

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

House Bill 1307

(List bill or resolution and number, if available, or subject)

Amendment to: \_\_\_\_\_  
(List bill or resolution and number)

Requested by: Legislative Council

Date of receipt: January 15, 19 79

In the following space note the fiscal effect in dollars of the legislative proposal. If additional space is needed, attach a supplementary sheet. (Please type)

Anticipated escalation in building costs because of this delay (6 months @ 1% per month)-----	\$ 530,000.00
Anticipated cost of reprinting & rebidding-----	20,000.00
Anticipated cost of three public hearings outside of Bismarck-----	15,000.00
Anticipated overall rental loss caused by delay-----	<u>450,000.00</u>
	\$ 1,015,000.00

Attached hereto a summary of background, as well as our current expenditure statement of this project. Not included are expenditures of these stated agencies:

- Capitol Grounds Planning Commission (Environmental & Aesthetics) ?
- Legislative Arrangement & Procedures (legislative space study) ?
- Director of Institutions (parking & traffic control study) ?
- Supreme Court (space needs study) ?

Signed *R.E. Lommen*

Typed Name R.E. Lommen  
Commissioner

Date Prepared: January 16, 1979

Department State School Land

This project was the subject of an interim study (House Concurrent Resolution #3058) passed in the 1975 session, and conducted by Legislative Budget Committee "C" in regard to "space needs of state government". Below listed an excerpt from their October 7, 1976 meeting:

"It was moved by Senator Longmire, seconded by Senator C. Schultz, and carried that the committee recommends the construction of a State office building as proposed by the State Land Department and Director of Institutions and recommends that appropriate legislation providing legal authority to the State Land Commissioner to use permanent common school trust funds for construction of the building be prepared by the staff and recommended to the Legislative Council for introduction into the Forty-fifth Legislative Assembly". (please refer to history of Senate Bill 2022 which has been distributed).

Many public hearings have been held in regard to this building by the Board of University and School Lands, legislative committees, Capitol Grounds Planning Commission, and the Legislative Arrangement and Procedures Committee. This project received "emergency approval" from the 1977 Legislature and a referral was attempted to no avail.

We submit that this project has had more public input, and has been more thoroughly analysed than any other building project since the Capitol Tower construction. All of the provisions of HB 1307 have already been accomplished, with the exception of public hearings being held outside of Bismarck.

Judicial Wing & Office Bldg. Statement  
as of January 15, 1979

Date Paid	Amount	Purpose
12-04-78	61,600.00	construction document phase
12-29-78	<u>8,800.00</u>	" " " "
TOTAL	<u>385,584.55</u>	
01-15-79	actual expenditures to date .....	385,584.55
02-01-79	add'l architects fees due per contract ...	81,829.45
02-01-79	phase II interior design study .....	<u>30,000.00</u>
	actual expenses incurred thus far .....	<u>497,414.00</u>

## State Land Department

Sixth Floor State Capitol  
Bismarck, North Dakota 58505Secretary and Information - 224-2800  
Land Sales - 224-2802  
Title Clerk - 224-2802  
Dep. and Leasing Mgr. - 224-2803  
Loan Mgr. - 224-2804  
Accountant - 224-2805  
Collection Mgr. - 224-2806  
Dept. Attorney - 224-2807

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## Judicial Wing &amp; Office Bldg. Statement

as of January 15, 1978

Date Paid	Amount	Purpose
11-01-77	19,095.15	programing phase services
12-16-77	20,711.75	" " "
02-17-78	193.10	" " "
02-21-78	1,506.00	schematic design phase
03-13-78	3,000.00	engineering & surveying services
03-17-78	22,584.00	schematic design phase
03-28-78	4,000.00	alternative energy study
04-21-78	2,592.60	soil testing(boring)
04-27-78	6,023.00	schematic design phase
06-16-78	30,112.00	" " "
06-29-78	36,520.00	design development phase
08-08-78	42,680.00	" " "
08-23-78	2,418.88	expansion of site survey
08-23-78	4,000.00	additional soil testing
08-29-78	26,400.00	design development & construction document phase
09-29-78	44,000.00	construction document phase
10-20-78	1,960.78	health service project
10-20-78	1,235.00	social services project
10-20-78	2,152.29	annual cycle energy study
10-31-78	44,000.00	construction document phase

STATE OFFICES IN BISMARCK LOCATED OUTSIDE OF THE STATE CAPITOL BUILDING

DATED JANUARY 5, 1979

<u>DEPARTMENT &amp; LESSOR</u>	<u>SQUARE FEET</u>	<u>COST PER SQ.FT.</u>	<u>TOTAL COST PER ANNUM</u>	<u>SOURCE OF FUNDS</u>
AERONAUTICS COMMISSION Bismarck Municipal Airport	2,175		\$ 12,000	Special
ATTORNEY GENERAL ASK Building	3,100	6.75	20,925	State and Special
BIDD Nicola & Brunsoman	1,908*	6.25	11,925	State
BRUCellosis LABORATORY Anderson Building	750*	4.32	3,240	State
CETA ADMINISTRATION (Will move to Employment Security Building)	2,000	3.90	7,800	Special
EDUCATIONAL BROADCASTING COUNCIL Ritterbush & Associates	265	5.66	1,500	General
GAME & FISH DEPARTMENT Milton Rue Company	10,480**	2.43	25,500	Special
GEOLOGICAL SURVEY Robert James	1,000	5.10	5,100	State
HEALTH DEPARTMENT Missouri Office Bldg.	16,331	5.68	92,720	State & Special
HEALTH DEPARTMENT Expressway Corporation	2,600	6.75	17,550	Special
HEALTH DEPARTMENT (Health Lab.) Ron Leech	6,632	2.82	18,696	State & Special
HEALTH DEPARTMENT M.D.U.	801	3.52	2,820	General & Special
JUDICIAL QUALIFICATIONS Professional Bldg.	484		2,400	Special
LIVESTOCK SANITARY BOARD Robert L. Valeu	400** 1,344*	5.83	10,164	State & Special
ND REAL ESTATE COMMISSION ND Education Association	315		1,716	Special
NURSING BOARD M.D.U.			5,712	Special
PAROLE DEPARTMENT Ardel Wolf & Tahrn	300*		1,260	State
PUBLIC RETIREMENT BOARD Provident Life Ins.Co.	2,475	6.25	15,469	Special
REAP Provident Life Ins.Co.	7,320	6.50	47,580	State
STATE ELECTRICAL BOARD Frank J. Bavendick			5,040	
STATE LIBRARY COMMISSION NoDak Mutual Ins. Co. (will move to Liberty Memorial Bldg. when Heritage Center is completed)	10,820*	4.67	50,529	State

<u>DEPARTMENT &amp; LESSOR</u>	<u>SQUARE FEET</u>	<u>COST PER SQ. FT.</u>	<u>TOTAL COST PER ANNUM</u>	<u>SOURCE OF FUNDS</u>
SOCIAL SERVICE BOARD (Russel Building) NoDak Mutual Ins. Co.	12,797*	6.28	\$ 80,365	State & Special
SOCIAL SERVICE BOARD Lloyd E. Anderson	5,880	6.00	35,280	
SURPLUS PROPERTY Diversified Investments	3 bldgs. 1 lot**		12,600	Special
SURPLUS PROPERTY (office) Dakota Realty			1,920	General
VOCATIONAL REHABILITATION NoDak Mutual Ins. Co. (Russel Bldg.)	9,287	5.71	53,029	State & Special
WEATHER MODIFICATION BOARD Harvey Boen	500**		360	State
WEATHER MODIFICATION BOARD Ronald L. Leech	1,600*	4.80	7,680	State
WEATHER MODIFICATION Jay B. Lindquist	360 600		1,800 2,400	State
WORKMEN'S COMPENSATION NoDak Mutual Ins. Co. (Requesting their own building)	1,071* 10,562*	4.71 6.63	75,070	Special )
WHEAT COMMISSION Henry O. Nybo	2,530	4.80	12,156	Special

TOTAL	\$642,306
RENTALS TO BE TRANSFERRED	<u>441,607</u>
Remaining Outside Rentals	\$ 200,699

Denotes Agencies Moving into State Owned Space

● Parking Spaces  
\* Storage Space

## History of SB 2022 (1977 S.L. Ch. 139) and Legislative Intent

Senate Bill 2022 was introduced in the 45th Legislative Assembly by the Interim Committee on Budget C of the Legislative Council. The bill authorized the Board of University and School Lands to invest funds from the common school trust in a state office building to be built on the Capitol grounds. A space needs study of executive branch agencies was conducted and an architect was retained to estimate the cost of a building to meet these space needs. It was determined that an adequate building could be built for \$6,250,000.00 - if designed on a modular concept allowing maximum flexibility and few permanent walls. Testimony of the Director of Institutions, the Commissioner of University and School Lands, and other executive branch officials consistently stated that the building would house executive branch agencies that are scattered in various locations throughout the city of Bismarck, many of which are paying large sums of rent for office space; agencies would be centrally located and more economically and efficiently operated as a result. Among the agencies earmarked to move into such a building were the social and health departments, each of which required over 30,000 square feet of space. At no time during the session was there any indication that this testimony was inconsistent with the intent of the legislative assembly.

In the final days of the 45th Legislative Assembly SB 2022 was amended to provide that the Supreme Court be allocated space of not less than 21,000 square feet in the new building. The bill was further amended to provide that at least six legislative committee rooms and one large hearing room be provided either in the new building or, by displacement, in the existing Capitol building. The total authorized investment was increased from \$6,250,000.00 to \$8,000,000.00. Due to the lateness of the amendment there was no time to verify whether the increased authorization was adequate to cover the costs of this additional space. As will be seen this increased authorization was not adequate. Because the authorization was increased as part of the amendment it is clear that the legislative assembly intended that the Supreme Court space and legislative space be provided in addition to the office space that was consistently testified to. In fact, no testimony was given advocating Supreme Court and legislative space in the building, although some legislators did inquire whether this was possible.

Following the session the bill survived a referendum attempt and is presently being bid as a basic building with many add-alternates that may be included in the event additional authorization is received from the 46th Legislative Assembly. Between the end of the 45th Legislative Assembly and the bid letting stage several developments have taken place which must be reviewed.

The Legislative Council at the request of the Legislative Procedures and Arrangements Committee did a study of available hearing rooms in the existing Capitol building. The study concluded that the six legislative committee rooms could be located within the existing Capitol building provided the cafeteria, large hearing room and Supreme Court are entirely located within the new building (now called the Judicial Wing and State Office Building). The Legislative Procedures and Arrangements Committee endorsed these conclusions thereby necessitating the housing of the cafeteria in the new building. The Supreme Court had already expressed the desire that it be located entirely in new quarters. Cafeteria

fixtures have been bid as an add-alternate.

Following the session a special energy conservation system called ACES was studied, it was determined that for an additional outlay of about \$300,000.00, this system, which cuts fossil fuel usage 50% in the winter and 70% in the summer and would pay for itself in less than 7 years could be accomplished. Because of the obvious savings the Board of University and School Lands authorized this system to be bid as an add-alternate.

The Highway Commissioner requested that Central Data Processing vacate its quarters in the Highway building and be given more suitable climatized space in the new building.

The Supreme Court approved its space plan in late December, 1978. Completion of the building with or without the add-alternates will have no effect on court space.

The office portion of the building has been designed as a modular building with few permanent walls, thus maximizing flexibility for the tenants. This is consistent with legislative intent. Tenants were to seek appropriations for rentals and movable partitions in upcoming legislative sessions. Several agencies, however, have suggested that the Board of University and School Lands buy the movable partitions and absorb the cost through additional rentals. Their reasoning is that the agencies housed in the building may change which could necessitate the sale or abandonment of the partitions in the future. The Board has agreed to seek funding authorization for major demountable partitions, thus creating a turnkey situation. These partition costs are included in the additional authorization bill.

Full excavation and rough finishing of the basement has also been bid as an add-alternate since the utilization of this space for storage is very economical and actually decreased the per square foot cost of usable space. A proposal for the placing of major portions of the building underground was abandoned when the capitol grounds planning commission failed to endorse the idea.

All add-alternates are estimated to cost a total of \$2,500,000.00 which includes a contingency and fees. As stated many times in the past the Board of University and School Lands is primarily interested in constructing this building from an investment standpoint, however, the Board does support the completion of this building including the add-alternates so that office space needs can be more fully realized.

This project will accomplish a centralization of Government agencies on the Capitol Grounds, thereby allowing more coordination of activities, more economy of Government, elimination of duplication and more efficiency of operation. The following goals will be realized:

A new 22,000 square foot Supreme Court and Law Library. The decor and predominance of the Supreme Court portion of the building is symbolic of the Court's status as an equal branch of Government and provides much



needed space. The Supreme Court must approve the design plan for its portion of the building.

Office space will be provided for the Department of Health and the Department of Social Services. These offices currently rent a substantial amount of privately owned office space in locations that are not in close proximity to the Capitol grounds.

The Secretary of State will also be given additional space.

A central cafeteria will be established in this building and will serve as the lunch area for the Capitol complex. Space occupied by current cafeterias in the Highway building and Capitol building will be used for other purposes.

A new area is being provided for the Central Data Processing operation, creating additional displacement space for other Government operations within the highway building.

A large legislative hearing room, will be provided which may be used during the interim by office tenants as a meeting room. Also contemplated is a tunnel allowing all weather access to the Highway building. Much needed legislative space will be provided by freeing up space within the Capitol tower, (old court space, cafeteria, etc.) for hearing rooms and offices.

**JUDICIAL WING AND STATE OFFICE BUILDING**  
**BISMARCK, NORTH DAKOTA**

RITTERBUSH ASSOCIATES · FOSS ENGELSTAD FOSS  
ASSOCIATED ARCHITECTS/ENGINEERS



**SOUTH ELEVATION**



EAST ELEVATION

**Ritterbush Associates - Foss Engelstad Foss**  
 Associated Architects/Engineers

Reply to:  
 209 North Seventh Street, Bismarck, ND 58501 701-223-7780   
 West Acres Office Park, Box 2823, Fargo, ND 58102 701-282-5505

December 14, 1978  
 (Revised - December 15, 1978)

CONTRACT DOCUMENT PHASE ESTIMATE  
 JUDICIAL WING STATE OFFICE BUILDING  
 BISMARCK, NORTH DAKOTA

BASE BID

AREA: 146,000 sq. ft.

COST:

A.	General (includes 1% Contingency)	\$5,657,761.00
B.	Mechanical (includes 1% Contingency)	1,075,888.00
C.	Electrical (includes 1% Contingency)	<u>649,357.00</u>

Total Construction Cost \$7,383,006.00

* D.	A/E Fees. (Base Bid + 80% of Alternates)	\$ 473,237.00
E.	Site Survey	5,418.00
F.	Soil Investigation	6,592.00
G.	Inspection	36,000.00
H.	Aces (Add A/E Fee)	24,000.00
I.	Program (Add A/E Fee)	40,000.00
J.	Phase I Interior Design Services	6,000.00
K.	Alt. Energy Study	4,000.00
L.	Contingency	<u>21,747.00</u>

* 5½% x \$7,383,006.00	= \$406,065.00	\$8,000,000.00
80% x 5½% x \$1,526,627	= 67,172.00	
	<u>\$473,237.00</u>	

<u>Space Allocation</u>	<u>New Building</u>
Social Service----- (Present - 33,271)-----	30,400
Health Department----- (Present - 32,143)-----	30,100
CDP-----	7,700
Supreme Court-----	22,000
Cafeteria-----	8,800
Legislative Hearing Room-----	3,200
	<u>102,200</u>
Stairs, Elevators, Corridors-----	43,800
Net Square Feet-----	<u>146,000</u>

This building will be modular in concept having large open office areas, carpeted with walls and corridors finished. The court and cafeteria will be finished more appropriately.  
 This building will have a tunnel at basement level to the Highway Building, but no storage space in basement.  
 We project a square foot annual rental of \$7.37 to amortize and pay maintenance.

ALTERNATES

AREA:

G-1 North 30 Bays 1st, 2nd, 3rd Floor	
1st Level Storage	8,000 sq. ft.
2nd Level Tenant	9,500 sq. ft.
3rd Level Tenant	9,500 sq. ft.
G-3 Basement Storage	10,000 sq. ft.

COST;

G-1 North 30 Bays 1st, 2nd, 3rd Level	\$ 508,470.00
M-1 Related Mechanical Work	64,112.00
E-1 Related Electrical Work	27,633.00
G-2 Aces	187,500.00
M-2 Related Mechanical Work	64,112.00
E-2 Related Electrical Wrok	- 3,000.00
G-3 Basement Storage & Conveyor	130,000.00
M-3 Related Mechanical Work	10,000.00
E-3 Related Electrical Work	4,000.00
G-4 Kitchen Equipment	167,000.00
M-4 Related Mechanical Work	14,300.00
E-4 Related Electrical Work	7,500.00
G-5 Access Floor CDP	28,000.00
G-6 Supreme Court Special Millwork	123,000.00
G-7 Precast Concrete Sun Screen	- 65,000.00
G-8 Halon Fire Suppression System CDP	20,000.00
G-9 Library Compact Shelving	18,000.00
G-10 Tapeless Blinds	45,000.00
E-5 Emergency Generator Add. Capacity CDP	10,000.00
E-6 Supreme Court Sound System	18,000.00
E-7 Legislative Meeting Room Sound System	18,000.00

Total excluding Alt. G-4, G-7 \$ 1,294,627.00

ITEMS BUDGETED BUT NOT BID

Demountable Partitions	\$ 445,000.00
Mid High Panels	620,000.00

Total \$ 1,065,000.00

ADDITIONAL A/E FEES:

A. Add Alternates - 20% x 5 1/2% x \$1,461,627.00 =	\$ 16,077.00
(Includes Alt. G-4)	
B. Deduct Alternates - 20% x 5 1/2% x \$65,000.00	700.00
(Estimated value of Precast Sun Screen)	
C. Phase II Interior Design Services	30,000.00
	<u>\$ 46,777.00</u>

SUMMARY OF MAXIMUM COST:

A.	Base Project	\$ 8,000,000.00
B.	Alternates	1,294,627.00
C.	Budgeted but not Bid	1,065,000.00
D.	Add A/E Fees	46,777.00
E.	Add Contingency	<u>93,596.00</u>
	Grand Total	\$10,500,000.00

We project this program to require an annual square foot rental of \$7.50 to amortize and pay maintenance.

Space Allocation

Social Service-----	36,133
Health Department-----	36,554
CDP-----	7,723
Supreme Court-----	22,000
Cafeteria-----	8,590
Legislative Hearing Room-----	2,600
Other Space - (Sec. of State etc.)-----	<u>3,600</u>
	117,200
Stairs, Elevators, Lobbies, Corridors, Tunnel-----	<u>47,800</u>
	165,000
Basement & 1st Level Storage-----	18,000