



Department of Administrative Services

Day 6:
Capital Projects
Updating our Management Model
Changing the Business



Enterprise Asset Management: Proposed Capital Projects

- Demolition, remediation and disposition of properties
- Business and market-driven acquisition of new properties
- Renovation, seismic retro-fit, code upgrades
- Partnerships with local government and industry

EAM: DAS Owned Buildings

2015-17 Capital Program – Revolving Funds

- Capital Improvement Projects \$4.4 million
- Capital Construction Projects \$17.6 million

2015-17 Capital Program – Article XI-Q Bond Funds

- Executive Building Renovation \$19 million
- Capital Renewal & Repair \$30 million
- Capital Investments / Acquisition for broad state usage \$17 million

Executive Building: Renovate or Rebuild?

- 17 month project – tenants will be relocated
- Seismic retrofit and upgrade to current building codes
- Replacement of mechanical and electrical systems with modern energy efficient technology
- Replace elevators / improve stairwells
- Relocate main entry and upgrade building security systems
- Complete renovation of interior workspace / upgrade restrooms to ADA standards. Add public restrooms in lobby



Oregon State Hospital North Campus

- GF funding of \$8.3M requested to demolish 430,000 sq. ft. of buildings
- Consultants recommend demolition prior to sale will maximize fiscal return for state (sale value \$13M)
- Maintenance, utilities, and security cost is \$45,000 - \$50,000 per month
- Discussions to preserve certain buildings continue



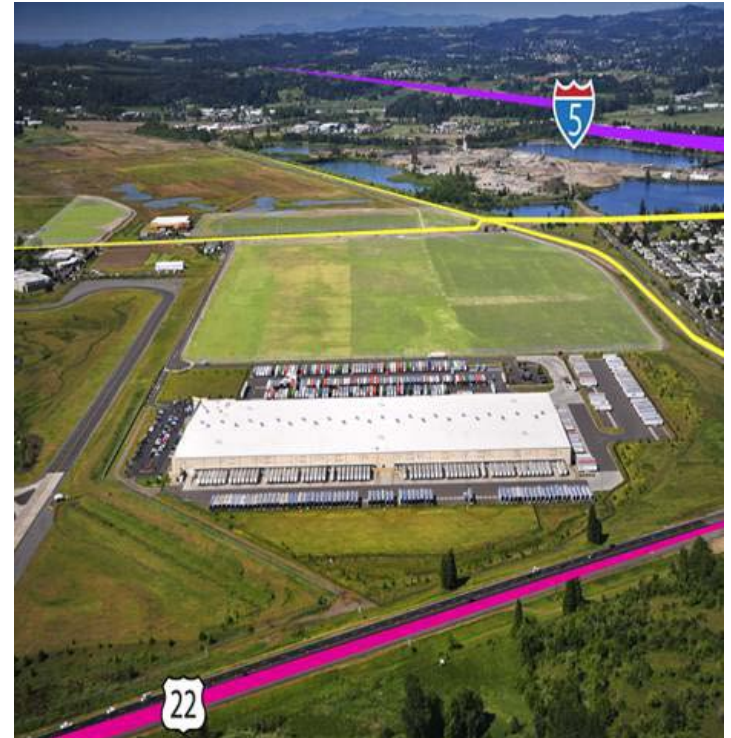
Blue Mountain Recovery Center / Eastern Oregon Training Center

- 93,660 sq. ft. and 11,000 sq. ft., respectively
- GF demolition of \$935,000 and \$100,000, respectively, approved at December E-board
- Demolition scheduled to be completed by June 30, 2015. Land will be transferred to City of Pendleton
- Land is industrial zoned and located adjacent to existing manufacturing companies



Mill Creek Corporate Center

- Collaborative effort with City of Salem and Salem Urban Renewal Agency
- 514 acres total / 450 acres remain to be sold
- Improvements using \$5 million bond funds (2009-2015) are complete. Remaining infrastructure of \$10 million will be built as sales occur
- Marketing efforts continue / potential sale of 250 acres for \$25 million in current discussions



COO: Updating DAS and the Enterprise

- Re-evaluating entrepreneurial management model decisions
- The Oregon Management Project
- Utilizing a common management system
- Enterprise Architecture

Key Performance Measures

DAS currently has 13 KPM's & proposes:

- No change to four KPMs
- Replacing six KPMs to align with NOW Management System
- Requesting technical adjustments on two KPMs
- Adding two new KPMs
- Removing one KPM

If approved DAS will have 14 KPM's

Final Packages

- Package 090 – Analyst Adjustments
- Package 125 – State Hospital North Campus Disposition
- Package 134 – Strengthen DBS Business Support
- Package 135 – Support Increased Budget Workload
- Package 136 – Increase Administrative Support
- Package 140 – Move Procurement Office to EGS
- Package 141 – Move ETS GEO to CIO GEO
- Package 142 – Move ETS ASD to CFO
- Package 143 – Mass Ingenuity Master Contract
- Package 489 – Capital Construction Projects
- Package 490 – Capital Renewal and Repair
- Package 491 – Capital Investments/Acquisitions

Topics for Tomorrow

Public Testimony & Conclusion

- Diving into DAS Rates and Assessments
- Public Testimony
- Conclusion – What would you like for Phase 2?