

Miles City picked for data center site

By John Halbert

Miles City has been chosen as the site for the state's backup data center, following a complex selection process.

People involved in the effort to bring the backup data center for the state's highly centralized computer system to Miles City declared themselves "ecstatic," and praised the community-wide effort they said was responsible for the favorable decision.

The eastern Montana ESSC will be considerably smaller than the Helena installation, but it will be highly sophisticated. It will automatically duplicate the more vital functions of the state's computer system, as well as store data, and would be able to take over those functions for the entire state if the Helena ESSC should go down.

"More than the couple of jobs it will bring, the IT platform it will create in eastern Montana will put Miles City on the IT map, and that will be a bigger benefit over time," said Rep. Bill McChesney, D-Miles City.

According to a press release from the Montana Department of Administration, which handles the state's information technology, or IT, the 2007 Legislature authorized two Enterprise Systems Service Centers, or ESSCs, one in Helena and one in eastern Montana.

If the current, Helena-based system was disrupted by natural disaster such as earthquake or man-created actions such as terrorism, many functions of state government would be crippled and the cost per day the system remained down would be enormous.

The current, limited backup system is in Philadelphia.

According to the release, the state's selection process had three criteria that received greater weight during the evaluation. Those were security, economic development responsibilities and cost factors.

"The selection process turned out to be a lengthy, complicated effort that involved a great many people within the department and in Billings, Forsyth and Miles City," the release said.

The evaluation process was based on site characteristics. A perfect site would have 100,000 points. As the year started, the evaluation process assigned 64,364 points to Billings, 46,631 points to Miles City and 34,786 points to Forsyth. That was before public hearings in all three communities, to gather information to improve the evaluation.

By the time Chief Information Officer Dick Clark made his decision, those numbers had shifted to Miles City, 66,349; Forsyth, 63,175; and Billings, 60,968.

"When Billings got involved, it was clear it was going to be more difficult," McChesney recalled. "Initially, the cost between Miles City and Billings was significant. Our task force was able to tear those numbers down and focus on aspects of security and economic development that had numbers the governor's office was very comfortable with."

He added that the governor's office has been involved with the process all along.

"The governor's office and the governor himself were very focused on Miles City as the site from the start," he said.

"It was a lot more complicated and detailed than I had thought it would be. The need for detail required a coalition of the public and private sectors, and resulted in a very good presentation.

"It became much more political than I ever thought it would become. (It was due to) Election year, to

sum it up. There was a lot more politicking and posturing, and it certainly made the process a lot more demanding.

"I put in, and a lot of people put in a lot of time on this. I'm just ecstatic that it's coming here."

John Laney, executive director of the Miles City Area Chamber of Commerce, was point man on the Miles City task force on the data center.

"Just thank you to everybody who attended the hearing and wrote letters," he said. "That seemed to have the most impact. What was presented at the hearing had an impact, and they did listen.

"They restructured their spread sheets, and Miles City came out on top.

"It was a lot of people that did a lot of work over a lot of time. Bill McChesney has done an unbelievable amount of time on this in Helena and here, working with all the people in the Department of Administration, the governor's office and everybody. Without that, I don't think we'd have gotten a sniff.

"It just shows that if we all work together, we're a pretty formidable opponent for anybody," Laney said.

"It's pretty exciting."

Mid-Rivers Communications provided much of the technical information used in the evaluation, and had made offers that lowered costs in Miles City.

Gerry Anderson, Mid-Rivers general manager, said that providing the communications to link the two ESSCs will go to bid.

"We will certainly bid, but others may also," Anderson said. "We are in a position to provide the facilities, but we would have to add some equipment for capacity and so on."

He said he would need to see the bid specifications before he could get more detailed.

Anderson said the state's estimate of an annual \$329,700 added cost of Miles City versus Billings was based on Mid-Rivers' estimates, but added "that's kind of a moving target."

"I think the awarding of the site to Miles City shows what a community can do when it pulls together," Anderson said. "It was a true community effort and it's really rewarding to work with a community that really pulls together."

According to the state's press release, under security the evaluation noted that "Miles City is one of five communities in the nation that have access to more than one power grid in the event of a major utility interruption."

Also, it said Miles City, being smaller, is less of a target for terrorist activity, such as an attack on a refinery.

The intended location is adjacent to Pine Hills Youth Correctional Facility, and the center would benefit from having a security infrastructure already present.

On the economic development factor, it said, "While all the communities would benefit from being selected, the impact is most pronounced in a smaller community, such as Miles City."

On the cost factors, the release noted that the Miles City site is already state-owned, while purchase of the proposed Billings site would cost \$600,000.

On the \$329,700 annual cost difference, the release said, "While this is not an insubstantial cost, it is reasonable to expect that increased economic development stemming from the presence of the ESSC in Miles City will reduce telecommunications costs over time and narrow the cost difference."

The Legislative Finance Committee will review the findings during its meeting tomorrow, with the topic on the agenda for 1:15 p.m.