

**MEETING MINUTES – January 16, 2004 1:30 -3:00 pm**

Prepared By: Elaine Schacher

**MEMBERS PRESENT:**

Bill Neland, Chair  
Tom McMullen, Vice Chair  
Ron Polvi, Northwest Natural  
Ed Galligan, Port of Portland  
Denny Nielsen, Salem Hospital

**MEMBERS NOT IN ATTENDANCE:**

Edith Yang, A.I.A.  
Doug Spencer, Providence Health Systems

**OTHERS PRESENT:**

Dan Hall, Employment Dept  
Terrence McCarthy, Employment Dept  
Dallas Weyand, Legislative Fiscal Office

Bill Foster, DAS Facilities Division  
Valerie McBride, DAS Facilities Division  
Elin Shepard, DAS Facilities Division  
Elaine Schacher, DAS Facilities Division

**Distribution:** All members present.

**Handouts:**

- Minutes from May 30, 2003 meeting
- Employment Department - Space Needs Plan, Space Worksheet, Questions and Answers, Exhibit A – Narrative
- Changing Role for the Capitol Projects Advisory Committee
- Sustainability Executive Order No. EO 03-03

**INTRODUCTORY REMARKS:**

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

**APPROVAL OF MINUTES FOR MAY MEETING:**

The May 30, 2003 minutes were approved. Denny Neilsen moved, Tom McMullen seconded.

**AGENCY REPORTS:**

**a) Employment Department report.**

*Dan Hall*, Business Services Manager, Oregon Employment Department (OED) summarized the project. The Department plans to consolidate offices and create three call centers. A strategic plan has been developed and a \$4 million “other Funds” expenditure limitation approved by the 72<sup>nd</sup> Legislative Assembly. By the year 2007, they know there will be a \$7.5 million shortfall in their funding, and it is imperative that they make some significant changes in how they do business. This new business model will save approximately 50 to 70 positions, on the Unemployment Insurance side, and that translates to an estimated \$10 million savings. There are 36 other states that have already gone to this model. They propose to take a phase approach and stagger the openings of the three call centers over a period of time: July 2004, December 2004 and June 2005.

*Dan* - Employment has 460,000 square feet of space now. These projects will initially cause an increase in square footage, but over time, there will be a net decrease by not renewing some leases or sub-leasing owned facilities to partners. Most of the owned facilities were purchased in the late 50's or early 60's and they are looking at each facility as to location, use, and condition to determine what makes sense. There will be a very detailed plan, office by office.

*Tom* – The plan calls for leasing space, vacating, then leasing other space which could result in additional cost. If the goal is centralization, what is the most cost effective way? The other component is that there should be a specific need attached to it. He would like to see an analysis showing specific dates for leases, space size plan, and specific plan for when people move into those spaces.

*Bill Neland* – His understanding is that square footage will go up before it goes down. Four years from now, less space will be under contract. *Dan* – Yes.

*Tom* – commented that he would like to see a specific time line and review this project again when there is some competition for space being freed up. Concept is reasonable.

*Bill Foster* commented that the board's questions on specific leases are a very reasonable request and suggested that Dan share a more detailed plan with the board at a future Board meeting.

*Dan* summarized the Portland Project and distributed Exhibit A – Narrative.

When OED asked DAS Facilities to review their initial space request, DAS recommended 8' x 8' cubicles in instead of 8' x 6' for the 17 Business and Employment Services staff members because they interface with both employers and unemployed workers seeking employment and/or job training.

*Denny* – Is that the reason circulation space is so high?

*Bill Foster* responded - its how DAS builds the numbers. If you're looking at it in totality you get to those types of percentages. But, if you're building it off the workstation and put factors on it, it's a much higher number. Putting a factor for circulation on the workspace station is building it from the bottom and it takes a bigger number. Yet, when you get the total layout and you look at it as a ratio between the total square footage and the usable space, then you would be closer to the numbers you're talking about.

*Tom* - What about lease/purchase option concept? *Dan* responded that's a good possibility.

*Tom* – Is leasing vs. owned a DAS decision? *Bill Foster* responded that the decision has to be approved by Legislature.

*Dan* – He will return to this board in the fall and give an update.

*Bill Neland* asked for a motion to accept this report without exception. *Tom* seconded, group approved.

### **TRANSPORTATION BUILDING UPDATE presented by Bill Foster:**

*Bill Foster* shared the current plans for the Transportation building and distributed a handout. During the last budget cycle, ODOT submitted a budget for renovation to the mall building. DAS has been working towards the idea of buying the building from ODOT, renovating it, and including in the uniform rent program.

ODOT would partially re-occupy it. During the last session they received a major funding package for road and bridge improvements. With that package came a reduction of personnel related to the delivery of those projects and the expectation that they would contract out more services. This is a fairly significant change of delivery which means they need to decentralize a lot of those kinds of project support from the Salem office and put into various regions. DAS may take on a bigger role in ownership and maintenance of the Mall Headquarters Building. Depending on what seems to make sense, DAS may take that project to the April Emergency Board to get approval for some planning funds.

*Ron* – Would the ODOT's plan include adding onto Airport Road?

*Bill Foster* – There are a number of things that they would like to do and there are some limitations in the current political funding environment. Ultimately, they could see a fair amount of additional development on Airport Road, where the maintenance area isn't heavily utilized. They could add between 150,000 to 300,000 square feet in that area.

**SUSTAINABILITY UPDATE presented by Bill Foster:**

While the sustainability issue never died, it ratcheted down and little bit toward the end of the previous administration, but it's now ratcheting back up. The 2001 Legislature put a Sustainability Bill into place and created a Sustainability Board in the last session. That Board is up and functioning now, chaired by the Secretary of State. The Board has no budget; however, it is being staffed through the DAS Director's Office and other volunteers. In early 2003, Governor Kulongoski issued an Executive Order on Sustainability. This Order is very focused on specific directions and quantifiable actions for state agencies. The Governor has appointed a new member to his staff as a Sustainability Advisor. A new list of actions is being prepared for state agencies pending approval by the Sustainability Board at their next meeting. There will be increased interest and activity on sustainability and a fair amount of additional leadership being asserted by the State. Sustainability is not a destination, it is a journey.

*Tom* asked to be informed of the Sustainability Board Meeting schedule.

*Bill Foster* responded that the meetings are held monthly and there is one scheduled for next Friday, January 30, 2004. Bill will e-mail the Sustainability Board meeting schedule to all members of this Board.

**DISCUSSION OF CHANGING ROLE OF CPAB:**

**a) Legislative action / Administrative restrictions.**

*Bill Foster* – The 2003 Legislature suspended the Capitol Planning Commission for two years and some limited functions will be merged into CPAB. Due to this change, some current members of CPAB will have their appointments terminated. CPAB's responsibilities will increase to include some CPC issues, including area plan reviews, increased public comment and City of Salem interaction.

**NEXT MEETING DATE: February 20, 2004 at Forestry Building.**

**Meeting adjourned at 3:00 pm.**