

**MEETING MINUTES – October 15, 2004 1:30 – 3:30 p.m.**

**MEMBERS PRESENT:**

Bill Neland, Chair  
Tom McMullen, Vice Chair  
Ed Galligan, Port of Portland  
Doug Spencer, Providence Health Systems  
Denny Nielsen, Salem Hospital  
Edith Yang, A.I.A.

**MEMBERS NOT IN ATTENDANCE:**

Ron Polvi

**OTHERS PRESENT:**

Bill Foster, DAS Facilities Division  
Shirley Finanger, DAS Facilities Division  
Elaine Schacher, DAS Facilities Division  
Valerie McBride  
Herb Colomb, Legislative Administration

**Handouts distributed to all members present:**

- Agenda
- Minutes from September 10, 2004 meeting
- Salem-Keizer Area Siting Review Application Packet for Legislative Administration "Flags of States" project
- Deferred Maintenance Report by Agency comparing 2002 to 2004
- CPAB Agency Facility Plan Review 2002 Report showing 2003-05 Legislatively Approved Budget amounts
- CPAB Agency Facility Plan Review 2004 Report
- CPAB Salem-Keizer Area Project Review 2004 Report
- CPAB Reporting Schedule for Salem-Keizer Area Reviews 2004-05
- CPAB Reporting Schedule for Agency Facility Plans 2004
- DAS Leasing Information (presented at meeting)
- Flagpole Layout diagram for Flags of States (presented at meeting)

**CALL TO ORDER and INTRODUCTORY REMARKS:**

Chairman, *Bill Neland* called the meeting to order at 1:30 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 September 10, 2004 meeting. The motion was seconded by *Doug Spencer* and passed unanimously.

**SALEM-KEIZER AREA PLAN REVIEW**

***Legislative Administration – Presented by Herb Colomb***

Documentation provided to the CPAB Board included the following items in order to meet the siting requirements for a project named "Flags of the States":

- 1) Siting Review Application
- 2) E-Mail regarding tree removal
- 3) City of Salem confirming compliance with City of Salem Codes for tree removal
- 4) Flood Insurance map
- 5) Capitol Mall Area Plan
- 6) Flagpole Layout on Capitol grounds.

Herb Colomb, Facilities Manager, Legislative Administration, appeared before the Board to present a plan, sponsored and funded by the Oregon State Capitol Foundation to construct a display of 50 state flags of the United States in Willson Park west of the Capitol. It is technically not a state project, but it is on state land. There will be a mulched border six (6) feet wide with a

bronze marker at the sidewalk which would describe the flag and some information about each state. There will be a 30 foot wide opening for pedestrians at both extreme ends of the walkway so they do not need to walk over the mulch. Flagpoles will be 20 feet tall made of brushed aluminum, similar to the large flag poles currently outside the Capitol, with a gold cap on top of each pole. The Flagpoles will sit flush with the ground with a collar, eight inches in diameter sitting on the mulch. Flags will be three feet by five feet nylon and will not be illuminated. Because they do not have the United States Flag flying, it is okay for these flags to fly 24 hours per day. The pole construction has an internal halyard so that once the flags are up, they are locked in place and there will be no way for anyone to get to the hoisting mechanism to tamper with the flags.

The Capitol Foundation will be funding this project and they have just started fundraising efforts. A diagram was presented to the Board showing the fifteen trees, indicated with dotted lines, which will be removed. Two of the trees are conifers and the remainder are cherry trees. Several on the capitol side are diseased and would be coming out anyway. The ones at the far end, were moved to the current location 30 years ago when the wings were added to the Capitol building. The City of Salem has established, in writing, that these trees can be removed because the plan is within their established limits. The City will be asking for engineering drawings and an engineered foundation for the flagpoles. The flagpole company will be supplying that. They have been working with DAS to make ensure maintenance is kept to a minimum. That's why the mulch is there so landscapers won't have to go around each flagpole with a mower.

*Tom McMullen* asked who will handle the maintenance. Response: It will be the state's responsibility to maintain the grounds. The foundation will replace the flags as necessary but the grounds will be maintained by DAS. *Tom* asked why this is being done. Response: About half of the state capitols, maybe a little more have some type of flag display either within the interior of the building or exterior. Herb passed a photograph to the Board Members showing the display in the state of Alabama. The intent is to join the majority of capitols having a similar display. The Capitol Foundation looks at projects that will enhance the Capitol from their perspective and this is the third major project they have taken on. The other two projects were some marble benches added to the interior of the rotunda and the Metal of Honor Memorial out by the large flagpoles.

*Tom McMullen* asked if the Foundation came and asked to do this. Response: Yes, it was not driven by any legislation. *Tom* asked if this area was represented by a neighborhood group. Response: This project has been presented once before to the Capitol Planning Commission and there were some neighborhood representatives at that meeting due to another plan that was being presented on the Capitol Mall. *Shirley Finanger* stated that the siting application and supporting documents were sent out to CAN-DO, the closest neighborhood group. *Tom* commented that his only concern was to be sure that the neighborhood group was notified, as a courtesy, so they had an opportunity to review.

*Denny Nielsen* asked if other sites were considered. Response: Yes, they looked around and there was consideration given to putting this down the Mall, inside the cherry trees. It was thought that this would obstruct the view too much, especially in the springtime when all the trees are in bloom. The current proposal is the second option.

*Tom McMullen* commented that the cherry trees add a certain presentation and character to the Mall in the spring and summertime. He's not opposed to this proposal, but he walks their often and he wanted to make a point that when the Cherry trees are in bloom, it is a nice place to be.

*Bill Neland* asked when the project would be finished. Response: Next summer.

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

*Bill Neland* asked if there was any opposition. There were no comments.

## **PUBLIC TESTIMONY**

Opportunity was given for comments from the audience. There were no comments.

**DISCUSSION OF MODIFYING PRACTICE AND REVIEW OF LEASES:**

*Bill Foster* introduced *Valerie McBride*, Leasing Manager, Department of Administrative Services . *Valerie* described the data in a handout presented to the Board. *Bill Foster* stated that several months ago, this Board had a discussion about Ownership vs Leasing that was somewhat tied to a specific agency presentation. However, it was agreed that this subject needed to be revisited and have some further discussion. Some additional reasons came to light recently, suggesting that the Board have this discussion now. The current review process includes specific review of leases over 25,000 square feet with duration of ten years. This was a threshold set as the place where the state may consider owning rather than leasing. A review of the leasing program and some recent challenges with certain agencies prompted an examination of the threshold amount. DAS is proposing two changes to leasing reviews: 1) Reduce the review threshold level to 15,000 square feet. The logic is based upon using our current uniform rent rate that equates to roughly \$500,000 in a biennium, which is the same threshold as Capital Construction Projects, so there is more parity. 2) Ask agencies with larger leases to produce a biennial leasing plan. DAS wants to have a better handle on leases overall. Instead of doing a Space Needs Plan, maybe this should be done with all the agencies. The goal is to discover what agencies are planning to do, where they are, where they're going, and where they may need more space. The lease budget is not insignificant. There is over 4M sq ft of leased office space in the state and that equates to \$120M per biennium.

*Valerie McBride* clarified that the figures presented were strictly leases from private sector landlords. They do not include state-owned properties. The first chart indicates the square footage by location. It shows that Salem (31%) and Portland (28%) are fairly close, Eugene has about 6%, Medford 3%, Bend 3% and 30% for other locations around the state. In total, the state has 4.1 million square feet of privately leased space. There are 620 leases in the inventory, managed by DAS. The next report represents about 58 state agencies, showing Agency name, Number of leases, Square Footage collectively in those leases and Percentage of the total square footage. DHS makes up about half the total square footage. The six agencies representing the majority of lease square footage are: DHS, State Police, ODOT, DEQ, Employment and Justice. The third graph is titled Current Lease Files in privately leased facilities. This shows:

	<u>Under 10,000 sq ft</u>	<u>10,000 + sq ft</u>	<u>25,000+ sq ft</u>
No. of leases	484	136	37
Total sq ft	1,320,862	2,855,136	1,361,999
	(Minor leases)		(Major Leases subject to CPAB review)

A major lease is considered 10,000 sq ft and above. Anything under that amount is considered a minor lease and DAS deals directly with the private sector landlord. The bulk of the leases are less than 10,000 sq ft. representing 484 leases. Those 10,000 sq ft and above represents 384 leases. 25,000 sq ft and above, which is the leases the Board is currently reviewing is 37 presently.

The final graph represents a two year picture within all the leases to show the number of leases DAS would get in a two year period: 7 are under 15,000 sq ft , 2 are under 19,999 sq ft; 3 are under 24,999 sq ft, and 6 are 25,000 sq ft and above.

There would be approximately 11 additional lease files within a two year period which would need to be reviewed.

The last information shows the three major lease areas in the state:

Area	Rent for 2004	Projected Rent for 2007
Portland	\$1.49 full service per sq ft	\$1.54 full service per sq ft
Salem	\$1.35 full service per sq ft	\$1.39 full service per sq ft
Eugene	\$1.50 full service per sq ft	\$1.54 full service per sq ft

*Tom McMullen* asked if there is any possibility that because there are more state-owned facilities in Salem that it could depress the rent of the other buildings in Salem. Does that mean more vacancy, more competition? *Bill Foster* responded that there are different issues in different areas of town. Market conditions, at the time, drive the impact. When the state constructs something and moves out when the market is fairly soft, it may depress the market.

*Bill Foster* stated that there has been some discussion recently concerning the impact of constructing build-to-suit building in smaller communities. For larger buildings, once the state moves out, there may be no use for a building of that size. DAS is thinking about what options may exist to not negatively impact local communities.

*Bill Neland* asked if most of the leases were 10 years. Response: The majority of the larger leases are 10 years with several extension options which may get them up to 15 or 20 years. The majority are long term. He also asked about examples of some of the largest leases.

*Bill Foster* stated that Human Services has significant square footage in a variety of buildings in Portland. DEQ has a large headquarters building in downtown Portland and Fish and Wildlife has about 75,000 square feet. in Salem.

*Tom McMullen* asked if a lease is 10 years with some renewal options, could it go out 20 years at the same cost. Response: That is not a good assumption with some of the agencies. Tom asked if when the lease rate changes, does it stay with the same agency. Response: Most of the time, yes. If the agency has long-range plans.

*Bill Foster* gave an example where Human Services leased a building for many years then decided to purchase it. Due to the fact that they constantly rearrange the workspace, the decision to buy may not have been the best approach. It was not a high quality facility to begin with and a number of construction quality issues have emerged. At the same time, they have been in that part of Portland for a long time and probably will stay in that part of Portland but owning human service delivery buildings introduce other dynamics. A lot of these types of programs have rooms for visitation with kids, so there is food service and play rooms and a lot of things that require a high level of maintenance. Frequently, the agency decides to change how services are provided or they decide to partner with another provider and want to reconfigure all the space. It seems like they are churning all the time. From the perspective of a facility owner, it is difficult to remain cost effective.

*Valerie* introduced the fact that the DHS client base is always changing. What worked 10 years ago maybe doesn't work now. Their client base is now in a different part of town so they need to move. *Bill Foster* stated that we have both cases. There are a few like the one described where the agency stayed in one location for a long time but there are numbers where the client base moved so they needed to change locations.

*Bill Neland* asked if the legislature supported these leases. Response: It is a significant part of the budget, however there typically is not specific legislative discussion. It was pointed out that a 10 year lease is longer than a biennium so there are several issues to consider.

*Tom McMillan* commented that perhaps the state should go through a process and consider a shorter period of time and if there is an option to extend, there should be an analysis associated with ownership vs leasing. Perhaps in the planning process there should be a secondary request for information before entering into the second 10 year term.

*Ed Galligan* commented on the criteria for analysis before the Board, such as logistical considerations. There is also the standard lease vs buy analysis which is about as fundamental as you can get. Given the buildings owned by the state, it is pretty easy to do a life-cycle cost for owning a building vs leasing a building. One huge disadvantage, from a financial standpoint is that a landlord can take advantage of tax advantages whereas the state cannot. To the extent that a landlord passes on that tax advantage with a lower lease rate, it will always be more economical to lease.

*Bill Foster* responded that the exact opposite has been the state's experience. If you look at what the typical capitalization rate a landlord wants to build into their lease, it typically costs more to lease. Lease term plays into the point where it starts costing less to lease. Maybe not in short term leases (under 10 years), but in longer terms (20+ years) it has always come out in favor of ownership. With all that said, there are reasons not to own buildings. Mobility is an important reason not to own, as well as level of churn, and the time delays involved in going through the capital projects budget process.

*Ed Galligan* asked if lease renewals come before this Board. Response: No

*Denny Nielsen* asked about the impact of the cost of construction on a lease rate, particularly when you have Prevailing Wage. *Bill Foster* responded that there are several variables that make comparisons a little more difficult. The same quality of building cannot be assumed. Sometimes what a lease/owner is putting together is a little lower quality building and not fit for a 50 or 100 year life, so their initial investment is less. Build-to-Suit Leases require Prevailing Wage. Some leases where the footprint of the building is not changed do not require Prevailing Wage. It gets complicated on how to look at this and it isn't always a simple conclusion.

*Ed Galligan* commented that each one should be a case-by-case study but there are fundamental tools that could be used in the approach.

*Tom McMullen* commented that what might be done is writing in the bylaws that leases start with 10 years and renews for an additional 5 years. Usually renewals are subject to a higher rate, the rate isn't fixed after 10 years as they are subject to market conditions 10 years out. In the process in carrying out the Board's responsibility, lease renewals should be put into a process where they at least get some attention. The intent is that lease renewals are subject to re-analysis.

*Bill Foster* commented that there is also an issue of what the original intent was because it's equally bad to enter into a short term lease and keep renewing it when maybe it would have been more cost effective to do a 10 year lease in the beginning. The other side is entering into a lease that is too long one and have the problems we've just discussed.

*Bill Neland* asked if there are a number of leases with 20 year terms. *Valerie McBride* responded that there are very few, most of the privately leased spaces are for field offices. The largest agency is DHS. There is continual change due to program changes and client base movement.

*Bill Foster* commented that the other piece, which sometimes gets left out of the discussion, is cost of relocation. Sometimes staying, even at a higher lease rate is a better choice than paying the relocation costs.

*Ed Galligan* reviewed the two changes being proposed: 1) Reduce the threshold to 15,000 sq ft. 2) Ask agencies with larger leases to produce a biennial leasing plan. He inquired about the rationale for reducing the threshold to 15,000 sq ft. He's not sure how that relates to the \$500,000 capital projects threshold. *Response:* There was a certain amount of arbitrariness and a little bit of logic in choosing the current 25,000 sq ft threshold. The threshold for the state's capital construction projects is \$500,000. If you use the current uniform rent rate, a 15,000 sq ft building, over the course of a biennium, would cost slightly in excess of \$500,000. Therefore, it seems that the 15,000 sq ft threshold would make it more consistent with the capital construction threshold.

*Ed Galligan* indicated that he certainly would support both proposals.

*Bill Foster* further commented that this is a work in progress with the intent to lay out thoughts in the hope that agencies start communicating by the end of the biennium and get plans from some of the larger agencies to present to the Board. Obviously DHS will be one of them. Once DAS has outlined a final process and some decisions made as to which agencies will be required to report, DAS will come back with some additional materials and get further feedback on the process. This presentation was to share the idea and get your feedback before moving forward with designing a process.

*Tom McMullen*– commented that the rationale was excellent.

*Bill Neland* thanked DAS for the presentation and called for presentation of the next agenda item.

## **REVIEW OF CPAB AGENCY FACILITY PLAN SUMMARY REPORTS**

*Shirley Finanger* described the reports included in the handouts presented to the Board:

- DEFERRED MAINTENANCE REPORT BY AGENCY 2002 COMPARED TO 2004. This report compares the deferred maintenance amounts reported last biennium compared to the current biennium. In most cases, the numbers have gone down. Some of the agencies did an extensive re-analysis which resulted in an increase. Example, Military and State Fair. This is a comparison of last biennium vs current biennium. Roofs stayed the same at \$7M.
- CPAB AGENCY FACILITY PLAN REVIEW 2002 Report – *Shirley* pointed out the column titled 2003-05 LAB which means "Legislatively Approved Budget". The approved budget amounts are listed beside each project plan presented. If not approved, the project did not get funded. The project got eliminated either in the Governor's recommended or in the legislative process. The \$1 entry is a place holder (an entry into the system), in case there is a need to go back to the Emergency Board.

- CPAB AGENCY FACILITY PLAN REVIEW 2004 Report – *Shirley* pointed out that the number of project plans has grown significantly from last biennium. An attempt was made to capture the action taken and refer to the minutes, which are now posted on the web in case any additional information is required.

*Shirley* also stated that these summary reports have been provided to the auditors along with some of the actual agency plans.

- CPAB: SALEM KEIZER AREA PROJECT REVIEW 2004 – This is a listing of Salem-Keizer Area projects which were reviewed by the Board in 2004.
- CPAB REPORTING SCHEDULE – SALEM-KEIZER AREA REVIEWS
- This is the current 2004 through April 15, 2005 reporting schedule.
- CPAB REPORTING SCHEDULE – AGENCY FACILITY PLANS 2004
- This is the 2004 meeting schedule for agency facility plan reports.

**Discussion:**

*Bill Neland* asked if Deferred Maintenance is still a funding problem. Response: yes.

*Bill Neland* commented that he had a meeting with two auditors from the Secretary of State regarding a DAS audit. The auditors do not have a clear understanding of the state's definition of deferred maintenance. *Bill* met with them for one hour today and is scheduled to meet with them again next week for another two hours. Mostly he is in an educational role because the auditors don't understand the state's terms. *Denny Nielsen* asked if these were outside auditors and offered that maybe it would make sense to have an objective third party who does understand, work with the state people so everyone understands everyone and it's a work in progress.

*Bill Foster* commented that the auditors are from the Secretary of State and past experience has shown that often a fair amount of time is spent in the educational process. They are in an investigatory phase and are trying to decide whether they will actually perform an audit. In 1992, General Services requested an audit surrounding the Archives Building project. It became three audits, with the final being a statewide facilities review. Eventually, the audit led to the creation of this Board. DAS is trying to direct the auditors back to the 1992 audit to see what was originally proposed then, look at what has been done and start from there to decide what additional actions are needed.

*Denny Nielsen* asked to be kept informed about what needs to be done to keep this Board involved. Someone needs to send a clear message. If not the state auditors then perhaps this Board. *Bill Foster* responded that the auditors have been talking to a lot of people, for example the Legislative Fiscal officers and BAM Analysts. They have had some preliminary discussions with some of the agencies and originally they were going to audit four agencies: DAS, Department of Corrections, University System and DHS. All of those are still being considered. One of the areas they may explore would be a comparison of what some of the other agencies have done compared to what Mental Health has done.

*Tom McMullen* asked if there is any role that would be appropriate for this Board to play in encouraging some audit functions. *Bill Neland* responded that he is doing what he can to make sure the auditors know what deferred maintenance means and that it has a uniform meaning to everybody. *Tom* commented that his experience is that audits get used to pass bond issues. *Bill Neland* responded that he doesn't know the beneficial purpose of this audit. Maybe it's to obtain more funding for deferred maintenance. *Tom* commented that if this Board cannot make recommendations, perhaps the Board could ask for verification.

*Denny Nielsen* commented that deferred maintenance is something worth considering in the lease vs owned analysis. Leases from a private owner, don't have deferred maintenance.

*Shirley Finanger* commented that Education is planning to do a study to determine if the Blind and Deaf School facilities are functional for today or whether they are so outdated that they are no longer useful. Also, it will determine what they really need for this level of student enrollment. They probably don't need all the buildings they have and not all the buildings need to be refurbished but which ones is the question. When that is determined, maybe they could put only the ones scheduled for refurbishing on the deferred maintenance list and take everything else off.

*Bill Foster* commented that certainly there are still some issues. The vast percentage of the total deferred maintenance is with two agencies, \$46M for Corrections and \$36M for Military. *Bill Neland* commented that Mental Health has gone so long without funding for deferred maintenance and inquired about the sale proceeds from the sale of Fairview and Dammasch. *Bill Foster* responded that the sale proceeds were specifically dedicated legislatively as to where they should go. The bulk of it will go to house clients in group homes.

*Doug Spencer* commented that it is amazing that funding is not more readily available for Mental Health, given the service provided to the state. It seems that some responsibility must be taken and something done to cause the legislature to recognize that there has been an attempt to identify problems.

*Bill Foster* responded that it may take a ballot initiative to move it up on the priority list.

*Denny Nielsen* stated that it is a shame and it does not seem that a ballot initiative is the way to address something as critical as Human Services. You would be asking a fairly uninformed population to make very serious decisions without adequate data.

*Doug Spencer* asked if the Board would have an opportunity for some type of commentary. Twelve years ago, he recalls that Mental Health identified these problems and yet nothing has happened to address these maintenance issues. It is always on the low end of the ladder. The first step was to identify the problems and this is a big plus. The next step would be to take some responsibility for repairs, give them a voice. He asked how the Board could assist them in obtaining funding.

*Bill Foster* stated that certainly we know that there are funds in the budget to do some things.

*Doug Spencer* commented that the legislature must be made to recognize that Mental Health has made an effort to identify areas of risk and this Board supports that funds be identified to make repairs.

*Denny Nielsen* commented that it is not helpful for them to continue operating with the fire drill approach where multiple problems crop up simultaneously. Getting it done and done right is a better approach.

*Edith Yang* commented that in 1992 the Secretary of State, Phil Keisling, hired a CPA to try to solve this problem and he spent over \$585,000 to make a report. Former Senator Mae Yih worked on trying to get this problem solved for over 28 years. Basically, the state was getting somewhere when Senate Bill 28 1997 (Regular Session) was finally passed after 28 years. What happened was that the Oregon University System (OUS) major construction and acquisition of capital projects were not included in SB28. Over half of the state inventory of buildings are owned by OUS. Basically, Governor Kulongoski is making a lot of changes with the OUS and the latest thing is that he has hired George Pernsteiner to serve as new interim Chancellor.

*Bill Foster* responded that the decision to omit OUS was a legislative decision, so this Board does not have the authority to address Oregon University System issues.

*Edith Yang* asked about the sustainability bill, which includes the state Board of Education and inquired if the Board should be reviewing sustainability. *Bill Foster* responded that this is a specific program and not a function of this Board. *Edith* asked if the statute is being ignored. *Bill Foster* responded that the direction of the statute and the Executive Order is being implemented, but DAS has less information about the OUS. *Edith* stated that we don't have any time to waste. *Bill Foster* responded that the department has a policy about sustainability and it is being broadened, per the Sustainability Board, to include the Oregon University System but that is a separate issue. *Edith* further stated that it is really hard when more boards are formed every year to do a different portion of something else and what happens is the left hand doesn't know what the right hand is doing and everyone spends their time dealing with only parts of the problem.

*Denny Nielsen* commented that until the Board's charter changes, about as far as we can go is to put thoughts and feelings in writing with respect to some of these other agencies and entities. He offered a suggestion that some additional emphasis be communicated in support of certain actions the Board is supporting. Stronger language should be used such as the word "recommendation" as opposed to "suggested", something more emphatic.

*Bill Foster* responded that DAS is preparing a package for presentation to Legislative Fiscal. *Shirley Finanger* stated that the Board's comments and suggestions will be a part of the report that DAS is preparing. *Bill Neland* stated that this would be appropriate.

*Doug Spencer* commented that the Board has been very helpful in assisting the agencies to craft an analysis of their existing facilities. However, it's frustrating that the problems aren't being solved, even after the agencies have been coming before this Board. He thought that by now the agencies would have been more successful in getting funding from the legislature. The Board recognizes that funding is another piece of the overall process and maybe this piece needs to be investigated further. He asked what this Board can do to enable the agencies to be more successful in obtaining funding for these projects that have been ongoing for fifteen years and yet do not get funded?

*Bill Foster* responded that there are success stories for example; Forestry, OYA and Parks and Recreations. Each one has had a different solution and has sometimes taken some sort of legislative change to go somewhere.

*Doug Spencer* suggested that an examination be done as to why some agencies were successful and use those success stories as a model for what needs to be done in order to figure out what it would take to be more successful with the legislature. *Bill Foster* commented that now that the budget requests have been submitted, maybe after the legislative session, this is something the Board could revisit with some of the agencies and find out what was done to obtain the desired result. This could be planned for a time that is reasonable to enable it to be useful.

*Tom McMullen* commented that the current legislative champion is no new taxes. *Bill Neland* responded that the climate is different today. *Denny Nielsen* stated that we went through a decade where revenue was not an issue and it didn't make a difference.

*Bill Neland* informed the Board that the November meeting will be the last one for this year. There will be no meeting in December and possibly no meeting in January. *Shirley Finanger* stated that in the November meeting, DAS will return with a Salem-Keizer design review for the Consolidated Data Center.

*Ed Galligan* complimented the DAS staff for preparing good reports.

**NEXT MEETING DATE: November 19, 2004 from 1:30 pm to 3:30 pm at the Forestry Building.**

**Meeting adjourned at 2:50 pm.**