



MEETING MINUTES – March 18, 2005 1:30 – 2:15 p.m.

**MEMBERS PRESENT:**

Bill Neland, Chair  
Tom McMullen, Vice Chair  
Ed Galligan, Port of Portland, retired  
Ron Polvi, Northwest Natural  
Peter Fernandez, Public Works Department

**MEMBERS NOT IN ATTENDANCE:**

Vickie Hardin Woods, City of Salem  
Denny Nielsen, Salem Hospital, retired

**OTHERS PRESENT:**

Bill Foster, DAS Facilities Division  
Shirley Finanger, DAS Facilities Division  
Elaine Schacher, DAS Facilities Division  
Fred Lord, DAS Facilities Division

Col. David Ferre, Oregon Military Department  
Cpt. Marcus Williams, Oregon Military Department  
Robert Reitmajer, DAS Facilities Division

**Handouts distributed to all members present:**

- Agenda
- Minutes from November 19, 2004 meeting
- Salem-Keizer Area Initial Siting Review Application for Military Department Mail Distribution Center
- Salem-Keizer Area Initial Siting Review Application for Military Department Headquarters Remodel 1<sup>st</sup> Floor
- Salem-Keizer Area Siting Update Review for Military Department Salem Airfield Operations Center
- Salem-Keizer Area Final Design Review Application for Department of Administrative Services CNIC project

**CALL TO ORDER and INTRODUCTORY REMARKS:**

Chairman, *Bill Neland* called the meeting to order at 1:35 pm.

**APPROVAL OF THE MINUTES:**

*Bill Neland* asked for a motion to approve the minutes of the last meeting.

*Ed Galligan* made a motion to approve the minutes of the November 19, 2004 meeting. The motion was seconded by *Peter Fernandez* and passed unanimously.

**AUDIT UPDATE**

*Bill Neland* reported that last fall he had several meetings with auditors from the Secretary of State's office who were concerned with deferred maintenance and what that meant and the implications of it. Bill explained to the auditors what was meant by deferred maintenance and that most of it was unfunded and that's why it was deferred and every once in awhile it would get so bad that the agency would have to do some repairs. At the time, the Secretary of State was still mulling whether or not to pursue this audit. That was the extent of his communications with them. Since then, Bill Foster and Shirley Finanger have had further communications with the auditors.

*Bill Foster* reported that both he and Shirley Finanger met with the auditors as well as the DAS Maintenance Manager. They also met with the maintenance and facilities folks with the other agencies that were in that initial group with Military added. The auditors are beginning to get some preliminary findings and an email was received to schedule a preliminary discussion, however, there is no indication of where the audit is going. Only that there are some observations they want to share with DAS.

*Shirley Finanger* added that the auditors have requested a copy of the Statewide Facilities Report. Most of the information has been gathered for that report and will be finalized within the next couple weeks. This report will give the auditors a good update on the conditions of all facilities statewide.

*Bill Foster* added that DAS received a request to appear before the House Audits Committee to talk about some things. Initially it was anticipated that they wanted to discuss rents and leasing and that sort of thing. However, it turns out that they want to draw in some of the statewide data, so there will be an opportunity to share some of this information there, as well.

*Bill Neland* asked if there would be a discussion of funding as well. *Bill Foster* responded that it is not in the Governor's recommended budget at this point.

*Bill Neland* commented that the Board wants to be updated on this audit and the Board is supportive of trying to get deferred maintenance under control as well as better management of funding for maintenance.

## **SALEM-KEIZER AREA PLAN REVIEW**

### ***Military Department – Presented by Col. David Ferre (former Director of Installations) and Cpt. Marcus Williams from the Construction Branch***

Siting Review Applications and supporting documentation were submitted for three projects:

- 1) Mail Distribution Facility – Initial Siting
- 2) Addition and 1<sup>st</sup> Floor Remodel of Headquarters Building – Initial Siting
- 3) Update on the Siting Proposal of the Salem Airfield Operations Building for the Civil Support Team

*Bill Neland* asked if the other group (Aviation) would be submitting a report for the Salem Airfield Operations project. *Shirley Finanger* responded that they are taking it under advisement and will be coming back to CPAB at a later date. *Bill Foster* added that Aviation just recently got a new Director, who's only been on the job a few weeks. The new director asked that the presentation be postponed until a later meeting to give him a chance to review some of the projects that were put into motion before his arrival.

Two drawings were displayed (not to scale) showing where the three facilities will be located.

### **Mail Distribution Facility**

The current mail handling facility is located in the center of the Military Department's Headquarters building. Through the National Guard, a threat assessment was completed about a week ago and one of the findings is that the current mailroom facility does not meet Department of Defense requirements. If there were a threat of a mail delivered bomb or if anthrax were delivered to the building, it could be devastating to the building and its occupants. An anthrax incident would expose all of the employees of the Military Department because there is not a separate HVAC system servicing the mail room. The Department of Defense recommended two options: 1) build a separate facility or 2) make some major modifications to the Headquarters building. OMD decided that it is most feasible to build a new building for mail handling. The mail handling facility will be located near Shelton Creek. They will not build on Shelton Creek. The building is in the 100 year flood plain. The City requirement is to build one foot above the flood plain. OMD will build it 1.5 feet above the flood plain as a precaution. The facility is basically two phases: The Mail Facility and the Heritage Park Visitors Auditorium. The Mail handling facility is federally funded and according to the most current report on this situation, the funds for this may come more rapidly than originally expected. The Heritage Park Visitors Center Auditorium is going to be built with donations so it is unknown when that part of the facility will be built. The facilities will be combined and look like one building, but a blast wall will separate the two operations and each half of the building will have its own HVAC system.

### **Military Headquarters First Floor Remodel**

Over the last 20 years, the mission of the Oregon National Guard has changed and requirements for a military building worldwide and statewide have changed. Currently there are locations where two people are combined into cubicle spaces designed for one person. Also, classrooms and meeting rooms have been converted into operational areas. According to the National Guard criteria, this building is 48,000 sq ft short. OMD would like to use funds to expand the facility to meet that

shortage so they can make the operations more productive for missions of the State Militia. The expansion would match the existing structure of the building and be built to meet the code requirements for building in the Flood Plain as well.

*Ed Galligan* asked about the funding source. Response: Federal Funds. There will be some state funds needed for administrative reasons. *Col. Ferre* added that this project is on the Future Year Defense Plan, which is, right now programmed for 2011 for the design; starting in 2008. The reason it was brought forward is that there is a possibility there could be a congressional act accelerating it to an earlier time so they want to be prepared if the funds come sooner. It is estimated to be about a \$10.5M remodel.

*Peter Fernandez* asked if they were adding a facility or is it just an expansion. Response: Just an expansion of the space on the first floor.

*Tom McMullen* asked, if any changes are anticipated as to access to the sites of either the Mail Facility or the Headquarters addition. With the addition of the Heritage Auditorium there would be some mixed uses. Do they anticipate changing anything on the site? *Col. Ferre* responded that the original concept was to get the Mail Distribution Center out of the Headquarters building so the building didn't collapse in case an explosive device was detonated. A group of volunteers came together as they were constructing the Heritage Park and said that they would like to have an interpretive center or maybe an auditorium. They would like to bring school children in on the way to the capitol and talk about the Heritage of the National Guard. Military told them they didn't have the funds to do that so the volunteers indicated they wanted to raise \$2M. This was a year ago and no money has been raised yet. Military is open to their suggestion, however, the facility will be designed so it can be added on to later. When the park was originally conceptualized, it was intended to be open to the public. Now, there is a fairly robust vehicle barricade around it. The park is open to the public for use by Veteran's groups, schools and such; pre-coordinated and arranged. Also, vehicles will be searched when they come in. There are also passive restraints and passive devices that have been built in to eliminate a threat to the compound from the park. Depending on the threat condition, they probably wouldn't turn anybody away from using the park. If somebody came into the park with explosives in their car with the intent to ram into the headquarters building, there are a number of passive devices in and around the facility, that are not apparent to the public, that would stop a car from going from the park into the compound. If someone were to try to attack the building from the park area, they could get closer than penetrating the vehicle barricade but they cannot penetrate all the way into the building. There is still a threat and the park does increase the threat. They have put in numerous things to protect themselves from the park.

*Bill Neland* asked if this Mail Facility would require extension of "the fence", which is a concern of Board member, Denny Nielsen. Response: No. When the vehicle barricade was originally built, they debated whether to put it around the Heritage Park area. At the time, the National Guard directed that the vehicle barricade was needed. It isolates the parks, but it protects both facilities. If a vehicle were coming from the direction of the park, the vehicle could possibly attain a higher speed if that barricade were not there. The intent was to divert the vehicle and not give it that extra space to gain speed before it hits the vehicle barricade. It was designed to a lower standard based on the presumption of the highest speed a heavy vehicle could reach before it struck the barricade. The barricade will stop the vehicle.

*Bill Neland* asked if the addition to the Headquarters building would bring them up to standards. Response: Yes, to the standard of today. An envelope was delivered to the Portland Air Base Mail Facility with a white powder and their mail room is also in the center of their headquarters building. They had to shut down the headquarters building for the Oregon Air National Guard and evacuate the building while they determined what was in the envelope. The ventilation circulates throughout the building. The concept is that they do not want to build the mail facility anywhere near the headquarters building because there are 300 people in there that could be potentially exposed to anthrax.

*Peter Fernandez* commented that in the application document for the Mail Facility, there is a statement that OMD believes the auditorium and a mail handling site will be consistent with local zoning. Has this been confirmed with the planning folks? Response: The zone for the area is Public Service. *Peter* asked if the auditorium is consistent with the zoning on the same site. Response: They are transferring a function that already exists, to another location on the same site. It is designed to accept the auditorium. The design of the mail facility includes a blast wall where the auditorium would be built and there would be a separate HVAC system. If they commit the money in the future, they would construct an addition to the Military facility. It would also save them cost because they could use OMD's restrooms and those types of things. The Mail Distribution Facility

is not occupied eight hours a day. It is occupied only when deliveries come in and go out and during the sorting process. It is not in use all the time. There is an x-ray machine and that sort of equipment inside.

### **Salem Airfield Operations Center**

Last fall they presented two sites, an alternate site and a primary site. It was mainly based on the purchasing of the Eyerly property. They have entered into a purchase agreement with the Eyerly Trust.

*Bill Neland* asked if part of this site was contaminated. Response: Yes, it has chromium contamination. At this time, it looks like the trust will be able to clean it up and OMD will be able to build at the primary site.

The tenants for the facility would be in the Airfield Operations Center. They would have a dispatch and operations center, the CST (Civil Support Team) and a possible partner, Oregon Department of Aviation in the building. There have been preliminary discussions with the Department of Aviation being a possible tenant. A decision is to be made by June, 2005 whether or not Aviation will be a permanent tenant.

*Bill Neland* asked if Aviation will be talking about this project in the future. Response: Yes. The preliminary discussions proposed that Aviation would occupy approximately 3,000 sq ft out of approximately 47,000 sq ft. total space. The dilemma facing OMD is that they must award a contract by September, 2005 or they lose the federal funding. They have the Federal Funds (FY05 funds). If OMD does not have a commitment from Aviation, the project will proceed without them.

Currently the Eyerly trust has started an investigation to find out how extensive the contamination is. Some clean up operation has already been done and clean up is visible.

*Peter Fernandez* asked if OMD owns the alternate site as well as the primary site. Response: The alternate site is on a long term lease with the city of Salem.

*Tom McMullen* made a motion that the Board acknowledges that the material submitted by Oregon Military Department meets the planning requirement for siting review outlined in the rule. The motion was seconded by *Ed Galligan* and passed unanimously.

*Col. Ferre* further stated that OMD and DAS need to work through the details of some flood plain issues on the Mail Distribution Facility plan, concerning Heritage Park. DAS requested some documentation four months ago, which OMD has not yet provided. It has been determined that they cannot site it anywhere else. The flood plain issues will be resolved before the next follow up before this Board, which is expected to be a couple years out for the design review.

*Bill Foster* commented that the next follow up will be "design".

*Col. Ferre* invited the Board Members to come to the OMD Headquarters and take a look at the vehicle barricade.

### **Department of Administrative Services – Presented by Robert Reitmajer**

#### **Consolidated Computer Data Center – Final Design Submittal**

Documentation was previously provided to the Board on the siting and design of this facility. This is a design-build project so there are no further design details. The project continues to be on schedule. It is approximately 45,000 sq ft and as of today, they are approximately 35% constructed. After the presentation, the second part of the update is a field visit to the data center site.

*Bill Neland* asked if the managers from the consolidating agencies are still talking to each other. Response: Yes. They are also talking to the Facilities Administrator as well as to the Project Manager. 35% construction is still a honeymoon period so they have not reached the difficult times yet. So far, there have been no surprises in the project.

*Ed Galligan* asked what the total construction cost is. Response: The contract with J.E. Dunn set a construction and design build cost not to exceed \$18.5M. The total project cost is budgeted for \$20.6M.

*Ron Polvi* asked when ground was broken. Response: November, 2004. The contractor has been able to proceed due to unseasonable weather. One of the challenges facing the contractor was how to build a roof in February. It was decided to build a temporary roof which is almost finished, and two additional layers will be added in June or early July. Even that, has not been a serious challenge. The inside of the data center proper is scheduled to be painted next week, so the roof is almost done.

*Bill Neland* asked when occupancy is expected. Response: It depends on the computer people. DAS plans to have substantial building completion, which includes having all the systems running for 30 days, by September 30, 2005.

*Ed Galligan* asked who is coordinating all the hardware purchases and set-up of the systems. Is this the committee of the 12 computer managers? Response: It is slightly more focused than just the committee. Within the Information Resource Management Division in DAS there is a project management group that is orchestrating the move in. Bob Reitmajer made a statement in the original presentation before this Board: "the world of computers moves very fast whereas the world of facilities moves slowly so it is necessary for facilities to position themselves as best they can to keep up with the computers". Well, the building is all designed and constructed and the computer details are still being worked out.

*Bill Neland* asked if there will be a combination of existing computers and new equipment. *Bill Foster* reported that recruitment for the actual manager of the center is not yet finished. This is one of the key positions, but a project manager was just brought on to orchestrate all of this and she has jumped right into the middle of it and is pulling some things together. It is a big project to get all of these individual empires re-combined.

*Ed Galligan* stated that this has been his exact concern from the beginning.

*Bill Foster* further commented that a plan for sequence of events is being drawn up but is not yet finished. The preliminary plan is to start out with a combination of putting some new equipment into place and then some old equipment would be installed over a three month period. Some of those details are being worked out as well as the layout of the floor and some of those kinds of things. The facility has been designed with an open plan so that it will be able to accept whatever is decided.

*Ed Galligan* asked if the fundamental systems are expected to be the same or are they looking at taking the opportunity to upgrade the systems and processes. Response: Some of both. Servers are one of the areas under discussion. The data center will contain a lot of servers so they are looking at what's going to be the best technology and the pros and cons about whether they will be blade servers or more traditional ones. Some of these discussions are still going on and a final discussion has not been made.

*Bill Neland* commented that this is a great project and he hopes it works.

*Bob Reitmajer* continued that the data center has a flexible design to accommodate any number of possibilities so it will accept a combination of old and new equipment. Even the cooling capacity is flexible. A smaller chiller will be used to start up the center before it is completely full and larger chillers will be added as needed.

*Ed Galligan* asked if it is outside the domain of CPAB, as a Board, to ask for an overview presentation of the management structure and the business model to be put into place. Ed has been involved in this type of project and knows that the governance or management team is critical to the overall success of the operation. Ed is concerned about getting the management team in place so that the operation is functioning well. The biggest key to success on this project is the involvement of the users and the IT folks facilitating the systems that they are putting in. If nothing changes relative to processing systems, which he would have a hard time believing is the case, it sounds like this would be a great opportunity to streamline systems and processes, etc. But, that's really the IT peoples' job, in his opinion, to facilitate. It is vitally important for the users to have an extremely high involvement, and to the extent that they don't, it will probably be one of the first steps toward an unsuccessful project.

*Bill Foster* commented that a whole series of groups have been put together. There is a group of all of the chief information officers of the twelve agencies, staffing groups, and different focus groups on different areas. Initially, this was not done and it was beginning to cause some problems. At that time, the acting director, Theresa McHugh of DAS, suggested that a group be put together and start talking. That's when the counsel and governing board was put together. It's certainly a long uphill

battle but a lot of the things Ed is describing, are being done. It probably is not within the scope of this Board, however, on the other hand, if members of the Board have a personal interest and would want to engage or connect with some of those folks or the Project Manager, DAS could probably arrange for a discussion with the intent to provide some suggestions or guidance that might help them.

*Ed Galligan* said he would like to get involved and added that it's a little frustrating to sit here and listen to this great project. He thinks the concept is fantastic, he is confident that from a structural standpoint, things are going to go well. However, at the end of the day, this is merely a tool to facilitate a great concept. If it fails, it ripples into everything and he can't let go of this notion that at the end of the day, it is going to come down to how this thing is managed, processed and set up.

*Bill Neland* commented that he shares Ed's concerns. By approving and encouraging the building, this Board has done all it can. However, this is a building that can fail as easily as it can succeed based on things beyond the control of this Board.

*Bill Foster* commented that if there were enough interest by the Board and they would like a presentation and a little exchange with the computer people, it is possible that it could be arranged, with the understanding that the discussion is outside the purpose of this Board and would not be an official act.

*Bill Neland* asked that a meeting be set up in a month or two. *Bill Foster* responded that perhaps Julie Mallord, the Project Manager may be willing to share some of that information.

*Ron Polvi* commented that he's sure they must have a critical path and equipment lead time outlined. *Bill Foster* responded that Julie is in the process of getting the right input to the right people and those kinds of things. She is fairly skilled and has a pretty good background and served with Bill on the board of a local project management institute.

*Bill Neland* commented that it is appropriate for the Board to have this opportunity for discussion because this building went forward based on a concept that was not very well defined other than there were twelve people from different agencies talking to each other. Now the building is built, and the Board is being told the computer people are going to make it work. If a decision cannot be made about the equipment, the Board's confidence level is diminished. *Bill Foster* commented that this project is clearly viewed by state government as a critical project which must succeed. That is why the level of resources has been poured into it and on many occasions there were twelve agency heads sitting around the table once a week talking about it. This project cannot afford to fail.

*Bill Foster* agreed to look into a presentation. *Bill Neland* further commented that though the Board's responsibility has ended, it could come back to reflect negatively on the Board, if they don't follow through to successful completion.

*Tom McMullen* added that he would find it educational for the Board in the sense that it could create efficiencies for future projects which combine operations from multiple agencies.

*Tom McMullen* made a motion that the Board acknowledges that the material submitted by the Department of Administrative meets the planning requirement for final design review outlined in the rule. The motion was seconded by *Peter Fernandez* and passed unanimously.

*Ron Polvi* asked if there would be a schedule of presentations forthcoming for 2005, similar to the schedule done for 2004. *Shirley Finanger* responded that the agency facility reports will not take place again until 2006. In January, 2006, the agency reporting schedule will be prepared and presented to the Board. Aviation did not give a Board presentation in 2004 due to staffing changes; however they will need to do a presentation within the next three months. Military will also need to come back with Salem-Keizer reviews. DAS will work out a schedule, together with the agencies, and notify the Board.

*Ron* also requested that the contact list be updated to include the new members and distributed to the Board by email. *Shirley* responded that the updated member list would be sent out to all members.

## **PUBLIC TESTIMONY**

Opportunity was given for comments from the audience. There were no comments and no persons signed up to give testimony at the public hearing.

**Meeting adjourned at 2:15 pm**

A tour of the Consolidated Information Data Center building was conducted by Bryan Olyear, Project Manager.

**NEXT MEETING DATE: May 20, 2005 from 1:30 pm to 4:00 pm at the Forestry Building.**