

Attendees:

<b>Agency:</b>	<b>Board Representative:</b>	<b>CIO or Representative:</b>
DAS	Laurie Warner	Don Fleming
DCBS	Cory Streisinger	Dan Adelman
Corrections	Max Williams	John Koreski
Education		
Employment	Greg Hickman	Curt Amo
Forestry	Clark Seely	Dan Christensen
Housing & Community Services	Bob Repine	
Human Services	Cindy Becker	Bill Crowell
State Police		Gary Johnson
Revenue	Elizabeth Harchenko	Stan McClain
ODOT	Bruce Warner	David White
Veterans' Affairs	Paula Brown	Herb Riley

Project Staff: Mike Freese, Keith Kohan, Mark Matson.

Others: Mike Beard, Bill Fink, Bob Reitmajer, Raelynn Henson, Theresa Masse, Jovan Ruiz, Dallas Weyand, Sue Wilson.

**1. Opening Comments – Elizabeth Harchenko**

Mike Freese distributed a change to the July 12, 2004 minutes on page three, paragraph four. Revised minutes read as follows: There was discussion about the timeframe for developing the detailed implementation plan. Curt Amo and Dave White stated that adequate time must be allowed to develop a solid implementation plan and not be driven by Accenture's deliverable schedule. Don Fleming noted how critical it is to develop a schedule based on industry standards so the project maintains structure; if extensions are needed they can be negotiated at the appropriate time.

**Motion**

Bob Repine made a motion to approve the July 12, 2004 meeting minutes as revised; Max Williams seconded the motion; the motion passed unanimously.

Members shared their thoughts regarding the meeting with the governor on July 15, 2004. Elizabeth Harchenko said she came away with the following messages: Do this project well, do it right, work together, and see that the various needs of agencies are met through the planning process.

Bruce Warner said it was obvious this project is very important to the governor who said to make the project a priority within agencies. The governor also asked that agency directors exceed expected outcomes to get more savings than noted in the preliminary business case. Bruce also noted that the governor liked the current governing board model and wants to use it for other cross-agency projects.

Bob Repine echoed that the message was very clear that the governor's expectation is that agencies work together on this project.

**2. Program Manager's Report – Mike Freese**  
**"Lessons Learned" Meeting**

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A facilitated meeting to discover “lessons learned” from the project thus far is now scheduled for July 29. This meeting will include project staff, chairs of CNIC subcommittees, Accenture and agency CIOs. Participants will be able to share what worked and what didn’t. There will also be a discussion about the planning phase and what it includes and does not include.

Mike distributed a description of Task 7 which outlines the planning phase of the project. Task 7 is taken directly from the Accenture contract.

Cory Streisinger expressed interest in knowing as soon as possible whether a particular agency would be excluded from the project. Don Fleming said that during the implementation planning phase it will become clear if an agency dilutes the business case. If such is the case, that agency will be excluded; this is the only reason an agency will be excluded. What makes an agency dilute the business case would most likely be related to unique things that are not scalable. Savings result from economies of scale.

Bruce Warner noted that the state may have to apply standards requiring agencies to only use systems that can be scaled. Max Williams stated that there are non-financial rationales that also must be applied to these situations.

Don spoke about the findings of Accenture to date. While a few unique things have been found, no participating agency has been determined to be so unique that it appears they dilute the business case.

Bob Repine asked about how governance plays into inclusion. What about small agencies that end up paying more for the future model than they do in the current model? Elizabeth Harchenko replied that this is a good example of how the ongoing governance model must be successful for all participating agencies in order for the whole project to be successful.

Paula Brown asked that “show stopping” information that is available from the experiences of other states be distributed to the Governing Board. She mentioned constitutionally allocated funds as a concern.

Bill Crowell noted that agencies will not use all the same services of the data center and therefore would not all have the same charges. Agencies must clearly understand the services they need.

Cindy Becker said in light of the governor’s challenge it would have to be an “extraordinary” reason that precluded an agency from participating. Laurie Warner echoed this thought and took exception to any conversation that does not align with the governor’s expectations.

Mike Freese interjected that until the analysis of implementation planning indicates differently, all 12 participating agencies are within the scope of the project.

Cory Streisinger and Elizabeth Harchenko both stated there must be a forum to bring all agency questions forward. John Koreski suggested that these questions be identified and communicated.

Curt Amo asked whether the lessons learned meeting will have an affect on the deliverables of Task 7 (referring to Accenture’s contract). Mike Freese answered that

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anything can be brought up at the lessons learned meeting, but Task 7 is from an existing contract with Accenture. He also reminded the group that the contract deliverables were based on industry standards and the experience of the contractor having accomplished many data center consolidations.

Forming a Security Committee

Mike Freese expressed the need for a security perspective as the project moves forward. The state's Information Security Council (comprised of 21 agencies) has expressed an interest to serve in the role of CNIC Security Committee (both cyber and physical security) working in conjunction with the Technology Committee and reporting directly to the Governing Board.

Bob Repine made a motion that the Information Security Council be constituted as a CNIC Security Committee using the existing membership and any other staff person that the Governing Board wishes to donate from their agency; Cindy Becker seconded the motion. The motion passed unanimously.

The list of members will be distributed to the Governing Board. The group's first task will be to develop a charter.

**3. Human Resource Update – Sue Wilson**

Sue Wilson reported that the focus of the next Labor/Management meeting on July 22, 2004 will be the process to be used for membership of the committee to bring their questions and concerns forward.

**4. Finance Committee – Bill Fink**

Bill Fink said there was no report from the Finance Committee.

**5. Technology Committee – John Koreski**

John Koreski said there was no report from the Technology Committee other than the group is waiting for the "lessons learned" meeting scheduled for July 29.

**6. Facility Committee Update – Bill Reitmajer**

Bob Reitmajer reported for Bill Foster. The DAS Facilities Division is recommending to the Governing Board that future work on the CNIC location be limited to building from scratch on the state-owned land at 550 Airport Road, Salem (between Lottery and the Print Plant).

Bob reminded the Governing Board that the reason Facilities Division began their work on this project by investigating existing shells between Eugene and Portland was to support the schedule of the project. He highlighted a cost comparison sheet which indicates that building on state-owned land in Salem is a cost effective solution and, since the state owns the land, many of the normal building project schedule delays would be eliminated.

Bob Repine asked about using space at the Print Plant for part of the data center operations? Bob Reitmajer confirmed this is still an option; it allows staging to occur during the consolidation process and lowers the overall square footage needed for the data center.

Cory Streisinger said that the value of the land should be added to the cost comparison document—stating that there is value to the property that should be reflected on the comparison.

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Cory Streisinger made a motion to endorse the recommendation of the DAS Facilities Division to pursue building on state-owned land in Salem, and to show the value of the land in the analysis; Bob Repine seconded the motion. The motion passed unanimously with Max Williams noting that the Governing Board is simply accepting/concurring with the recommendation being made by DAS (the entity that retains the statutory authority for such a decision).

Greg Hickman asked if this now changes the return on investment stated in the business case. Bob Reitmajer responded in the affirmative - that it makes it better.

**7. Communications Committee Update – Mike Beard**

Mike Beard distributed a draft press release stating he is working with the governor's office on when/whether to release it. Mike accepted several changes to the wording.

**8. Other – Elizabeth Harchenko**

Ongoing Meeting Schedule

The Board decided to begin meeting every other week beginning August 2.

Operational Governance

Max Williams made a motion to establish a staffed Governance Committee to develop recommendations for the Board on governance issues; Bob Repine seconded the motion. The motion passed unanimously. Max asked that the group study other states and/or organizations that have undergone consolidation. Laurie Warner said she would work on appropriate staffing for the group. The following volunteered to serve on the Governance Committee:

- Cindy Becker for Gary Weeks
- Max Williams
- Bruce Warner
- Elizabeth Harchenko
- Clark Seely
- Laurie Warner

Additional Agency Participation

Based on earlier action by the Board, the topic of involving other agencies in governance model discussions was readdressed. Some smaller agencies that are customers of DAS have expressed an interest in such participation. The four agencies that will be invited to participate in the Governance Committee will be Oregon Youth Authority, PERS, Parks and Recreation, and Oregon Department of Fish and Wildlife.

Other

Bob Repine asked about Quality Assurance. Mike Freese responded that DAS is working on contract language for CNIC QA in compliance with statewide policy.

Mike also noted that the existing contract with Accenture will take the project through implementation planning (Task 7). The second phase of the project is implementation and will require a contract amendment.

**Next Meeting**

Monday, August 2, 2004, 3:00 – 4:30 p.m.  
DAS West ~ Conference Room A