

State Facilities Quarterly

"Provide and protect public assets"

Official Newsletter of the National Association of State Facilities Administrators
An organization of planning, development, operations and maintenance officials

Missouri Funeral Rises to National Event

By Mark Allen, assistant director, Missouri Facilities Management

October 16, 2000 was a stormy Monday in Missouri. About 7:30 p.m. and 100 miles from the state capitol, a twin-engine plane carrying three passengers crashed in a fireball in rural eastern Missouri. At 3:30 a.m., I received the call that Missouri Gov. Mel Carnahan, while campaigning for a U.S. Senate seat, had died in the crash, along with his pilot-son and a long-time aide.

The funeral was scheduled for Friday morning, leaving only three full days to plan. A state funeral soon rose to a national event. One senior campaign aide described our effort to the media as, "Preparing an inauguration, times ten, in just three days."

The Capitol building was undergoing major renovation at the time. The \$3 million dollars in historic preservation had to be stopped and cleaned up from top to bottom in anticipation that the service might be held indoors in the rotunda if the weather did not cooperate. As it turned out, the service was held outside.

A service platform was erected on the south steps of the Capitol grounds. Once the platform was painted and handrails in place, it had to be draped with the colorful "presidential presence." It took 70 yards of presidential blue material to cover the platform. More than 6,000 feet of rope was used, and the red carpet was brought overnight from Georgia.

The high level of security was new to us, and we did not have all of the materials necessary to meet those requirements. Bike racks, used for crowd control, were loaned to us from the City of St. Louis. Three hundred stanchions were obtained in Kansas City.

The U.S. Secret Service, Missouri Highway Patrol and fire marshal bomb dogs were used to complete a security sweep of the Capitol, its grounds and many of the

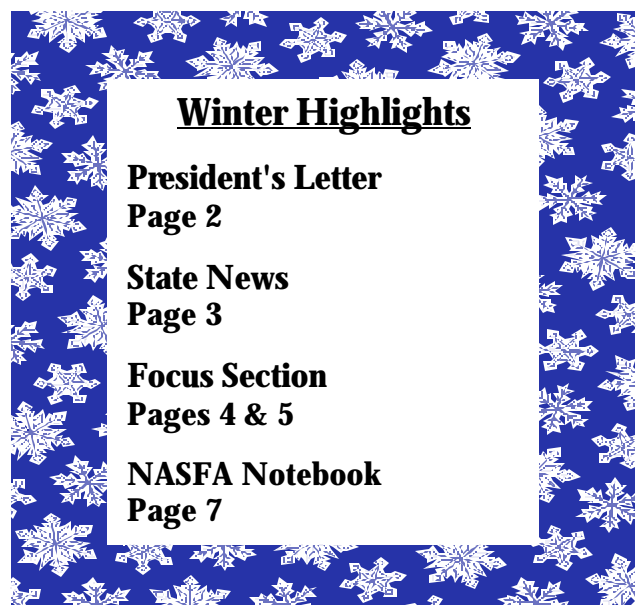
surrounding buildings. Once completed, these buildings had to be locked down.

Fifteen-minutes before the Processional, President Clinton needed a glass of water, which also required a doily on top. I looked all over and even unlocked the Capitol, but the Secret Service refused to let me use a Styrofoam cup with napkin on top. Miraculously a glass of water appeared with a doily and presidential seal.

It was in the 80s during the service, and the heat overcame several people. Luckily, Red Cross volunteers and bottled water helped to combat the heat.

Three weeks later, voters elected Gov. Carnahan to the U.S. Senate posthumously. His wife, Jean, accepted the appointment in his place. •

For more information, contact Mark Allen, assistant director, Missouri Facilities Management, at (573) 751-7835.



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President's Letter

The New Year has past and we are about to enter the homestretch towards Lexington in June. This is a time when committees and their participants are well into conducting business and in some cases, concluding their charge. Committees are the backbone of our organization; they provide the behind the scene activity that allows NASFA to function at the high level of service it does. I personally want to thank all those giving of their time to serve on committees. NASFA couldn't function without your participation. Thanks!

Continuing my attendance at the regional meetings, I met with the members at the Southeastern Regional conference in Biloxi, Mississippi, October 10 – 13. Paul Barlow (MS) and group put together an outstanding meeting. I am pleased to announce that NASFA elected Cliff Steger (TN) as its Southeast Vice-President for a two-year term. Congratulations Cliff!

I also met with other Great Plains members in Lincoln, Nebraska October 22 – 24, 2000 for that regions 17th annual conference. Ken Fougerson (NE) and group provided another great forum for information exchange. The weather proved quite a challenge the last day of the conference as it rained out an up close and personal inspection of the stone restoration project at the Nebraska State Capitol.

The first annual meeting of the Eastern Region was held November 12 – 14, 2000 in Portland, Maine. Focus for the conference and trade show was "Indoor Air Quality: Common Construction and Operation Issues." NASFA and the Maine Lung Association partnered to

bring the conference together. Gordon Nelson (ME) and group put on a "wicked" conference and set a high bar for their second annual gathering.

It was a great experience for me to attend all four regional conferences this past fall. I sincerely hope that future presidents will be able to take advantage of the opportunity to attend each region's conference. This was a great chance to become acquainted with many of our members; some of who are unable to attend national meetings. Each region has its own style and method in putting a seminar together, yet each shares a common bond to provide better service to our states' government. Whether it was a round-table discussion, a panel group, an individual presentation or at break over coffee, the discussion was generally, "What are you doing about this, or have you tried that?" It's all about sharing information.

This *Quarterly's* focus concerns outsourcing. Whether the subject is A/E design services, building maintenance, janitorial services, motor pools or a myriad of other possible services, we have all struggled to get a handle on what is best for our state. Read the articles and pick up an idea or two that may help you in your state.

Remember! Take the time! Get involved!

Gary Grimes (KS)
2000-01 NASFA President

cubesRus.com

for Office Furniture

CubesRus's office furniture Web site is designed to assist customers in fulfilling cubicle needs and keeping them informed on the most up-to-date developments in the cubicle (systems furniture) marketplace. The company offers helpful insight to guide buyers through the deliberative process required when involved in the acquisition of cubicles.

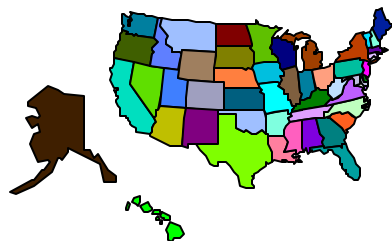
Cubicle jargon is complex, often technically challenging, but cubesRus offers a glossary of definitions and laymen explanations to help clarify the confusing terms

and nomenclature one is sure to hear when purchasing cubicles and other office furniture. It even includes lists of color and size options commonplace to most cubicle and furniture lines. A breakdown of the

top manufacturers with a profile of their unique products is also available.

CubesRus's goal is to bring the customer the best office furniture. The site has related on-line resources based upon the perception that the public seeks to acquire goods and services that make offices work. It continues to expand in hope that it will be chosen as a gateway to all that is, the office, cubicles or otherwise. •





State News

California Capitol Struck by Tractor-Trailer

Source: Los Angeles Times, January 17, 2001

On January 9, 2001 around at 9:26 p.m. a mentally ill man rammed his tractor-trailer rig into the south portico of the California Capitol building, igniting diesel fuel into a towering sheet of flames, right under the vacant Senate chamber. If he had waited 10 minutes, hundreds of legislative staffers would have been pouring out of the Capitol after an urgent Assembly session on electricity.

Immediately there were renewed calls for erection of a barrier around the Capitol. Former Gov. Pete Wilson advocated building a barrier after the 1995 Oklahoma City bombing. He pushed for a \$3.5-million security fence, four feet high with an 18-inch granite base, topped by ornate wrought iron. A similar fence surrounded the Capitol from 1881 to 1949, but was removed to improve citizen access. As Wilson was leaving office in 1998, the legislature vetoed the proposed barrier.

Assemblyman Lou Papan (D-Millbrae), surveyed the recent damage and said he's still opposed to building a barrier. "We're a democracy," he asserted. "I don't want to give the impression we're anything but an open society. Those of us here have to bear the risks. Sometimes you put up too much security and [the crazies] accept that as a challenge. Even a barrier won't stop them."

Senate leader John Burton (D-San Francisco) also opposed the barrier two years ago, but admitted, "About the only thing I wouldn't mind seeing is some low concrete barriers," Burton said. "But I'm not for a lot of fences. This is the people's Capitol. If somebody really wanted to do something, they could rent a room over [across the street], knock the window out and fire a stinger missile into the Capitol."

Call it the march of so-called civilization--the ill effects of increasing population, societal violence and deadly weapons. Even big rigs.

"In the real world, there are people who are terrorists and people who are deranged," Wilson noted Wednesday. "Whether we like it or not, government buildings are targets. If [politicians] aren't worried about their own safety, they should worry about their employees and tourists."•

Arkansas Slows Electricity Deregulation

Source: Arkansas Democrat Gazette, January 24, 2001

Gov. Mike Huckabee, Attorney General Mark Pryor, leaders from the House and Senate and members of the state Public Service Commission recently endorsed legislation that would delay electricity deregulation in Arkansas almost two years.

Mindful of recent blackouts in California being blamed on that state's rush to deregulate electricity, Arkansas officials said they wanted to slow down.

"We recognize the people of our state have been experiencing extraordinarily challenging issues in relation to utility costs particularly in natural gas and propane gas," Huckabee said. "We want to resolve and alleviate any concerns they may have about electric rate restructuring."

The officials, who appeared at a press conference at the state Capitol, endorsed House Bill 1337 and Senate Bill 236, which would delay the first possible day of deregulation from Jan. 1, 2002, to Oct. 1, 2003.•

South Dakota Creates Jobs for Inmates

Source: Yankton Daily Press & Dakotan, January 18, 2001

The South Dakota House State Affairs Committee recently passed a measure 10-3 that would create 150 more jobs for prisoners by constructing three prison buildings. HB1022 would allow the Corrections Department to use nearly \$1.2 million in the state Prison Industries revolving fund for projects at the State Penitentiary and Jameson Prison Annex in Sioux Falls and at Mike Durfee State Prison in Springfield.

"The bottom line is, this project will help us put to work approximately 150 new jobs for inmates inside the walls," said Corrections Secretary Jeff Bloomberg.

The first project would involve construction at the Jameson Annex of a pole barn for the storage now housed inside the prison, Bloomberg said.•



Focus Section: A Look at Outsourcing

Outsourcing -- A Definition

By **Teena Scholte**

O utsourcing takes place when an organization transfers the ownership of a business process to a supplier. The key to this definition is the aspect of transfer of control. This definition differentiates outsourcing from business relationships in which the buyer retains control of the process or, in other words, tells the supplier or vendor how to do the work. It is the transfer of ownership that defines outsourcing and often makes it such a challenging, painful process. In outsourcing, the buyer does not instruct the supplier how to perform its task but instead, focuses on communicating what results it wants to buy; it leaves the process of accomplishing those results to the supplier.

While the private sector has outsourced as a way of survival, government outsourcing has been defined as a phenomenon. This may be due to different barriers, needs and customers. As we all know the customer drives the needs, but in government, those customers expect more. The never-ending pressure of reducing costs while improving performance is not just aligned to government. Ask any marketing representative or owner in the private sector and they will confirm that keeping expenses down and reducing or maintaining overall operating costs is imperative to a successful outcome. Change is coming on all levels of government, but the private industry can make it more enlightened and successful. All government has to do is watch, ask questions and do it.

Government, by its very nature, is more apt to allow the private sector to test the new products, designs, software and so on. Why? Some believe it is because government cannot waste the money on testing new products. It could be in the best interest of the public's safety for government to observe the private sector first. In addition, it provides a benchmark for which government may compare and helps to establish performance ratings for the services and products provided by contractors, vendors and suppliers.

Utah's Division of Facilities Construction and Management (DFCM) currently outsources services for janitorial, security, monitoring, refuse removal, ice and snow removal, ground maintenance, painting, window washing and other such services that DFCM may not supply locally or at remote locations. The DFCM does

staff electrical, mechanical and plumbing oversight personnel.

DFCM has found that the term outsourcing has become one of teaming. Currently there are more than 100 active service contracts and more than 380 construction and professional service contracts for this fiscal year. Last fiscal year there were 218 projects that DFCM ran through the Utah Correctional Institute for certain types of roofing, paving and hazardous abatement projects. We work closely with the contractors, vendors and suppliers and sister agencies to provide the final product or service needed.

DFCM views outsourcing contractors as an extension of the government. The best part is they know this is how they are viewed and they act accordingly. The community is provided with a first hand experience with government, and government benefits from a competitive, knowledge-based arena of experts. Everyone is learning from the experience and a good experience it has been. Finally, everyone benefits when the private sector can provide the services and product for less cost than government and with a satisfactory to excellent performance. •

Teena Scholte, is the manager of the Utah DFCM's contracts program and can be reached at (801) 537-9212 or tscholte@dfcm.state.ut.us.

Outsourcing Pros and Cons in Maryland

By **Joan Schaefer, AIA**

The following are a few observations after approximately one year of outsourcing technical reviews of design document submissions of large-scale public school construction projects to a third-party consulting firm.

Pros

1. Outsourcing diminishes the workload on in-house technical review staff.
2. Due to the current economic boom in the design and construction industries, it is difficult to find experienced and qualified professionals to fill vacant in-house positions. Outsourcing construction document reviews fills the gap.

3. Outsourcing provides the capability to hire on an as-needed basis, eliminating the need to layoff staff should the workload decrease.
4. As paid consultants, third party reviewers are more responsive to time issues than in-house staff. They can be more flexible, adjusting their work hours to meet deadlines. The efforts of in-house review staff are often committed to other projects that receive higher departmental priority.
5. Again, due to the competitive nature of consulting firms, third party reviewers seem to be more knowledgeable of current methods and trends in design and construction, and therefore, can offer a fresher perspective on design choices.

Cons

1. Additional administrative time and costs including billing, tracking rotation of consultants from an Indefinite Delivery Contract (IDC) list are required.
2. Additional time is expended by staff on transferring large documents (construction drawings, specifications, etc.) to and from third party reviewers.
3. Out-of-house consultants are not immediately accessible for quick exchanges/ discussions on issues, especially those involving large construction drawings and multiple disciplines, nor are they available for support with administrative tasks as are in-house staff.
4. There is a learning curve until outside consultants become familiar with procedures, program requirements and guidelines, as well as state expectations. •

Joan Schaefer, AIA, is the program manager for the Maryland Public School and Community College Construction Programs and can be reached at (410) 767-4391.

Outsourcing Looms on Washington's Horizon

By Bob MacKenzie

Andre Pack is often called upon to assess the prospects of outsourcing in public agencies and educational institutions. The Redmond, Washington-based principal of Pack & Associates, a facilities management consulting firm, has an extensive background in facility condition assessment, organizational evaluations and other related areas. He was contracted by San Diego County last year to facilitate that county's outsourcing of certain facility maintenance functions.

Instead, Pack's efforts convinced county leaders to enact a three-year moratorium on outsourcing and, in effect, proved the value of the county's in-house maintenance employees.

"Unfortunately, most government and educational organizations do not know how much their operations actually cost...the bottom line," said Pack. "So when the specter of outsourcing looms, they are unable to empirically justify their operations and they tend to fall short in formal competitive processes."

Pack was able to quantify the various functions of San Diego County facility maintenance and operations groups and translate those costs into hard data administrators could understand and compare against outside contractors. Once county administrators were shown the true costs of proposed outsourcing venues, versus functions currently performed by in-house staff, they quickly shelved the idea, "pending further review." Pack and his team placed numerical values on "litmus" functions and compared them against similar services available in the private sector. The results showed that in-house staff were providing value equal to or exceeding those available in the San Diego private economy.

"Outsourcing may be the answer to certain public facility functions," Andre Pack, principal, Pack & Associates.

"Facilities managers are actually running businesses – sometimes small cities and far-flung operations," said Phil Person, a facilities resources coordinator for the state of Washington. "If the facilities manager does not know the bottom line, nor see himself or herself today as a business leader, then the chances are becoming increasingly greater that upper management will outsource the facilities operations to a company which provides that specific service."

"Outsourcing may be the answer to certain public facility functions," said Pack. "But, the process should be an even playing field, with decisions driven by good data. It's the responsibility of facility managers to capture those data now, not when the political winds of change are blowing so strongly there is little chance of success." •

Bob MacKenzie is plant operations manager for the Washington Division of Engineering & Architectural Services and can be reached at (360) 902-7257 or bmacken@ga.wa.gov.

Montana Uses Back-Up Propane

By Ron Wilkinson

A new backup propane system at the Warm Springs State Hospital, the primary mental health facility providing acute care services for Montana, promises to save thousands of taxpayer dollars through reduced firm gas transportation costs. The original buildings and boiler plant were replaced with a new 80,000 square foot consolidated care center in a project completed in early 2000. The new boiler plant includes three fire-tube boilers, each equipped with a dual fuel gas train that burns propane backup fuel as well as natural gas.

Warm Springs is one the first facilities in the state to purchase transportation natural gas in lieu of that provided by the local utility, Montana Power Company (MPC). Natural gas is bought by the purchasing division of the state's Department of Administration for a group of facilities including the hospital. This gas is purchased delivered to the utility service boundary and each agency pays for further transportation to their facility.

The new natural gas supply agreement saved money by reducing the transmission reservation charge that the facility used to pay on the maximum-recorded gas demand of 632 dekatherms (dkth) recorded in December of 1998. Cutting the contracted firm to 432 dkth saved the facility just under \$16,000 per year.

The savings continued to grow. In April 2000 MPC announced a complete restructuring of gas rates in the wake of deregulation. The new rates are calculated to allocate all costs of transmission to users based on their firm demand and to completely remove any component of transmission from the purchase of the commodity.

The impact of this separation on large energy users is minimal because the transmission costs are spread over a large amount of gas consumption. But for small users with high peak loads, the effect is an immediate increase in gas transmission cost of 10 to 20 percent. Reducing the firm peak requirement by 200 dkth cut the actual cost from \$58,679 to \$41,414. This increased the savings to about \$17,000, or 30 percent of the transportation cost.

There seems to be no question that the back-up propane system is not only providing for emergencies, but protecting against future rate hikes as well.●

Ron Wilkinson is the senior mechanical engineer for the Montana Division of Architecture and Engineering, and can be reached at (406) 444-3331 or rwilkinson@state.mt.us.

A Question of Responsibility

By John Butler

In recent years, we have become increasingly vocal concerning the quality of the design professional in administering the construction contract and allowing work to be installed which does not meet the requirements of the contract. It appears we have almost given up on expecting them to perform in this capacity and have begun to look for different parties to perform this vital function. That is how commissioning got started.

There is no intent here to disagree with the common wisdom and the need for building commissioning and construction oversight to insure the right thing gets built in the right way. There are certainly problems with poor and incomplete drawings and specifications that need to be addressed, but maybe we need to look in a different direction to address some of our most common problems. A problem that is identified before it occurs is much easier to address than one that is identified after it has been in place and aggravated.

In all the hype and architect bashing over the last few years, we seem to have forgotten one simple fact. The constructor has complete responsibility for the proper and timely completion and installation of the work. If the architect did not provide any inspection services at all, the constructor is expected and required to perform its own inspections and insure that the work is properly installed.

The people who pay the bills need to demand that constructors meet their obligations to install the work the right way and to inspect and to certify to that fact. The constructors must return to including in their team a requirement to coordinate the work of the specialty contractors and to inspect the work to insure that the work performed by their subcontractors, as well as by their employees, is correct and complete.

If you agree with the thoughts expressed in this article, we urge you to join us in correcting the problem. Please take a few moments and prepare a short article on whether or not you agree with us on this issue and send it in to be published in the next newsletter's *Focus Section*. If you want to make a difference, here's a great place to start.●

John Butler is the director for the construction division of Georgia's State Financing and Investment Commission and can be reached at (404) 656-3401 or jrbutler@gsfic.state.ga.us.

NASFA Notebook



Vermont Discovers Free Software

By Laurel LaFramboise

While attending a regional Geographic Information Systems (GIS) conference last fall, I happened to catch the tail-end of a talk on using "Spatial Data Standards for Facilities, Infrastructure and the Environment" (SDS/FMS). The presentation detailed how they used the standards developed by the CADD-GIS Technology Center in Vicksburg, Mississippi for a Navy installation project. I did not pay much attention until he mentioned the software could be downloaded free from the Internet. I got the site name and went home slightly excited about getting free help in developing the facilities management database I had been trying to put together on my own in Access.

Once the construction season wound down here in Vermont, I was able to spend some time looking over my newly acquired free software. I then got very excited, because this software not only provides standard names for standard features, but organizes them for you in tables using the commercial software of your choice--several versions of SQL or Access on the database side and your choice of the leading brands of GIS software (Arcview, Microstation, Autocadd, etc). Since this software was developed for the U.S. Department of Defense, when they use the word "facility" they are referring to 4,753 different

kinds of features with 22,797 specific attributes (fields for us Access users) and 19,418 described values for those attributes. All this tied to their geographic locations and the powerful mapping features now available in the latest GIS software.

For those of you who are nervous about your level of computer skills, I might mention that I am a self-taught Access user with very little programming background, and I just recently took an introductory class in Arcview. I figured out how to use the downloaded software in about three days of concentrated study. Not that I am an expert, but I know how to choose from among the 971 tables to find the 30 or so that apply to my needs. I contacted the CADD-GIS Tech Center to find out who was using the software in my area and am planning a field trip soon.

Have I peaked your interest? Here's the site for downloading the software: <http://tsc.wes.army.mil>. To find users in your area contact carpenb@wes.army.mil.

Laurel LaFramboise is a project specialist for the maintenance and aviation division of Vermont's Department of Transportation and can be reached at (802) 828-2604 or laurel.laframboise@state.vt.us.

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State Facilities Quarterly

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Your ideas and topic suggestions for *State Facilities Quarterly* are welcome at all times and will be invaluable to other state facilities managers. Please send information about studies, new projects, legislation, etc. to:

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The National Association of State Facilities Administrators is an organization that brings together state officials involved in the planning, development, operations and maintenance of state facilities. The association was formed in 1987 to provide a forum for sharing information on effective facility administration, as well as for the sharing of problems and solutions with peers on a national level.

Any state is eligible for membership in NASFA. Annual dues entitle your state to select the individuals you want to be involved with the association. All facility administration personnel can access the information network, receive the newsletter and other mailings, and attend the association's annual meeting. Many states have elected to divide the membership fee among several departments interested in active membership.

If you are interested in obtaining more information about NASFA, contact the NASFA staff, The Council of State Governments, 2760 Research Park Drive, P.O. Box 11910, Lexington, KY 40578-1910, phone (859) 244-8181 or log onto NASFA's Web site at www.nasfa.net.

Attention States!!

Share your ideas with other NASFA members in the spring issue of *State Facilities Quarterly*.

The deadline is April 13, 2001.

Contact Lisa Collins at (859) 244-8179 or e-mail her at lcollins@csg.org for more details.

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