

## Power of the People

By W. Marc Farmer, General Manager,  
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### The New HQ Building: The Complete Story

To close out my series of articles about the new headquarters facility we just completed, dedicated, and relocated to, I thought I would provide a comprehensive review on the process from beginning to end so that all members will have the complete story.

The process of building a new headquarters facility really started back in 1996 after the first flood event. Our old building, constructed in 1956, was inundated with three feet of water. At that time the General Manager, Russell Green, informed the Board that a new building would need to be constructed within the next 10 years. The reasons for the new building then remained true in 2007 as the Board had decided to move forward with the purchase of land to construct a new facility. The reasons included: the old building being in the flood plain, we had outgrown the building, wiring was old and needed to be replaced as it could not handle the power needs of today's electronics, (we actually had smoke and sparks coming from our electric panel from the overload), our plumbing needed to be replaced, the facility was not energy or space efficient, and another safety issue came from an engineering study that declared the building unsafe from seismic events. The building was not designed back in 1956 to meet seismic codes, and if an event took place this side of Seattle it would bring the building down upon us. This was only added to by the almost four feet of water in the 2007 flood.

In the month prior to the December 3rd flood of 2007, the Co-op had put down escrow funds to purchase seven acres on Mist Drive. When looking at the property immediately after the flood, it was plainly clear that we should not proceed with the purchase as the front half of the property was flooded. We would have moved from one flood plain to another, and so we made the wise choice to not proceed with that purchase. The decision was made to conduct three separate searches for the location of the new facility. I conducted the first search with the help of Vernonia Realty. The second study was done by Steele and Associates from Bend, and the third by a certified commercial realtor from Portland. Each independent study came up with the same conclusion that the best loca-

tion for the new facility was the Gordon Smith property on the corner of Rose Avenue and Maple Street.

To make sure the construction of a new facility met with the approval of the membership of the Co-op, a member survey was conducted. The response was not only statistically valid in the number of members responding, 12%, it was also very evenly balanced from each of the seven Board Districts. The message was clear from those responding as 81% responded that they would be willing to pay \$3 or less per month for a new headquarters facility. This strengthened the resolve to proceed to build.

The first question people ask is why we did not use property the Co-op owns where the pole yard is currently located. This property was included in each of the three searches but was determined to not be practical for three major reasons: the first being that the access road to the property was completely impassable during flood events making it impossible to get to or from the building. To build an access road out of the flood plain to the property would have cost over \$1 million. This brings us to the second major reason that, because the property was out of the city limits, there were no sewer, water or telephone facilities to the site. Adding the extension costs of these to the road access meant that, even before we began any site prep work for construction, we would have to spend almost \$2 million just to have proper infrastructure in place. It was significantly cheaper to purchase property with the infrastructure already available.

The downturn in the economy then came upon us and the Board of Directors decided that now was not the time to begin construction of a new facility. About six weeks after this decision, West Oregon was notified by FEMA, Oregon Emergency Management, and the City of Vernonia that this was not an option. As an essential service with more than 80% damage to our facility, we had to relocate within three years or jeopardize receiving future FEMA funding for future flood events if we chose to purposely remain in an identified flood plain. The Board had no choice but to proceed with the purchase of property and construction of a new building. The Gordon Smith property was purchased and the architectural design sent out for construction bids.

The silver lining for building during an economic downturn actually resulted in a huge cost savings for the members of the Co-op. The same building project that would have cost \$4.8 million from an earlier bid, was now going to be able to be built

for \$3.2 million. Requests for construction bids were sent out and three responses were received by the deadline, one from Portland, one from Hillsboro, and one from Banks. We had determined from the beginning that the project would be done with as much local labor, products, goods and services as possible. We were thrilled with the results that the low bid came from Five Star Builders in Banks, the most local of the bids. It also turned out that about a third of their employees, including a managing partner are members of WOEC. They were selected as the contractor with a bid over \$900,000 less than the highest bid and over \$500,000 less than the second lowest bid.

Five Star stayed true to our request and hired additional people from Vernonia, (one of whom continues to be employed by Five Star), bought as many items as possible locally, even purchasing tires for their vehicles from the hardware store. One of the best stories of staying local was when we had to change from metal siding on the truck bays and warehouse to wood, due to an increase of 44% in metal prices. Five Star came up with the idea and plan to purchase a small mill from Eastern Oregon, bring it over here and, using trees from one of the Co-op members, cut the majority of the wood used in the project themselves. Their managing partner, Clint Jackson, a Co-op member did the milling with local trees cut by a local member and used in the siding of the building, which saved over \$44,000. The additional win was the fact we got a better looking building that is also more energy efficient, green qualifying, and for a lot less money.

Another good local story came when we received three bids, two from Vernonia and one from Forest Grove, for all of the cabinets and countertop work. The winning bid went to Alan MacComb and his sons who live and have a shop two doors down from our old building. Their shop, located across the street from the Vernonia Substation, had seven feet of water in it

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## ODOT changes northwest districts

Restructuring within the Oregon Department of Transportation that combines state highways in Columbia, Clatsop, Tillamook and rural western Washington Counties into a single maintenance district took effect October 3. The newly constituted District 1 is headquartered in Astoria, and is responsible for maintenance and operations, including emergency response.

The restructuring moves over 500 miles of state high-

ways in Columbia and rural western Washington Counties from Region 1 in Portland to Region 2 in Salem. The restructuring is expected to improve coordination and efficiencies over the coastal feeder routes of U.S. 30, U.S. 26 and OR 6 as well as other rural Northwest Oregon state highways. It also helps reduce ODOT's operational costs to a level sustainable with projected revenue decreases.

In western Washington

County, all highways west of OR 47 (including OR 47) will be part of District 1. As part of the restructuring, the Manning and Clatskanie maintenance facilities will join District 1. Crews at those facilities will continue to service the state highways in Columbia and rural western Washington Counties.

No decision has been made yet on project delivery boundaries, or how other ODOT business lines will be integrated in to the restructuring efforts.

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