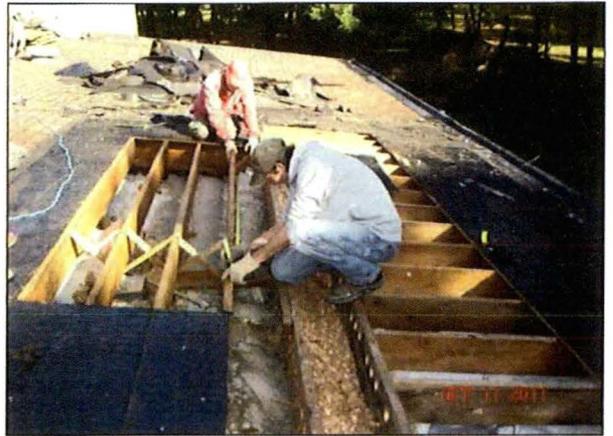
construction of the home is a blend of light commercial and residential construction. The basement floor is concrete slab-on-grade; the first floor is a concrete floor on steel decking that rests on steel joists. A concrete bearing wall occurs between the public formal dining room and living rooms on both the basement and first floors. The roof is made of "stick-built" wood trusses. All interior walls are finished plaster with stained wood trim.

The residence was completed in March 1960 and Governor John Davis and his family moved into the three-bedroom home. The lower level/basement was not finished at this time due to an exhausted budget. In December 1960 Governor-elect William Guy and his family moved into the residence. The Guys had three children so in 1961 the two bedrooms and bath, which remain, were finished in the basement. Numerous other changes have occurred in the 52-year history and are briefly described on the next couple pages:

- Public: corridor areas
- Public: Added a new fire egress door from the Dakota Room and connected with the bedroom as an exit way
- 2011 Public: The shingle roof was replaced after new ventilation holes were cut into the wood joists to prevent condensation from accumulating which had damaged the soffit and ceiling in the formal dining room
- Family: Basement bath was remodeled
- 2012 Family: Enclose covered walkway between house and garage with glass walls (tentative)



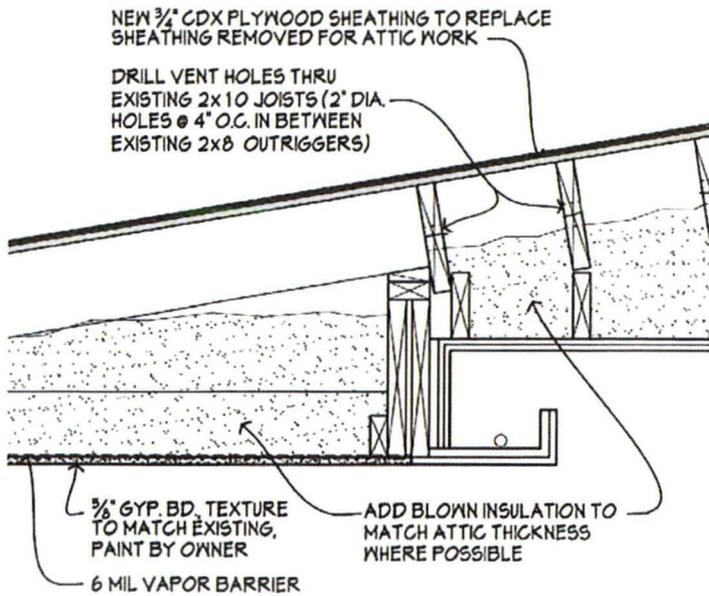
Damaged Dining Room ceiling (2010)



Dining Room roof repair (2011)



Dining Roof roof repair-new ventilation holes (2011)



Original soffit detail in dining room



Basement Bath (2010/2011)

RECOMMENDATIONS FOR THE EXISTING RESIDENCE

Areas examined include the following:

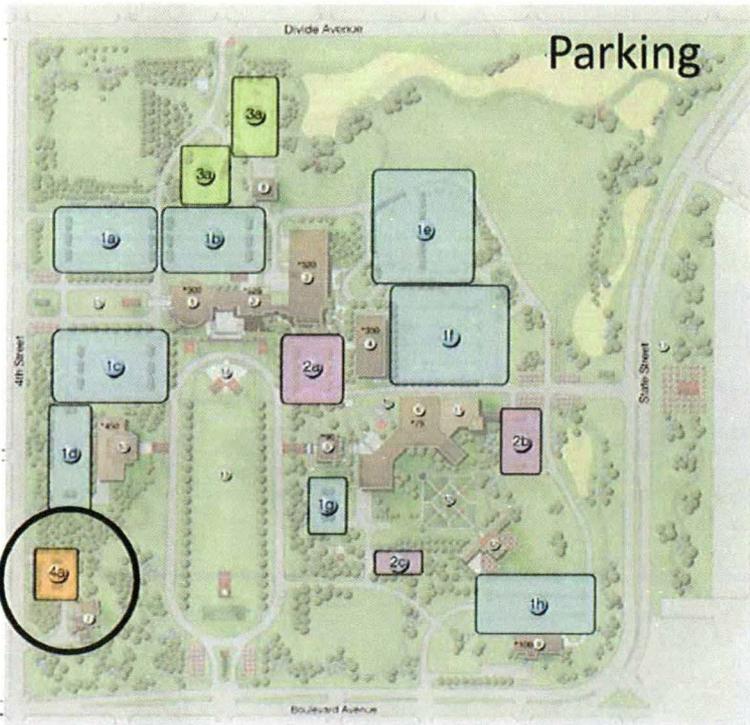
Exterior

- Additional parking for larger group gatherings
- Site and building accessibility
- Improve roof drainage system
- Patio expansion
- Additional natural light in the basement
- Enclose walkway between house and garage
- Enlarge garage or add 2 more stalls

Interior

- Accessibility
- Basement kitchen upgrades
- Sauna/exercise room
- Large windows at the Dakota room
- Egress windows at bedrooms
- Upgrade interior finishes
- Hazardous materials removal

****NOTE:** Numbers preceding image descriptions refer to corresponding "Specific Recommendations".



Capitol Grounds Masterplan



1. Governor's Residence



- 1. Parking expansion
- 2. Handicapped access to backyard
- 3. SHED
- 4. Patio Expansion
- 5. RESIDENCE ADDITION (2500 SF PER FLOOR)
- 6. Enclosed Walkway
- 7. Garage Expansion
- 8. Public-side Expansion 2,500 S.F./Floor

P. 14

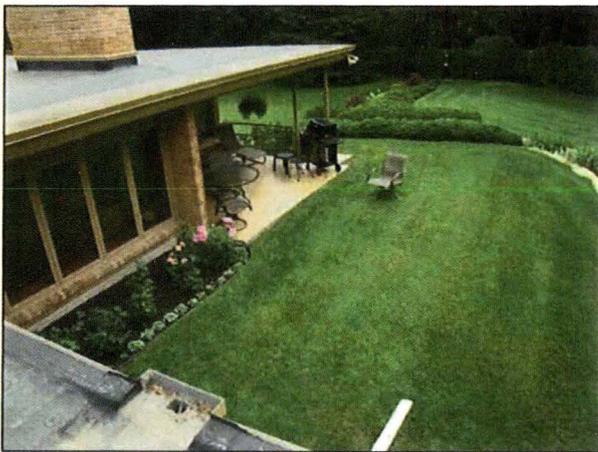
SPECIFIC RECOMMENDATIONS

Exterior Improvements:

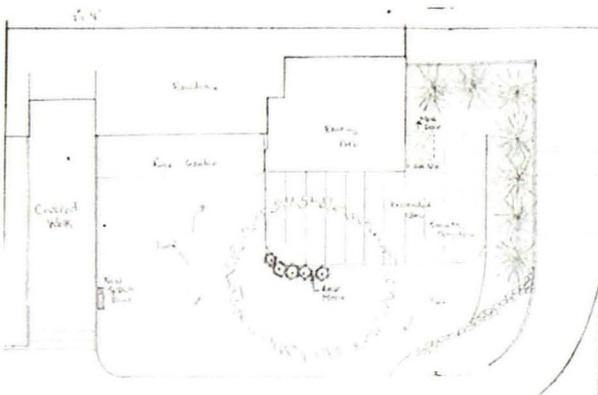
1. Parking—Provide more off-street spaces
 - a. The 2000 Capitol Grounds Masterplan recommends the location for parking lot, which is adjacent and to the north of the existing parking area and is set back from 4th Street and can be partially concealed by a grove of existing large trees
 - b. Various sources have expressed the need for more parking for the social events that are often held at the residence as the existing lot holds about 18 cars and any excess are required to park on 4th Street.
 - c. Recommended capacity is approximately 50-55 cars
2. Accessibility
 - a. Separate public parking access from the private access
 - b. Create a ramped walking surface from the parking area to both the residence's front door and into the backyard. (e.g., Grassy-Crete for backyard)
 - c. Add a fence for limiting backyard access
3. Improve roof drainage system
 - a. Shallow gutters with open outlets rather than downspouts
 - b. Due to large overhang of the public side of the roof, adding downspouts will alter the appearance of the home and will possibly interfere with regular yard maintenance
4. Private patio expansion
 - a. Existing patio is too small for any seating greater than 5 people
 - b. Provide landscaping at south edge for shading and the creation of an outdoor space
5. Natural light/egress windows in basement
 - a. Remove lower level windows in the Dakota Room and drop exterior grade to provide deeper windows for more light
 - b. Remove bedroom windows and enlarge them to meet building code egress
6. Garage/House Walkway enclosure
 - a. Provide temperature controlled enclosure
 - b. Within the existing structure, provide all glass doors, both fixed and operating patio doors for access to/from backyard and landscaped garden



3. Roof Drainage



4. Patio expansion needs



4. Proposed Patio expansion

P.16

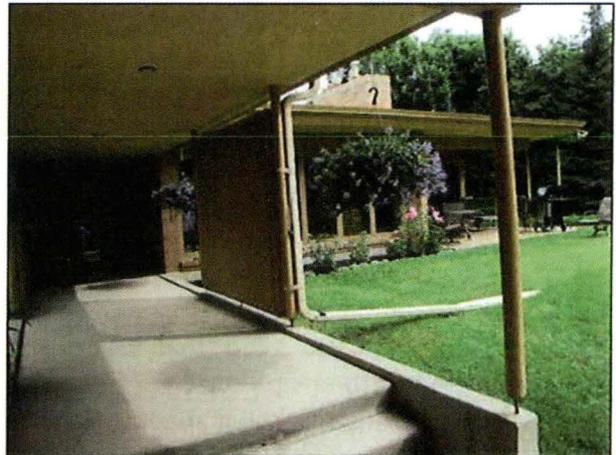
- 7. Enlarge existing garage
 - a. Connect the existing garage via a new link to a new two-stall garage to the south and west of the current garage
 - b. Modify driveway slab as required
 - c. Provide secure access to and from garbage containers
- 8. Expand public space in residence to current entertaining needs and to provide sound and secure separation between the public and private sides of the residence
 - a. Add another 5,000 sf (2,500/floor) to accommodate the public and private needs



5. Exterior windows & rail



6. Garage link & rerouted downspout



6. Walkway



7. Existing Garage-2 stalls

Interior Improvements

A. Accessibility

1. Provide a 2-person, Limited Use, Limited Access (LULA) elevator to provide access to all levels of the residence. The formal dining room must be accessed via the kitchen.
2. Modify the public restrooms to accommodate handicapped requirements.

B. Basement kitchen upgrades

1. Kitchen is used for large events that use both levels of the residence
2. Original design remains and is very small allowing limited use and is no accessibility
3. Limited space for storage and preparing food
4. No dumbwaiter exists-food must be hand-carried from the main floor kitchen for events
5. Enlarge kitchen into the existing laundry room which provides either same-level access to the elevator or use of existing steps to the Dakota Room

C. Sauna/exercise room

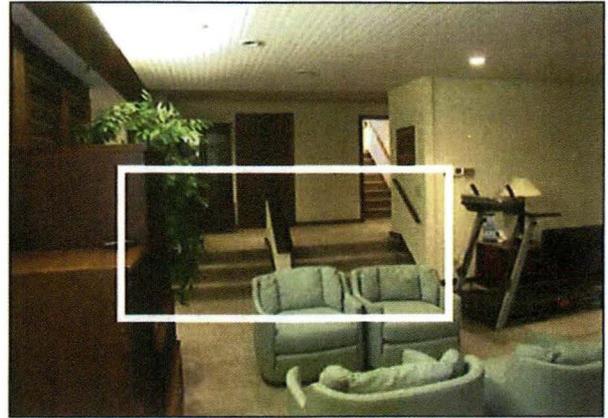
1. No designated private space exists
2. First family must either use off-site facilities or the Dakota Room
3. Sauna can be created renovating the existing cedar-lined and dry-goods pantry into a small bath and sauna; the exercise room can be located in the original garage by using the existing NE room and expanding it providing windows overlooking the backyard to the east

D. Interior design finishes upgrades

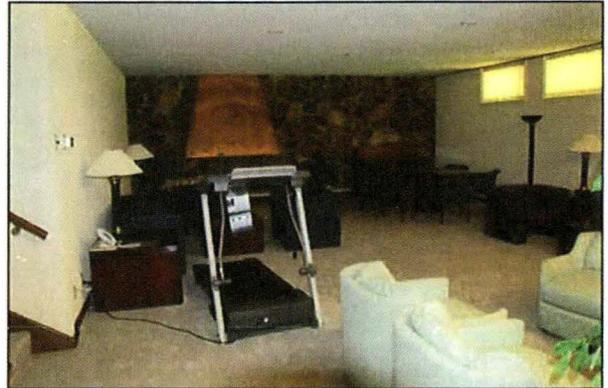
1. Dakota Room
2. Recreation Room which is separated by a partial wood screen from the Dakota Room
3. When replacing finishes it is recommended to use a classic color scheme, which won't go in and out of style and remains flexible for updating accessories as needed.

E. Hazardous materials removal

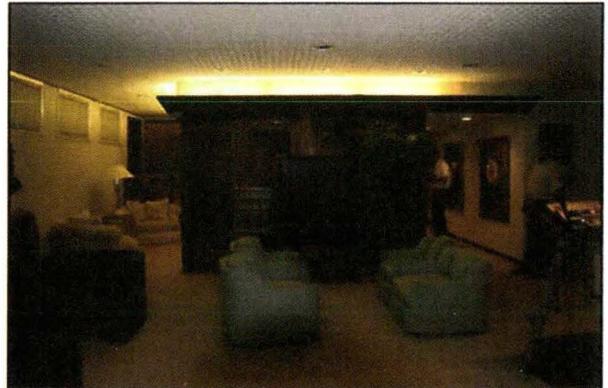
1. This is an unconfirmed issue that must be addressed prior to any major renovation work



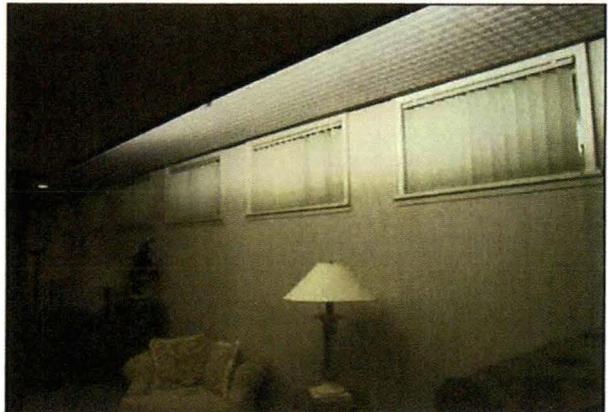
A. Dakota Room access



C./D. Dakota Room

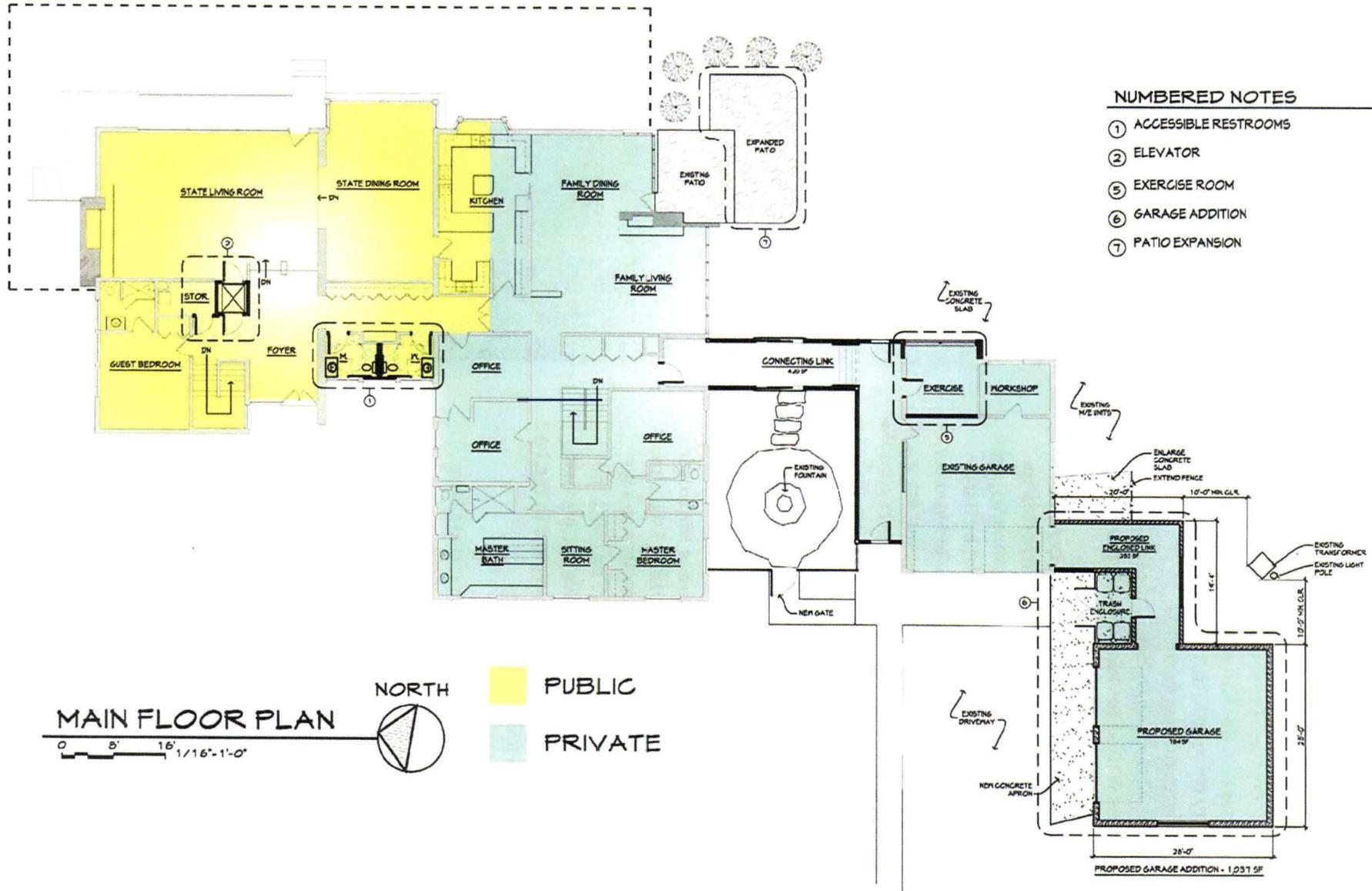


D. Dakota Room



D. Dakota Room

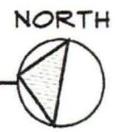
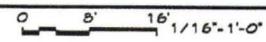
2,500 S.F. EXPANSION



NUMBERED NOTES

- ① ACCESSIBLE RESTROOMS
- ② ELEVATOR
- ⑤ EXERCISE ROOM
- ⑥ GARAGE ADDITION
- ⑦ PATIO EXPANSION

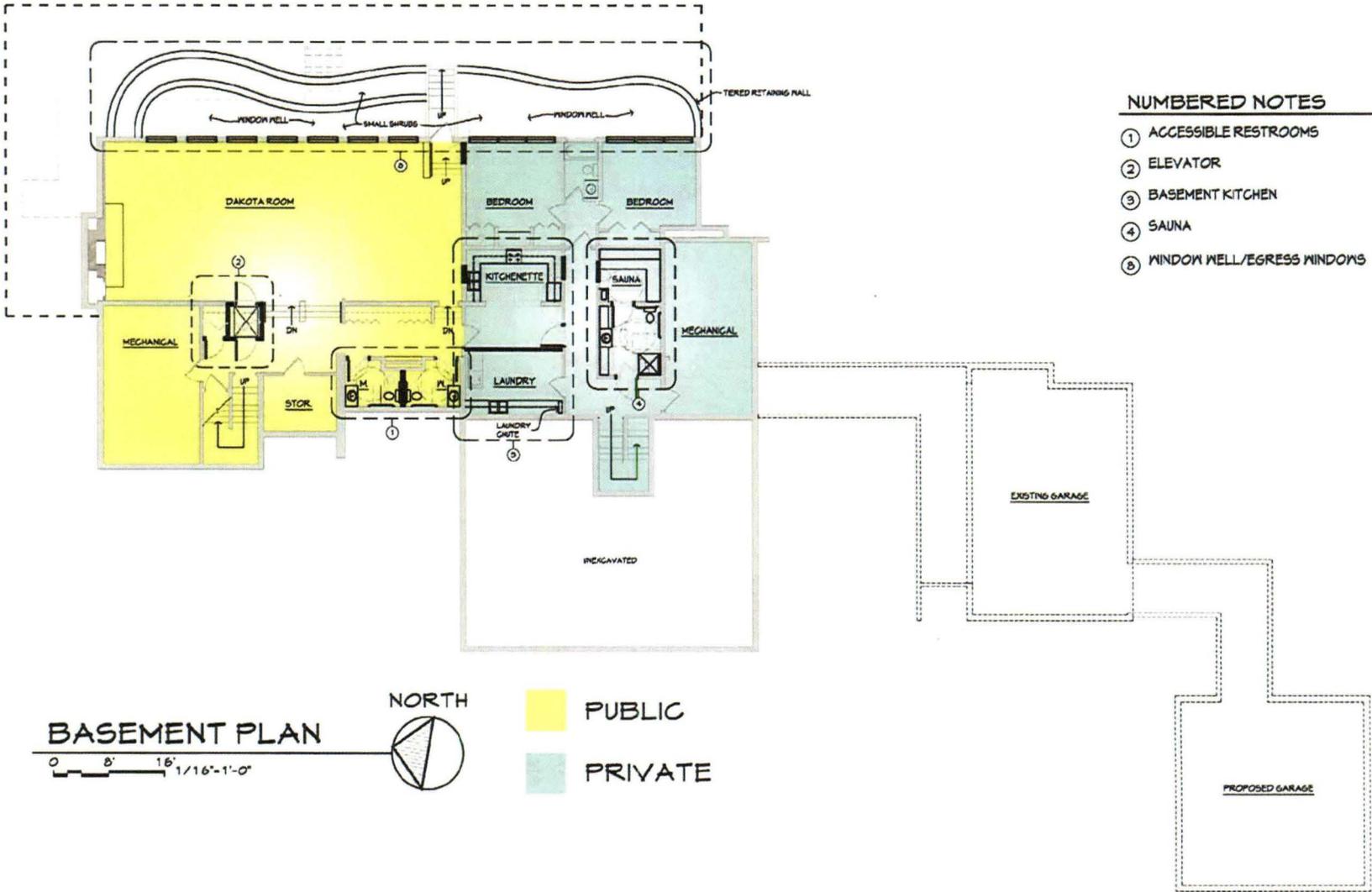
MAIN FLOOR PLAN



PUBLIC
 PRIVATE

7.18

2,500 S.F. EXPANSION

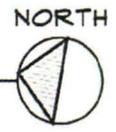


NUMBERED NOTES

- ① ACCESSIBLE RESTROOMS
- ② ELEVATOR
- ③ BASEMENT KITCHEN
- ④ SAUNA
- ⑤ WINDOW WELL/EGRESS WINDOWS

BASEMENT PLAN

0 8' 16' 1/16"=1'-0"



PUBLIC
 PRIVATE

P. 19

COST ESTIMATE-RENOVATION/ADDITION

The current estimated and insured value of the residence is \$1,667,000.

Exterior		
Parking/ADA walk to backyard	\$151,400	
Enlarge Dakota Rm and Bedroom windows	71,600	
Garage Link Enclosure	151,400	
New Garage/trash enclosure	124,800	
Private patio and landscaping	18,000	
Sub-total		\$512,700
Interior		
Elevator	\$120,000	
Upgrade public toilet rooms	52,300	
Upgrade finishes in Dakota Rm	88,300	
Modify Basement Kitchen/Laundry	62,600	
Provide sauna/shower and toilet	25,900	
Exercise room	15,000	
Sub-total		\$364,100
New Residence Expansion - 5,000 SF @ \$300/SF		\$1,500,000
TOTAL RENOVATIONS AND UPGRADES		\$2,376,800
Softcosts ¹	\$475,400	
TOTAL ESTIMATED PROJECT COST		\$2,852,200

¹ Softcosts are 20% of the above estimate and include design fees, administrative management costs, testing, abatement, reports, etc.

COST ESTIMATE-NEW CONSTRUCTION **15,000 SF Residence/Public Hall**

Recommended features:

1. New residence on one floor
2. Two master suites
 - a. Governor
 - b. Guest Dignitary
3. Provide on present site
 - a. Demolish existing home
 - b. Build new home north of existing home; demolish existing when new one is complete
4. Landscaping and sitework to accommodate large gatherings
5. Complete separation between public use areas and the family residence
6. Security
7. Nearby parking lot for large functions

P. 21

Cost Estimate

Building with fire protection systems:	\$3,150,000
Demolition:	\$150,000
Parking Lot for 55 cars:	\$200,000
Landscaping/Security:	\$250,000
Subtotal:	\$3,750,000
Softcosts ¹	\$750,000
TOTAL NEW CONSTRUCTION PROJECT COST	\$4,500,000

SUMMARY:

1. Age: 52 years old
2. Construction methodology—recent examples of condensation problem in the public dining room roof/ceiling, its cost and inconvenience of repair indicate that additional problems may accelerate due the building's age and construction assemblies.
3. Handicapped access—no provisions have been made to provide access to the backyard that is barrier free. Due to the "sunken" public living room on the main floor and Dakota Room in the basement access is not readily available.
4. Safety/security/fire protection—this can be improved upon; no fire suppression system exists in the residence.
5. Parking—is insufficient for large public gatherings
6. Inflexible public use—the governor must participate whenever the public portion of the residence is used therefore limiting the amount of public use that could be available with distinctive separation between the public and private parts of the residence. In addition:
 - a. public spaces are too small for most gatherings requiring that entertaining the legislature be done in several parties
 - b. basement bedrooms and bath must be accessed via same halls that are used by state staff when entertaining
 - c. Public/private driveways should be separate to maximize privacy
7. Serving kitchen for Dakota Room and backyard events is too small and inaccessible. Two separate sets of steps must be traversed between the level of the Dakota Room and the backyard, which creates both safety and efficiency issues.

END OF REPORT

APPENDIX B

2014 NORTH DAKOTA GOVERNOR'S RESIDENCE INTERIOR REMODEL

P. 23

GOVERNOR'S RESIDENCE

2014 REMODEL SCOPE

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
116	KITCHEN CIRCA 1992	EXISTING CABINERY	55	\$ 650.00	\$ 35,750.00	\$ 1,000.00
		FLOORING	420	\$ 20.00	\$ 8,400.00	\$ 500.00
		WALL FINISH	576	\$ 4.50	\$ 2,592.00	
		CEILING	288	\$ 2.75	\$ 792.00	
		PLUMBING FIXTURES			\$ 3,000.00	
		LIGHTING			\$ 1,000.00	
		DOORS AND MILLWORK			\$ 6,500.00	
		APPLIANCES			\$ 2,000.00	
		COUNTER STOOLS			\$ 500.00	
117/118	LIVING/DINING	FLOOR COVERING	900	\$ 20.00	\$ 18,000.00	
		WALL FINISH	1080	\$ 4.50	\$ 4,860.00	
		CEILING	900	\$ 2.75	\$ 2,475.00	
		DOORS AND MILLWORK			\$ 3,000.00	
		FURNITURE			\$ 30,000.00	
		AUDIO/VIDEO			\$ 2,500.00	
		LIGHTING			\$ 3,000.00	
		FIREPLACE REDESIGN			\$ 10,000.00	\$ 1,000.00
119	SOUTH BACK ENTRY	WALL FINISH	1010	\$ 4.50	\$ 4,545.00	
		DOORS AND MILLWORK			\$ 11,000.00	
		CEILING	484	\$ 2.75	\$ 1,331.00	
		LIGHTING			\$ 2,500.00	
		SKYLIGHT?			\$ 10,000.00	
		STAIRWELL FIXTURE?			\$ 1,000.00	

P. 24

GOVERNOR'S RESIDENCE
REMODEL SCOPE 2014
PAGE 2 OF 6

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
137	PRIVATE SIDE STAIRWELL	FLOOR COVERING MILLWORK CEILING LIGHTING	192	\$ 20.00	\$ 3,840.00 \$ 10,000.00 \$ 825.00 \$ 1,000.00	
			300	\$ 2.75		\$ 15,665.00
122/123	OFFICES	FLOOR COVERING WALL FINISH CEILING DOORS AND MILLWORK	448	\$ 20.00	\$ 8,960.00 \$ 4,860.00 \$ 962.50 \$ 10,250.00	
						\$ 25,032.50
125/126	MASTER CLOSET AND SITTING AREA	FLOOR COVERING WALL FINISH CEILING CABINERY DOORS AND MILLWORK PLUMBING WINDOW COVERING LIGHTING INSULATE WALLS	704	\$ 20.00	\$ 14,080.00 \$ 4,950.00 \$ 1,078.00 \$ 11,040.00 \$ 8,000.00 \$ 2,500.00 \$ 2,800.00 \$ 2,000.00 \$ 2,800.00	\$ 600.00
						\$ 49,848.00
127	PRIVATE W/C	WALL FINISH CEILING INSULATE WALLS PLUMBING FIXTURES LIGHTING	200	\$ 4.50	\$ 900.00 \$ 82.50 \$ 400.00 \$ 1,750.00 \$ 500.00	
			30	\$ 2.75		\$ 3,632.50
128	PRIVATE SHOWE	PLUMBING FIXTURES TILEWORK			\$ 1,500.00 \$ 9,000.00	\$ 1,000.00
			300	\$ 30.00		\$ 11,500.00

P. 25

GOVERNOR'S RESIDENCE
REMODEL SCOPE 2014
PAGE 3 OF 6

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
129	MASTER BEDROOM	FLOOR COVERING	NA			\$ 500.00
		WALL FINISH	675	\$ 4.50	\$ 3,037.50	
		CEILING	225	\$ 2.75	\$ 618.75	
		WINDOW COVERING			\$ 1,000.00	
		LIGHTING				
		INSULATE WALLS			\$ 1,500.00	\$ 6,656.25
139	GUEST BATHROOM	WALL FINISH	324	\$ 4.50	\$ 1,458.00	
		CEILING	80	\$ 2.75	\$ 220.00	
		VANITY CABINET	8	\$ 460.00	\$ 3,680.00	\$ 750.00
		DOORS AND MILLWORK			\$ 2,500.00	
		PLUMBING FIXTURES			\$ 1,800.00	
		WINDOW COVERING			\$ 250.00	
		LIGHTING			\$ 750.00	\$ 11,408.00
132	GUEST BEDROOM	FLOOR COVERING	265	\$ 20.00	\$ 5,300.00	
		WALL FINISH	400	\$ 4.50	\$ 1,800.00	
		CEILING	275	\$ 2.75	\$ 756.25	
		DOORS AND MILLWORK			\$ 5,000.00	
		WINDOW COVERING			\$ 500.00	
		INSULATE WALLS			\$ 900.00	
		LIGHTING			\$ 1,500.00	\$ 15,756.25
B-1/B-7	LOWER NORTH HALL	FLOOR COVERING	538	\$ 20.00	\$ 10,760.00	\$ 750.00
		WALL FINISH	1250	\$ 4.50	\$ 5,625.00	
		CEILING	400	\$ 2.75	\$ 1,100.00	
		DOORS AND MILLWORK			\$ 14,500.00	
		LIGHTING			\$ 2,500.00	\$ 35,235.00

P. 26

GOVERNOR'S RESIDENCE
REMODEL SCOPE 2014
PAGE 4 OF 6

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
B-8,9,10	LOWER LEVEL BATHROOMS (CIRCA 1971)	FLOOR COVERING	200	\$ 20.00	\$ 4,000.00	
		WALL FINISH	800	\$ 4.50	\$ 3,600.00	
		CEILING	200	\$ 2.75	\$ 550.00	
		DOORS AND MILLWORK			\$ 6,500.00	
		LIGHTING			\$ 2,500.00	
		PLUMBING FIXTURES			\$ 3,000.00	\$ 20,150.00
B-5	LOWER LEVEL FAMILY ROOM (WALL FINISH CIRCA 1989) (CIRCA 1959)	FLOOR COVERING	936	\$ 20.00	\$ 18,720.00	
		WALL FINISH	1080	\$ 4.50	\$ 4,860.00	
		CEILING	864	\$ 2.75	\$ 2,376.00	
		INSULATE EXTERIOR WALL			\$ 2,500.00	
		DOORS AND MILLWORK			\$ 3,000.00	
		NEW WINDOWS			\$ 10,000.00	
		WINDOW COVERING			\$ 2,000.00	
		FIREPLACE UPGRADE			\$ 10,000.00	\$ 2,000.00
		FURNITURE			\$ 30,000.00	
LIGHTING			\$ 7,000.00	\$ 92,456.00		
B-6	LOWER LEVEL ACTIVITY RM (CIRCA 1959)	FLOOR COVERING	470	\$ 20.00	\$ 9,400.00	
		WALL FINISH	470	\$ 4.50	\$ 2,115.00	
		CEILING-REMOVE SOFFIT?	470	\$ 2.75	\$ 1,292.50	\$ 3,500.00
		DOORS AND MILLWORK			\$ 5,000.00	
		BAR BACK	14	\$ 640.00	\$ 8,960.00	
		BAR FRONT	14	\$ 460.00	\$ 6,440.00	
		REMOVE ROCK WALL			\$ 1,000.00	
		MEDIA ROOM?				
		NEW WINDOWS			\$ 6,000.00	
		WINDOW TREATMENT			\$ 1,000.00	
		INSULATE EAST WALL			\$ 1,500.00	
FURNITURE			\$ 12,000.00	\$ 58,207.50		

GOVERNOR'S RESIDENCE
REMODEL SCOPE 2014
PAGE 5 OF 6

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
B-14/B-11	GALLEY LAUNDRY (CIRCA 1960)	REDESIGN/REPURPOSE LIGHTING FLOOR COVERING WALL FINISH CEILING DOORS AND MILLWORK PLUMBING FIXTURES CABINETRY				\$ 2,000.00
	(CIRCA 1971)		480	\$ 20.00	\$ 9,600.00	
			480	\$ 4.50	\$ 2,160.00	
			340	\$ 2.75	\$ 935.00	
					\$ 9,000.00	
					\$ 2,000.00	
			15	\$ 300.00	\$ 4,500.00	\$ 30,195.00
B-12/B-13	LOWER LEVEL BEDROOM HALLWAY	FLOOR COVERING WALL FINISH CEILING DOORS AND MILLWORK LIGHTING	276	\$ 20.00	\$ 5,520.00	\$ 500.00
			800	\$ 4.50	\$ 3,600.00	
			220	\$ 2.75	\$ 605.00	
					\$ 17,500.00	
					\$ 2,500.00	\$ 30,225.00
B-21/22	LOWER HALLWAY CLOSETS	FLOOR COVERING WALL FINISH CEILING DOORS AND MILLWORK LIGHTING CABINETRY HVAC				
					N/A	
B-18	LOWER LEVEL BATHROOM	REMODELED				

P. 28

GOVERNOR'S RESIDENCE
REMODEL SCOPE 2014
PAGE 6 OF 6

ROOM #	LOCATION	SCOPE OF WORK	SF	UNIT COST	ESTIMATE	DEMO
B-17/B-19	LOWER LEVEL	FLOOR COVERING	608	\$ 20.00	\$ 12,160.00	
	BEDROOMS	WALL FINISH	1400	\$ 4.50	\$ 6,300.00	
		CEILING	448	\$ 2.75	\$ 1,232.00	
		DOORS AND MILLWORK			\$ 15,000.00	
		LIGHTING				
		HVAC				
		FURNITURE				
		WINDOW COVERING			\$ 2,000.00	
(CIRCA 1959)		WINDOWS			\$ 12,000.00	
		INSULATE EXTERIOR WALLS			\$ 3,000.00	
		CABINETS	8	\$ 460.00	\$ 3,680.00	\$ 55,372.00
						\$ 628,584.00

2 2304

3-19-15

NDLA, H GVA - Hart, Carmen

From: NDLA, Intern 06 - Lafferty, Austin
Sent: Thursday, March 19, 2015 3:50 PM
To: -Grp-NDLA House Government & Veterans Affairs
Cc: NDLA, H GVA - Hart, Carmen
Subject: Image(s) of the South Dakota Governor's residence

Chairman Kasper and Committee Members

As Chairman Kasper requested, I contacted John Boyle from facilities to get pictures of the SD Governor's residence. He is not sure which specific pictures Chairman Kasper used when introducing his bill during the earlier session, but he did provide two links. The first provides an image of the SD governor's residence, as well as images of several other state's residences. The second link is to a google image search providing a variety of images of the SD residence.

Link One: <http://www.quazoo.com/q/South%20Dakota%20Governor's%20Residence>

Link

Two: http://www.google.com/search?q=south+dakota+governor's+mansion&safe=active&biw=1920&bih=1054&tbm=isch&imgil=g1ip30latinU9M%253A%253BHZcpY-1YFbfNGM%253Bhttp%25253A%25252F%25252Fsd.gov%25252Fgovernor%25252Fmansion.aspx&source=iu&pf=m&fir=g1ip30latinU9M%253A%252CHZcpY-1YFbfNGM%252C%20&usg=__H0-HAHcQ3Ah3DwUDRZKDbaiWHc%3D&ved=0CCcQyjc&ei=cziLVbO8HKe1sQTx8oKoBA#imgrc=g1ip30latinU9M%253A%3BHZcpY-1YFbfNGM%3Bhttp%253A%252F%252Fsd.gov%252Fgovernor%252Fimg%252Fgovmansion2.jpg%3Bhttp%253A%252F%252Fsd.gov%252Fgovernor%252Fmansion.aspx%3B644%3B431

#1 2304

3-27-15

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2304

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act providing an appropriation to the office of management and budget for the demolition of the governor's residence and the construction of a new residence.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from special funds derived from other income, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of constructing a governor's residence, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 2. CONSTRUCTION AUTHORIZATION. Section 1 of this Act includes \$5,000,000, of which up to \$4,000,000 is from the capitol building fund and \$1,000,000 in special funds to be raised from private donations or other sources, for the demolition of the governor's residence and for the design and construction of a new residence on the site of the current residence. Construction may not begin until any private fundraising group certifies to the office of management and budget that of the special funds required to complete the project, cash or pledges with a discounted cash value of at least \$500,000 has been received and placed in an account designated for the sole purpose of constructing the project authorized in this Act."

Renumber accordingly

March 27, 2015

#2 2304
3-27-15

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2304

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act providing an appropriation to the office of management and budget for the demolition of the governor's residence and the construction of a new residence.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the capitol building fund in the state treasury, which is dedicated solely to the improvement to the capitol grounds, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from funds derived from private donations, the sum of no less than \$1,000,000, to the office of management and budget for the purpose of constructing a governor's residence, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 2. CONSTRUCTION AUTHORIZATION. Section 1 of this Act includes \$5,000,000, of which \$4,000,000 is from the capitol building fund and no less than \$1,000,000 in funds to be raised from private donations, for the demolition of the governor's residence and for the design and construction of a new residence, including a public gathering facility to accommodate at least one hundred people, on the site of the current residence. Construction may not begin until any private fundraising group certifies to the office of management and budget that of the special funds required to complete the project, cash or pledges with a discounted cash value of at least \$500,000 has been received and placed in an account designated for the sole purpose of constructing the project authorized in this Act. Should more than \$1,000,000 in donated funds be raised, the budget section may appropriate those funds to be used as additional authorization for construction costs."

Renumber accordingly

April 16, 2015

1

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2304

That the House recede from its amendments as printed on pages 1599 and 1600 of the House Journal and pages 1433 and 1434 of the Senate Journal and that Engrossed Senate Bill No. 2304 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. GOVERNOR'S RESIDENCE - ARCHITECT AND ENGINEERING SERVICES. The office of management and budget shall procure architect and engineering professional services pursuant to chapter 54-44.7, for the design of a governor's residence that must include event space to accommodate meetings and entertainment. The office of management and budget project selection committee shall require the selected person or firm to provide at least three preliminary designs to be presented at a public meeting of the capitol grounds planning commission. A member of the legislative assembly who attends this capitol grounds planning commission meeting is entitled to receive expense reimbursement for attending the meeting. The director of the facility management division of the office of management and budget, or the director's designee, shall serve as the project manager.

SECTION 2. APPROPRIATION - GOVERNOR'S RESIDENCE PROJECT. There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from funds derived from private donations, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of designing and constructing a governor's residence in accordance with this Act, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 3. CONSTRUCTION AUTHORIZATION - ADDITIONAL INCOME. Section 2 of this Act includes \$5,000,000, of which \$4,000,000 is from the capitol building fund and \$1,000,000 is from funds to be raised from private donations, for the demolition of the existing governor's residence, the design and construction of a new residence, and for fixtures and furniture for the new residence. Construction may not begin until any private fundraising entity certifies to the office of management and budget that, of the special funds required to complete the project, at least \$500,000 in cash has been received and placed in an account designated for the sole purpose of constructing the project authorized in this Act. If more than \$1,000,000 in donated funds is raised, the office of management and budget may seek emergency commission and budget section approval to spend the excess funds for upgraded fixtures and furniture for the new residence. Any increased spending authority for the project may not be used to expand the scope of the project.

SECTION 4. APPROPRIATION - TEMPORARY HOUSING EXPENSES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the governor's office for temporary housing expenses for the governor during the demolition of the existing governor's residence and construction of a new residence, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item. Any funds not used for temporary housing expenses may not be spent for any other purpose and must be canceled in accordance with section 54-44.1-11."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment changes the design review and selection process for the governor's residence from the Budget Section to the Capitol Grounds Planning Commission.

4/14 #2
SB 2304

**FRIENDS OF THE NORTH DAKOTA GOVERNOR'S RESIDENCE
BOARD OF DIRECTORS 2014- 2015**

EXECUTIVE BOARD

Susan Andrews – Chairwoman
Cecily Fong – Vice-Chairwoman
Kathy Hawken – Secretary
Lori Finken –Treasurer

BOARD MEMBERS

Linda Butts
Lisa Carlson
Carol Cashman
Linda Christman
Linda Collins
Tara Holt
Jan Irby
Kathy Keiser
Carole Kline
Margo McCulley
Connie Nicholas
Carol Nitschke
Drinda Olsen
Anne Pyle
Laurie Rauschenberger
Kathleen Wrigley

GOVERNOR'S RESIDENCE:

Betsy Dalrymple
Steve Sharkey

3-20-2015

4/30 #1

15.0890.05013
Title.

Prepared by the Legislative Council staff for
Senator Poolman

April 20, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2304

That the House recede from its amendments as printed on pages 1598-1600 of the House Journal and pages 1433 and 1434 of the Senate Journal and that Engrossed Senate Bill No. 2304 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. GOVERNOR'S RESIDENCE - ARCHITECT AND ENGINEERING SERVICES. The office of management and budget shall procure architect and engineering professional services pursuant to chapter 54-44.7, for the design of a governor's residence that must include space to accommodate meetings and events. The office of management and budget project selection committee, which must include the majority and minority leaders of house of representatives, or their designees, and the majority and minority leaders of the senate, or their designees, shall require the selected person or firm to provide at least three preliminary designs to be presented at a public meeting of the capitol grounds planning commission. A member of the legislative assembly who attends this capitol grounds planning commission meeting is entitled to receive expense reimbursement for attending the meeting. The director of the facility management division of the office of management and budget, or the director's designee, shall serve as the project manager.

SECTION 2. APPROPRIATION - GOVERNOR'S RESIDENCE PROJECT. There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from funds derived from private donations, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of designing and constructing a governor's residence in accordance with this Act, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 3. CONSTRUCTION AUTHORIZATION - ADDITIONAL INCOME. Section 2 of this Act includes \$5,000,000, of which \$4,000,000 is from the capitol building fund and \$1,000,000 is from funds to be raised from private donations, for the demolition of the existing governor's residence, the design and construction of a new residence, and for fixtures and furniture for the new residence. Construction may not begin until any private fundraising entity certifies to the office of management and budget that, of the special funds required to complete the project, at least \$500,000 in cash has been received and placed in an account designated for the sole purpose of constructing the project authorized in this Act. If more than \$1,000,000 in donated funds is raised, the office of management and budget may seek emergency commission and budget section approval to spend the excess funds for upgraded

fixtures and furniture for the new residence. Any increased spending authority for the project may not be used to expand the scope of the project.

SECTION 4. APPROPRIATION - TEMPORARY HOUSING EXPENSES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the governor's office for temporary housing expenses for the governor during the demolition of the existing governor's residence and construction of a new residence, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item. Any funds not used for temporary housing expenses may not be spent for any other purpose and must be canceled in accordance with section 54-44.1-11."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment changes the design review and selection process for the Governor's residence from the Budget Section to the Capitol Grounds Planning Commission and includes four legislators on the selection committee.

SB 2304
4/20 CC

#2
Pg 1

Boards and Commissions

Capitol Grounds Planning Commission

Type of Board:	Advisory	Pay/Benefits:	State Rate
Voting Members:	9	Other Members:	0
Non-Voting Members:	0	Created by:	NDCC § 48-10
Length of Terms:	2 years		
Frequency of Meetings:	Call of the Chairman		
Address:	600 East Boulevard - 4th Floor Bismarck, ND 58505		
Phone:	701-328-2471		
Fax:	701-328-3230		
Website:			
Email:	roberg@nd.gov		

The Commission shall advise the director of the Office of Management and Budget and the Legislative Council on matters relating to the physical and aesthetic feature of the interior and exterior of all buildings on the Capitol Grounds. The Commission consists of the lieutenant governor as chairman and eight other members including two citizens, one licensed architect, and one representative from the State Historical Society appointed by the governor. The president of the Senate shall appoint two senators as members and the speaker of the House of Representatives shall appoint two representatives.

Member Name	Position	Work	County	Appt. Date	Term Ends
Berg, Claudia	Governor's Appointee - SHS	(701) 328-2724	Burleigh	11/24/2014	7/31/2017
Burns, Michael	Governor's Appointee - Archivist	(701) 298-0140	Cass	8/1/2005	7/31/2015
Carlson, Lisa	Governor's Appointee - Citizen		Burleigh	10/7/2003	7/31/2015
Kelsh, Representative Jerry	Legislative Appointee				
Klein, Representative Matt	Legislative Appointee				
Laffen, Senator Lonnie	Legislative Appointee	(701) 746-1727	Grand Forks	5/1/2011	
Prchal, Doug	Governor's Appointee - Citizen		Burleigh	10/7/2003	7/31/2015
Triplett, Senator Connie	Legislative Appointee		Adams		
Wrigley, Lt. Governor Drew	Chairman	(701) 328-2200	Burleigh		Open

48-10-01. Capitol grounds planning commission.

The capitol grounds planning commission consists of the lieutenant governor as chairman and eight other members selected biennially as provided in this section. The governor shall appoint two citizens, one licensed architect, and one representative from the state historical society as members, the president of the senate shall appoint two senators as members, and the speaker of the house of representatives shall appoint two representatives as members. Appointment to the commission is for a term of two years. Legislative and citizen members of the planning commission are entitled to per diem payments and expenses in such amount and in the same manner as provided by law for members of the legislative management.

History.

S.L. 1965, ch. 314, 1; 1967, ch. 364, 1; 1973, ch. 377, 1; 1987, ch. 563, 1; 1995, ch. 59, 2; 2009, ch. 482, 33.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2304

That the House recede from its amendments as printed on pages 1433 and 1434 of the Senate Journal and pages 1598-1600 of the House Journal and that Engrossed Senate Bill No. 2304 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. GOVERNOR'S RESIDENCE - ARCHITECT AND ENGINEERING SERVICES - FUNDRAISING AND PROJECT OVERSIGHT COMMITTEE.

1. The office of management and budget shall procure architect and engineering professional services pursuant to chapter 54-44.7 for the design of a governor's residence that must include space to accommodate meetings and events. The office of management and budget project selection committee, which must include the majority and minority leaders of the house of representatives or their designees, and the majority and minority leaders of the senate or their designees, shall require the selected person or firm to provide at least three preliminary designs to be presented at a public meeting of the capitol grounds planning commission. The director of the facility management division of the office of management and budget or the director's designee shall serve as the project manager.
2. The members of the project selection committee under subsection 1 who are members of the legislative assembly and the members of the capitol grounds planning commission shall serve as a project oversight committee to monitor the planning and construction of the project. The project oversight committee, with the approval of the legislative management, may appoint a fundraising task force to coordinate fundraising for the donations appropriated under section 2 of this Act. Any donations received for the project must be deposited in the capitol building fund and designated for the sole purpose of constructing the project.
3. A member of the legislative assembly serving on the project selection committee and the project oversight committee is entitled to receive compensation in the amount provided per day for members of the legislative management under section 54-35-10 for attending meetings.

SECTION 2. APPROPRIATION - GOVERNOR'S RESIDENCE PROJECT.

There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from funds derived from private donations, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management

and budget for the purpose of designing and constructing a governor's residence in accordance with this Act, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 3. CONSTRUCTION AUTHORIZATION - ADDITIONAL INCOME.

Section 2 of this Act includes \$5,000,000, of which \$4,000,000 is from the capitol building fund and \$1,000,000 is from funds to be raised from private donations, for the demolition of the existing governor's residence, the design and construction of a new residence, and for fixtures and furniture for the new residence. Construction may not begin until the capitol grounds planning commission certifies to the office of management and budget that, of the special funds required to complete the project, at least \$500,000 in cash has been received and placed in the capitol building fund designated for the sole purpose of constructing the project authorized in this Act. If more than \$1,000,000 in donated funds is raised, the office of management and budget may seek emergency commission and budget section approval to spend the excess funds for upgraded fixtures and furniture for the new residence. Any increased spending authority for the project may not be used to expand the scope of the project.

SECTION 4. APPROPRIATION - TEMPORARY HOUSING EXPENSES.

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the governor's office for temporary housing expenses for the governor during the demolition of the existing governor's residence and construction of a new residence, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item. Any funds not used for temporary housing expenses may not be spent for any other purpose and must be canceled in accordance with section 54-44.1-11."

Renumber accordingly

15.0890.05015
Title.

Prepared by the Legislative Council staff for
Conference Committee
April 21, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2304

That the House recede from its amendments as printed on pages 1433 and 1434 of the Senate Journal and pages 1598-1600 of the House Journal and that Engrossed Senate Bill No. 2304 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the design of a governor's residence; to provide an appropriation to the office of management and budget for the demolition of the current governor's residence and the construction of a new residence; and to provide an appropriation to the governor's office for temporary housing expenses.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. GOVERNOR'S RESIDENCE - ARCHITECT AND ENGINEERING SERVICES - FUNDRAISING AND PROJECT OVERSIGHT COMMITTEE.

1. The office of management and budget shall procure architect and engineering professional services pursuant to chapter 54-44.7 for the design of a governor's residence that must include space to accommodate meetings and events. The office of management and budget project selection committee, which must include the majority and minority leaders of the house of representatives or their designees, and the majority and minority leaders of the senate or their designees, shall require the selected person or firm to provide at least three preliminary designs to be presented at a public meeting of the capitol grounds planning commission. The director of the facility management division of the office of management and budget or the director's designee shall serve as the project manager. A member of the legislative assembly serving on the project selection committee is entitled to receive compensation in the amount provided per day for members of the legislative management under section 54-35-10 for attending meetings.
2. The members of the 501(c)(3) Friends of the Residence and the capitol grounds planning commission shall appoint a fundraising task force to coordinate volunteer fundraising for the donations appropriated under section 2 of this Act. Upon request of the legislative management, the Friends of the Residence shall report to the legislative management regarding the fundraising plans of the task force and the progress of fundraising efforts. All donations received for the project must be deposited in a dedicated account by the Friends of the Residence and transferred to the capitol building account upon the request of the capitol grounds planning commission.

SECTION 2. APPROPRIATION - GOVERNOR'S RESIDENCE PROJECT.

There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, and from funds derived from private donations, the sum of

\$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of designing and constructing a governor's residence in accordance with this Act, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 3. CONSTRUCTION AUTHORIZATION - ADDITIONAL INCOME.

Section 2 of this Act includes \$5,000,000, of which \$4,000,000 is from the capitol building fund and \$1,000,000 is from funds to be raised from private donations and deposited in the capitol building fund, for the demolition of the existing governor's residence, the design and construction of a new residence, and for fixtures and furniture for the new residence. Construction may not begin until the capitol grounds planning commission certifies to the office of management and budget that, of the special funds required to complete the project, at least \$500,000 in cash has been received and placed in the capitol building fund designated for the sole purpose of constructing the project authorized in this Act. If more than \$1,000,000 in donated funds is raised, the office of management and budget may seek emergency commission and budget section approval to spend the excess funds for upgraded fixtures and furniture for the new residence. Any increased spending authority for the project may not be used to expand the scope of the project.

SECTION 4. APPROPRIATION - TEMPORARY HOUSING EXPENSES.

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the governor's office for temporary housing expenses for the governor during the demolition of the existing governor's residence and construction of a new residence, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item. Any funds not used for temporary housing expenses may not be spent for any other purpose and must be canceled in accordance with section 54-44.1-11."

Renumber accordingly