Oregon
John A. Kitzhaber, MD, Governor

Department of Administrative Services
Chief Operating Office
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May 8, 2015

Senator Steiner Hayward, Co-Chair
Representative Smith, Co-Chair
Ways & Means General Government Subcommittee
900 Court Street NE
Salem, OR 97301

Dear Senator Steiner Hayward, Representative Smith, and the Ways & Means General Government Subcommittee;

Below, please find follow-up information as requested during the April 20, 2015 subcommittee meeting.

Questions pertaining to Enterprise Goods and Services (EGS) fees. Sen. Johnson asked us to research these fees for the Board of Accountancy. Sen. Whitsett requested a comparison between fees for the Department of Revenue, DCBS, ODOT and the Board of Accountancy.

The Price List narrative for Shared Financial Services is attached and describes the three types of financial services provided to DAS, participating client agencies, and the Governor's Office, along with the costs for each. As discussed in response to a later question, it is important to note that DAS Shared Financial Services is organized in such a way as to provide appropriate financial controls and separation of duties, as required by the Oregon Accounting Manual, that many small agencies are unable to manage with a small staff.

The 2015-2017 estimate for the Board of Accountancy (BOA) is:

SHARED FINANCIAL SERVICES				
	Accounting & Budgeting Billable Hours Cost Estimate	Accounts Payable Hits Cost Estimate	Accounts Receivable Cost Estimate	Estimated Total Full Cost
BOA Full Cost	58,207	15,900	30,720	104,827
Estimated Hits/Transactions	587.95	1590	3072	
Cost per Transaction/Billable Hours	$ 99.00	$ 10.00	$ 10.00	

This calculated rate of $104,827 is full cost of the services. However, Shared Financial Services, as recommended by the Enterprise Goods & Services Customer Utility Board (CUB), agreed to subsidize small agencies at 25% of the agencies 2013-15 LAB for shared financial services.

Board of Accountancy	
2013-15 LAB	40,467
25% Subsidy	*1.25
Total 2015-2017 Estimated Charges	**50,584**
2015-2017 Full Cost Comparion	104,827.00
Total being Subdized by larger agencies	54,243.25

The Departments of Revenue, Consumer and Business Services and Transportation are large agencies that do not use DAS' Shared Financial Services accounting/budgeting services. Therefore, those agencies do not pay any Shared Financial Services costs and we are unable to provide a comparison between those agencies and the Board of Accountancy.

The largest agency for which we provide accounting and budgeting services is the Oregon State Treasury at about 100 FTE. Treasury is a new customer and came to DAS after analyzing the cost effectiveness of their internal shop vs. Shared Financial Services' costs and performance.

The 2015-2017 estimated Shared Financial Services cost and estimated transactions or hits to the accounting system, and billable hours for the assigned Accountant for the State Treasurer's office is:

SHARED FINANCIAL SERVICES			
	Accounting & Budgeting Billable Hours Cost Estimate	Accounts Payable Hits Cost Estimate	Accounts Receivable Cost Estimate
Treasurer	168,982	87,660	26,560
Estimated Hits/Transactions	1706.89	8766	2656
Cost per Transaction/Billable Hours	$ 99.00	$ 10.00	$ 10.00

The following are questions pertaining to the State Surplus Property and Federal Surplus Property program. Sen. Johnson expressed concern with the expense and use of surplus. Paul Siebert wondered about surplus being subsidized or paid for previously. Rep. Komp asked about the surplus furniture cycle and wondered where the refund or resale dollars go when surplus sells?

The Price List Narrative for the Enterprise Asset Management (EAM) program, including the State Surplus Property program and Federal Surplus Property program is attached. The narrative includes descriptions of the services provided for each and the charges to the agencies using these programs.

The Customer Utility Board reviewed the Federal program and recommended that this program remain as is regarding services and rate structure with a recommendation to review the program during the biennium for sustainability. Attached are the minutes from the 07/02/2013 meeting. This paragraph summarizes the recommendations:

> The recommendation is to keep Federal Surplus as is, and see if we can change the rate of the high ticket items that are sold. It's important enough to keep it running, there is enough flexibility in the rate structure, and the anticipated changes will allow Surplus to be self-sustaining. Federal Surplus can only be run by a state agency, and we think DAS is the right one to do it. We (the CUB members) think that there still has to be a way for customers to look at items at the warehouse so we want to keep Federal Surplus as is, as well as add some direct sales on-line. Ryan Vogt stated that if the Federal Surplus program can't be self sustained, then we need to look at changing the rates and ask questions.
> What would change about Federal Surplus?
> - More Direct Orders, reducing some of our costs
> - Move inventory faster to help cash flow
> - Use the new software to get product out there and increase sales
> - Utilize the flexibility we have to charge more to cover our costs Pursue changing the cap
> - Sell the back log of Federal property

The Customer Utility Board reviewed seven business models as alternative ways to operate the State Surplus Program. Five of the seven models were moved forward for a deeper review in the setting of the Program's 2015-2017 rates. (See attached Surplus-03 Surplus Property Whitepaper and the minutes from these discussions).

Business (configuration) Models: Options & Alternatives

The following table summarizes the options and is followed by an explanation of each.

Option 1	"Oregon Model" – Continue operating Program as described above with the existing pursuit of program improvements listed below.
Option 2	"Georgia Model" – Reduce the Surplus Property Program to handle only the following: establishing and updating surplus policy, online auction posting, collection of payment, reimbursement to agencies, operation of the federal surplus property program and management. Some positions would still be necessary for centralized posting of online auctions, collection of payment, reimbursement, policy and management. Each state agency/office is responsible for storing their own surplus, sending a written description and photos to a central location for posting to an online auction. Each office is responsible for showing the property that is for sale and releasing it when it is sold.
Option 3	Complete Privatization Model – Issue an RFP and then contract for one or more private entities to handle the disposal of State of Oregon surplus property. Entities such as GovDeals, PublicSurplus, Asset Nation, Brasher's, etc. are likely bidders that have the ability to provide most of the services currently provide by the existing program. This arrangement would likely still require that surplus property policy be handled somewhere within state government. Retain minimal Surplus Program staff to run the federal program, oversee the e-waste contract and to develop and maintain surplus property policy.
Option 4	Transfer Model – Transfer the entire Surplus Property Program another state agency such as the Department of Corrections. With multiple locations around the state, this arrangement could address the issue of remote locations having to haul their surplus property all the way to one central location.
Option 5	Agency Responsibility Model – Allow agencies to dispose of surplus property as they see fit while simultaneously requiring each agency to maintain their own records of the disposal of surplus property.

Ultimately the Customer Utility Board recommended a hybrid of assessment and fee for service, noted in the attached price list narrative. The assessment model was chosen mainly to eliminate using Vehicle sales to subsidize agencies personal property transactions.

Assessment: The total assessment of $1,200,000 is allocated as follows:

- 20% of the total assessment will cover Surplus policy, consultation and program overhead administrative expenses; allocated to all agencies based on 2013-2015 FTE.

- 80% of the total assessment is based on historical personal property transactions conducted on behalf of state agencies utilizing actual 2011-2013 personal property transactions per agency.

As we researched the Surplus fee for Board of Accountancy (BOA), BOA was assessed a fee of $7,279 for 41 personal property transactions. Instead of 41 transactions, the actual transaction count should have been 14 transactions.

There are 56 agencies that share in this assessment. Since the discovery of the error, DAS has reviewed all historical usage records and it appears that only two agencies were affected by the miscount, BOA and ODOT. We will work with LFO to correct this error and decrease BOA's and ODOT's 2015-2017 LAB assessment for the Surplus program.

Regarding Representative Komp's question about furniture cycle times and disposition of refund dollars, we do not keep track of the cycle time of personal property, however, staff reports that furniture sells at the slowest rate as it is usually quite old and used by the time an agency chooses to surplus it. Generally, our supply is high and the demand is low.

That said, once an agency's consigned personal property is sold, reimbursements are generally made to the agencies central offices. The threshold for receiving any funds back for non-vehicle items is $500.00 if it is sold at our warehouse or $250.00 if it is sold on site. Refunds are returned to agencies on a weekly basis.

Sen. Steiner-Hayward asked for a break out by accounts payable/accounts receivable by agency.

The attached spreadsheet, SFS Client Analysis, shows the anticipated Accounts Receivable (column E/F) and Accounts Payable (column C/D) transactions for 2015-17. These estimates are based on actual data from Fiscal Year 2014, the last full year for which we have transactional data. It is important to note the committee's discussion regarding the potential for some client agencies to hire an FTE to do accounting and budgeting rather than pay DAS for these services. While it is accurate to say that some agencies are charged an amount that could be used to support their own position, a single position handling these duties introduces risk in the following ways:

- Hinders the proper separation of duties and internal cash controls, increasing the risk of fraudulent activity
- Creates a "single point of failure" should that employee be out for an extended period of time
- Economies of scale cannot be taken advantage of.

The Oregon Accounting Manual requires appropriate separation of duties to avoid risk of fraud or mismanagement. DAS's Shared Financial Services (SFS) team has 29.88 FTE, which provides the opportunity for coverage when employees are out and allows appropriate internal controls to be established as required.

Rep. Komp asked for a list of acronyms for DAS.

Please see attached acronym list for DAS.

Rep. Smith asked what will be included in the facility conditions assessments.

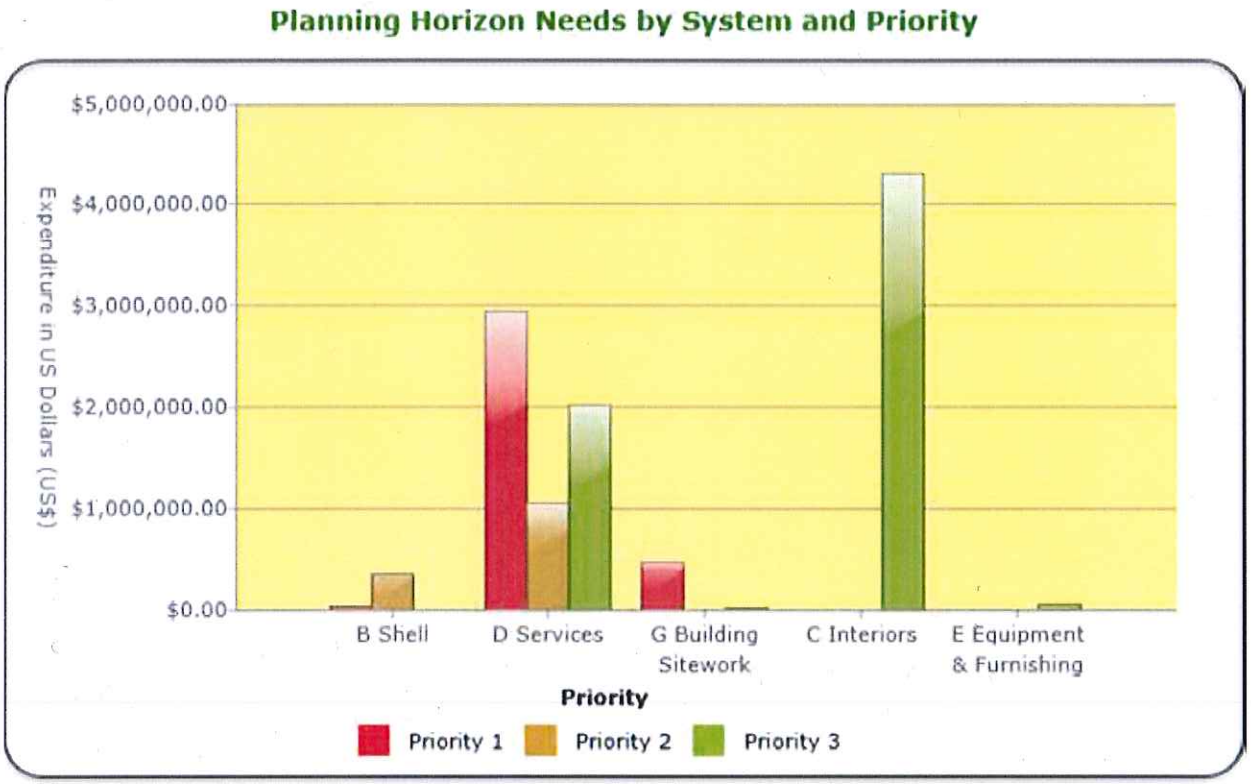
Our facility conditions assessment (FCA) program provides consistent, reliable and actionable data to inform investment decisions of the State's real estate portfolio. The value of knowing current and projected needs of a facility over time is investments can be prioritized and strategically

allocated. Without this information, the state will not know the scale and scope of its facility risk or be able to effectively manage it. This includes decisions to acquire or dispose of facilities. An FCA is an impartial, objective analysis of the State's facility infrastructure to determine condition, code compliance, efficiency, life expectancy and future repair and upgrade costs over a defined time horizon (10 year). In coordination with agency facility managers, teams of architects, engineers and professional assessors review existing documentation and performs thorough field visual inspections and evaluations of all areas of a facility. They evaluate the building site, envelope, interior, infrastructure and all the elements that make a functioning facility. The work is delivered in a readily useable software system for ongoing planning and management by the owning agencies as well as DAS.

FCA evaluators have prioritized the identified work in order to assist with analyzing the deficiencies found during the assessment. The baseline prioritization model is not just based on replacement year or criticality but uses four key data attributes to build an overall importance metric for every recommendation: System type, the cause or nature of the issue, timing and building mission are incorporated into the model with relative weighting. Priorities are shown below:

Priority 1 Crurently Critical	• Systems or components requiring immediate action that have failed, compromises staff or public safety or requires to be upgraded to comply with current codes and accessibility
Priority 2 Potentially Critical:	• A system or component is nearing end of useful life, if not addressed will cause additional deterioration and added repair costs
Priority 3 Necessary / Not Critical:	• Lifecycle replacements neccessary but not critical or mid-term future replacements to maintain the integrity of the facility or component

The chart below illustrates the breakdown of expenditure according to the priority coding providing an opportunity to strategically plan and effectively direct funding to the highest priority. Please see attached for a full detailed summary:



Building System	Priority 1	Priority 2	Priority 3	Total
B Shell	$20,600	$348,737	$0	$369,337
C Interiors	$0	$0	$4,302,330	$4,302,330
D Services	$2,943,520	$1,043,865	$2,022,426	$6,009,810
E Equipment & Furnishing	$0	$0	$44,035	$44,035
G Building Sitework	$455,535	$0	$2,429	$457,964
Totals	**$3,419,655**	**$1,392,602**	**$6,371,220**	**$11,183,477**

Sincerely,

George Naughton
Acting COO & DAS Director
Chief Financial Officer

Attachments
CC: Paul Siebert, Legislative Fiscal Office

Shared Financial Services (price list narrative)

Shared Financial Services (SFS) provides Accounting, Accounts Payable, and Accounts Receivable services to DAS, client agencies and the Governor's Office. SFS also provides budget preparation and execution services to client agencies and the Governor's Office.

- **Accounting & Budget Services:**
  Services include setting up accounting structures, providing appropriate and reliable financial information to managers and decision-makers, preparing financial reports for statewide year-end reporting, preparing cost allocation financial statements, maintaining fixed-asset records, accounting for Certificates of Participation and bonds, coordinate the timely invoicing for DAS and client agency services and recording receipt information, daily processing of disbursements, distributions to cities and counties, and reconciling Treasury statements. SFS prepares quarterly budget plans, financial plans and reports, and projects future cash and expenditure needs for client agencies and the Governor's Office.

- **Accounts Receivable Services:**
  Services include setting up accounts receivable, creating invoices and coordinating the collection for the Department of Administrative Services, Client agencies and the Governor's Office for their services.

- **Accounts Payable Services:**
  Services include processes vendor invoices, travel claims, and small purchase order payments for DAS, Client agencies and the Governor's Office. Also, the statewide distributions for cities, counties and state agencies.

Service Type	Rate
Accounting & Budgeting – $/hour	**$99**
Accounts Receivable - $/transaction line	**$10**
Accounts Payable - $/transaction line	**$10**

Please contact Brad Cunningham at (503) 378-3553 if you have questions about direct accounting services to client agencies.

Price List Narrative

State Surplus Property

The State Surplus Property program collects and disposes of state and local government surplus personal property. It utilizes a variety of marketing methods, including fixed price sales and online auctions. Customers include state and local governments, qualified non-profit organizations and the public.

Surplus is governed by ORS 279A, which states that the program may recover the cost of property disposal through the amount received through sale of items or that Surplus bills agencies for the difference.

State Agency Personal Property:

- Personal Property that is 'sold-on-site' at the agency's location, Surplus keeps all proceeds for items which are sold for less than $250. Any item that is sold for more than $250, Surplus keeps the first $250 plus 50% of the remaining sale.
- Personal Property that is sold from the Surplus Property warehouse location, Surplus keeps all proceeds for items which are sold for less than $500. Any item that is sold for more than $500, Surplus keeps the first $500 plus 50% of the remaining sale.

Vehicles and Titled Equipment:

- For property that is 'sold-on-site' at the agency's location: Surplus keeps 13% of each sale.
- For property that is sold from the Surplus Property warehouse location: Surplus keeps 17% of each sale.

Delivery and Pickup Charges: are billed to agencies at $2.00 per mile plus $50 per hour for labor, billed in 15 minute increments with a one (1) hour minimum. Surplus reserves the right to add a fuel surcharge to the per-mile fee should fuel costs rise.

Assessment: The total assessment of $1,200,000 is allocated as follows:

- 20% of the total assessment will cover Surplus policy, consultation and program overhead administrative expenses; allocated to all agencies based on 2013-2015 FTE.
- 80% of the total assessment is based on historical personal property transactions conducted on behalf of state agencies utilizing actual 2011-2013 personal property transactions per agency.

Federal Surplus Property

The Federal Surplus Property program locates, screens, and assigns federal surplus personal property to
state and local governments and qualified non-profit organizations. If the property is handled at Surplus Property, the following service charges apply:

Table

Federal Surplus Basic Rate Structure	
Acquisition Cost	**Percent Charge**

$ 0 to $ 5,000	0 – 30 percent (of Acquisition Cost)
$ 5,001 to $20,000	0 – 25 percent (of Acquisition Cost)
$20,001 and above	0 – 15 percent (of Acquisition Cost)

The Federal Surplus Program may charge additional fees to cover shipping and handling. If the donee screens and arranges delivery of the property, the service charge will be 4 percent to 6 percent. If the Federal Surplus program screens and arranges delivery of the property, the service charge will be 5 percent to 7 percent. The OAR 125-035-0025 (4) states: “When the Fund's balance is determined by SASP to be either insufficient or excessive, service charges shall be adjusted accordingly.”

If you have any questions or need additional information, please contact Sven Anderson at 503- 378-6057.

RECAP
Enterprise Asset Management- Surplus Program Rate Build

Meeting Date: Tuesday July 2, 2013

Time: 9:00-11:10

Location: East Mt Neahkahnie- DAS East

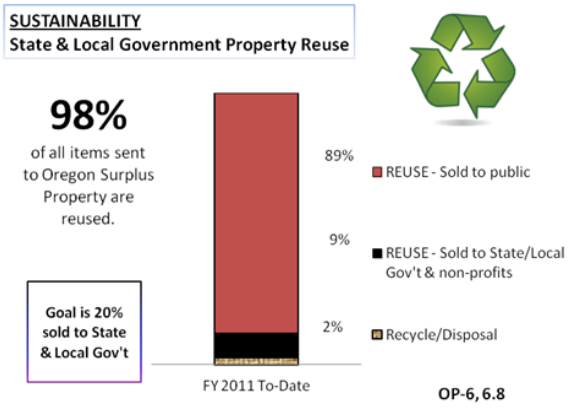
Attendees: Debbie Colbert, Jeanette Fish, Ryan Vogt

DAS: Jeanette Fish, Bill Lee, Sven Anderson, John Cody, Makenzie Dyer, Bill Lee

Overview

Sven Anderson provided information with pictures of the surplus facility and items, including items that Transportation Security Administration (TSA) collects, engines, refrigerators, musical instruments, and vehicles. Surplus did have 310 pallets of food and it went to the Marion- Polk County food share, Oregon Department of Corrections, Coos County Corrections, Oregon Youth Authority, and some was sold in the warehouse.

Less than 2% of items sent to Surplus go in the garbage, and a lot of items are recycled. Sven said that this information is tracked in SAM, the Surplus inventory system.



There are two sides of the operation, the State Surplus property and Federal Surplus property. Finances and property have to be kept separate. Currently there are 17 full time equivalent (FTE) and 2 vacancies, only one vacancy will be filled and a limited duration position will phased-out at the end of the 2011-2013 biennium.

For State and local governments Surplus sells property and keeps a percentage that is designed to cover the costs of operating the Surplus Property Program. The rest of the revenue is sent back to the agencies. Approximately 90% of state and local government surplus sales are made to the general public. The majority of these sales occur via online auction.

Surplus receives property from the Federal government for free, and Surplus only pays for shipping. Federal property can only be sold to the general public after it is clearly not being transferred to state and local governments or nonprofits. Federal items sold to the public are sold via the federal government's General Services Administration (GSA) online auction. Surplus tries to pass savings on to the customer by only charging a service fee that covers their costs and shipping. Surplus transfers federal property at a federally calculated average of 25% of the fair market value.

Over the past couple of biennia, there has not been enough money coming in from the Federal Surplus Program to cover operation costs. There is a cap of $15,000 on the amount that Surplus can charge for a single Federal item (i.e. a dredge or a 50-ton crane.) When the program is not covering its costs, this cap may be exceeded. This rate is spelled out in OAR 125-035-0005 (4a)[1].

For the Federal program, Surplus has some ability to choose what it sells however, GSA provides very limited information (rarely are there photos) about what property is available. Surplus Property program staff strive to acquire property that agencies have specifically requested or that have historically experienced high demand. Often in order to secure items that are in high demand (power tools) it may be necessary to acquire a group of property that includes those high demand items as well as other miscellaneous items. If something doesn't sell in 3-6 months, Surplus can sell Federal items on U.S. General Services Administration (GSA), an online federal auction that sells to the general public. Surplus cannot bring in items to specifically sell on GSA, because the intent of Federal Surplus is to provide state & local governments and eligible non-profits with the opportunity to acquire low cost items.

Surplus does have new software that launched 7/1, FileMaker v12, that will create more efficiencies. This software will allow Surplus to post all items online for customers to view.

Since Surplus has not been self sustaining over the past two biennia, Surplus staff have been exploring options for the future of handling surplus property in Oregon:

- Move Surplus to another agency. For example moving Surplus to Corrections, an agency that may have the correct facility and inmate personnel. The Surplus program in Colorado State and Iowa State is currently run by the Corrections Department.
- Direct Order model (Georgia Model). Everything is sold from where it is originally located. Each agency would sell its own items. It does reduce the Surplus warehouse and shipping costs while simultaneously shifting the workload and associated costs to agencies
- Outsource State Surplus program to a private company. Federal Surplus must be run by a state program. Sven had four responses to an RFI about this option, including The Public Group, PropertyRoom, GovDeals, and Garten.
- Maintain the program and implement efficiencies to reduce costs.
- Allow agencies to dispose of surplus property however they choose.

The CUB talked about the program not being self-sustaining, but it's good to see the State and Federal cost separate. Federal Surplus seems like it is not self-sustaining because things are backlogged. Getting the items to move quicker would allow the Federal Surplus to become self-sustaining. Sven feels that being able to view the products online with the new software will cause items to move faster. Surplus would need to review the flexibility of the program – is there a way to change the mix of items received and sold? The driver of the business shouldn't be to get people in the store, but to get a broad state agency audience across the state so that the state agencies can take advantage of the savings from the surplus. More Direct Orders for Federal Surplus could be helpful for shipping costs, but it may also limit opportunity for certain "finds" in the warehouse.

There are regular customers who spend time looking at Surplus, the Port of Astoria, Port of Portland, Port of Morrow, Port of Brookings, and non-profit organizations.

Ex Rate Dev tab (from the back of the training book that was presented at the Rate Development 101)[2]- Project 1 is expenditures.
For 2015-2017 Federal Surplus would determine the number of positions and FTE needed. There will be

[1] Please see attached *Surplus Federal Program OAR*
[2] Please see attached *EX RATE DEV*

more accurate numbers when session is done. As we move forward, this may change in the budget but for our rate setting these are the numbers that we will use. At this time there is no unemployment or overtime in ORBITS budgeted for Surplus. The only other item is services and supplies which include protected accounts in Oregon Budget Information Tracking system. The Protected Accounts (Rent, Attorney General, Professional Services, Information Technology Professional Services and State Government Service Charges in Orbits) have a different inflation factor. Surplus is also in a self-support building, so once EAM Self Support rent completes its model we will have that number. Transfers out are reflected in State Surplus and they include the costs for the administrative for EAM and Business Services.

There is a place holder policy option package for the replacement of four forklifts. Costs will be split between both Federal Surplus and State Surplus.

The other payroll expense (OPE) factor is 62.91% which includes Public Employee's (PERS), Pension Bond, Social Security Taxes, Workers, Comp, Mass Transit and Flexible Benefits. The total of $680,000 is for personal services, and services and supplies inflated at 2.4. The total cost of the Federal Surplus Program at Current Service Level (CSL) is $1,302,426 which includes both personal services and services and supplies. We also need to include the transfers out amount for both administration and Business Services in the total costs. The total costs for the State Surplus program at Current Service Level (CSL) State Surplus personal services total is $3,690,244 which includes both personal services and services and supplies. There is about $73,000 included for overtime and temporary employees for state surplus program. At this time we need to fund about $5.1 million for the entire program – Surplus Property as it operates today. There is no general fund in the program so we are recommending a sixty day working cash balance for Surplus Property program.

Surplus could get some reductions as a result of the 2013-2015 091 package; we could have to find up to $2 million in reductions for the entire EAM program. This should be a conversation happening outside of rates.

The Surplus does not know if installing the new software, FileMaker will reduce positions, however, they are hoping that it will create more revenue and more efficiencies such as running reports and tracking information. Surplus will run better, keep better control of the inventory, and move items faster. As a result of the new on-line viewing feature it may create more volume therefore additional resources.

Surplus does track the benefit and value to the state. Surplus compares the cost that they sell items for to fair market value (calculated as 24% of the "Original Acquisition Value" by the Federal government) and keeps track of the savings.

The Statewide Fleet program does affect the State Surplus program. Fleet received approval for an additional $3.5 million dollars to purchase vehicles during the 2013-2015 biennium; Oregon Department of Transportation (ODOT) will also be purchasing new vehicles and heavy equipment. Because of this State Surplus expects to receive more vehicles and heavy equipment to sell in the near future.

Federal Surplus does not anticipate rate changes, but they want to turn inventory over faster. They expect that the getting more items sold will increase revenue. The real problem is a backlog; we need to increase the inventory turnover.

It was suggested by Ryan Vogt that Surplus should adjust rate structure to change the $15,000 Federal

cap. $15,000 includes shipping and cost all together. Sven has submitted a request to change the cap, but that is a long process and we are still waiting for the results[3]. We predict that Federal Surplus costs approximately $1.5 million.
We don't have a specific number of what we will bring in in 2013-2015, but we think our revenues will increase because of the new software and by exploring changing the rate structure.

The recommendation is to keep Federal Surplus as is, and see if we can change the rate of the high ticket items that are sold. It's important enough to keep it running, there is enough flexibility in the rate structure, and the anticipated changes will allow Surplus to be self-sustaining. Federal Surplus can only be run by a state agency, and we think DAS is the right one to do it. We (the CUB members) think that there still has to be a way for customers to look at items at the warehouse so we want to keep Federal Surplus as is, as well as add some direct sales on-line. Ryan Vogt stated that if the Federal Surplus program can't be self sustained, then we need to look at changing the rates and ask questions.
What would change about Federal Surplus?

- More Direct Orders, reducing some of our costs
- Move inventory faster to help cash flow
- Use the new software to get product out there and increase sales
- Utilize the flexibility we have to charge more to cover our costs Pursue changing the cap
- Sell the back log of Federal property

Hopefully Surplus State Property will be able sell the product and have some working capital to cover costs, and have flexibility to hire temps and pay for other business needs.

Surplus Federal Property currently has $50-100,000 worth of Federal property to sell in the warehouse. Federal Surplus is currently running a deficit of ($200,000) to help offset this deficit in the next 60 days – the program is trying to turn the inventory faster.

Surplus Program, combined State Surplus and Federal Surplus is currently running a deficit of ($500,000).We cannot transfer a negative ending cash balance program to another state agency or within DAS till we get the program back to "0", so if we decide to transfer the program to another state agency DAS would need to recover the deficit, making the program $0. Sven will look at getting more information on the cost of transfer of the program to another state agency

In terms of the State Surplus it doesn't seem like any of the options that we have laid out are viable for the 2013-2015 biennium. For 2013-2015 Surplus will remain status quo and then make changes in 2015-2017. Currently 90% of the state and local government surplus is being sold to the public. Ideally the percentage that is sold to state and local government would increase as there are significant savings over purchasing retail or price agreements.

Surplus' core role is to make sure there is an audit trail for state property, to keep items out of the waste stream and to transfer as much money as possible back to agencies. When agencies are auditing items, the federal agency is not looking for items at Surplus they are just going to the agency. So if Surplus' role is to keep an audit trail, then for State Surplus it isn't being used.
Also, is the cost of the program sensible for the audit trail that we need. Fleet and ODOT are concerned about having an audit trail, but small stuff is rarely audited.
The pushback by some agencies is some things will cost more to sell at Surplus then they are worth. To combat this maybe we should raise the cap of what can be disposed of via the current '$100 and Less' guidelines to $300-$500. Jeanette Fish pointed out that we need to be aware if public perception because Oregon is the 'green state' and we pay money to recycle, so we need to look at if that is part of the

[3] See attached Draft Update of Federal Surplus

business too. We need to talk about what the future of Surplus looks like, bigger or smaller. Debbie Colbert added that small stuff doesn't necessarily have to be thrown away but can be donated or given away to somebody that needs it.

Sven would like to see the impact of several program improvements (new software, additional online auction options, reduced staff, updated e-waste contract) and give it a chance to see where that takes the Program.
Personal Service costs is being watch closely, and is being evaluated to see if it is cost effective to handle the bottom end items or would it be more effective to privatize that. The estimated hourly rate usually run per hour is $75-150, is being recovered by an employee working on the small stuff for a few hours. It seems that vehicles and heavy equipment sales could cover their costs, the small stuff is what is concerning.
Under the 2011 – 2013 rate structure, some local governments have been using the Surplus system by keeping their own fleet sales, and giving state Surplus all the small items. This reinforces that our model for small items may not be working as well as it could.
Surplus is built around the philosophy of how the state handles its waste product. We can still hold agencies accountable to how they deal with stuff but Surplus doesn't necessarily need to exist for that to happen. The small, low value items are not worth the agency employee's time to send small things to Surplus.

There are also some static costs that may be changed, like using part of the warehouse for storage.

Options:

- Status quo with efficiencies and change in threshold from the current level of $100 or less where there options other than sending it to the Surplus warehouse
- Split between some private entities and keep some parts of Surplus
- Privatizing State Surplus
- Should we be involved in local governments at all or only if they have the same rates as state agencies?

Examine what is core to the program.

Action Items:

- Sven is getting more information on the cost of transferring Surplus to a private vendor
- Get more team members to the meetings
- Bill to work with Sven to cost some of the assumptions
- Overlay the SLA with RFI to compare

Attachments:

- Surplus Federal Program OAR (attachment 1)
- Example Rate Development tab (attachment 2)
- Draft Surplus whitepaper (attachment 3)
- Draft Surplus Price List (attachment 4)
- Draft update of Federal Surplus plan (attachment 5)
- Draft Surplus Service Catalog (attachment 6)

Next meeting:

Tuesday July 16, 2013
9:00-11:00
East Mt Neahkahnie- DAS East

Date: December 12, 2012

To: Jeanette Fish
Administrator, Enterprise Asset Management Division

From: Sven Anderson - Surplus Property Manager

Re: DAS State and Federal Surplus Property Whitepaper

Issue:

As per ORS 279A, the Oregon Department of Administrative Services (DAS) is given broad authority regarding the disposal of surplus property. This authority includes but is not limited to: accepting property; distributing property; providing facilities for the handling of property; adopting rules for distribution, utilization, disposal or sale of property and setting charges necessary to recover all direct and indirect costs associated with this authority.

Since the economic down-turn in 2008, there has been increasing pressure to reduce the cost of government and to ensure the highest level of efficiency possible. During the past two biennia, the Program's rate structure has not recovered adequate funds to cover the cost of operation as outlined in ORS 279A. Simultaneously, some agencies have been seeking other options for disposing of their surplus property that will result in greater revenue being returned to their agency. This whitepaper compares the current DAS Surplus Property Program with other models and options and provides a recommendation based on optimum solution.

Background:

Oregon Surplus Property Program has evolved over the past several decades – dating back to 1947 under the Oregon Department of Education. It was transferred to the Department of Finance and Administration in 1951 and has existed in roughly its current form since at least the 1970's with the primary purpose of disposing of State of Oregon surplus personal property, providing an audit trail and providing access to federal personal property. The Program currently provides all of the following services:

1) ***accepting property***
   - Clear audit trail
   - Less that 2% of items turned-in to the Program enter the waste stream

2) ***distributing property***

   - Fair and equitable distribution of property
   - Inventory tracking from receiving to final sale

- Property first offered to state agencies, local government & non-profits
- Sale of personal property, vehicles and heavy equipment
- Connecting agencies with requested items (i.e. Want List)

3) providing facilities for the handling of property

- Reimbursement of funds to selling customers
- Heated warehouse storage of property prior to sale
- Security of warehouse and storage yard
- Customer load-out service (i.e. purchased items delivered by forklift into your vehicle)
- Authorized to operate federal surplus property program
- Offering one-stop shopping for customers (agency and public)
- Identification of best method for disposal – transfer, sale, recycle, waste stream
- Detailed written descriptions and digital imaging of property & vehicles
- Lotting and unlotting for best sale price
- Ability to sell items from seller's location without requiring transport
- Marketing property to ensure highest return for the turn-in agency (proper sales venue, i.e. online auction, general store, Craigslist, recycling, etc.) and cross promoting on auto trader/equipment trader/social media, email campaigns, etc.
- Collection of multiple forms of payment (in-person, by phone, or through an electronic payment gateway; credit card, cash, cashier's check, wire transfer)
- Selling through multiple venues in order to get the highest sale price
- Pick-up of property & vehicles
- Online auction posting, including photo touch up, item descriptions, and marketing efforts
- Answering item specific questions regarding property & vehicles
- PCI compliance (secure credit card handling) meeting Oregon Department of Treasury requirements
- Addressing issues such as non-paying bidders, problems with property, etc.
- Providing shipping services
- Forklift capabilities up to 20,000 pounds
- Loading ramp for loading or unloading heavy equipment
- Issuance of Department of Motor Vehicle (DMV) trip permits
- Processing of DMV titles
- Authorized to operate the federal Law Enforcement Support Office program
- Recover near Kelley Blue Book values on vehicle and equipment sales

4) adopting rules for distribution, utilization, disposal or sale of property

- Ethical and environmentally responsible disposal of property
- Development and oversight of surplus processing policy
- Maintenance and oversight of e-waste policy and vendor contract
- Determining eligibility for access to federal surplus

ORS 279A gives DAS the authority to recover all costs associated with operating the Surplus Property Program. Historically the method for recovering these costs has been to collect a portion of the sale of each item, essentially a brokerage fee. Due to the Program not having control over the quantity, condition or value of items that are sent to the Program for disposal, nor the final sale price of these items, any firm rates established for a biennium are merely an estimate as to whether they will cover the Program's costs. Over the past two biennia, the established rate has not covered the Program's costs.

A review of all 50 states in August and September of 2012 confirmed that states vary broadly in how they process surplus property. (See Appendix A) A review of private entities that dispose of surplus property was conducted during the same time frame. (See Appendix B)

Business (configuration) Models: Options & Alternatives

The following table summarizes the options and is followed by an explanation of each.

Option 1	"Oregon Model" – Continue operating Program as described above with the existing pursuit of program improvements listed below.
Option 2	"Georgia Model" – Reduce the Surplus Property Program to handle only the following: establishing and updating surplus policy, online auction posting, collection of payment, reimbursement to agencies, operation of the federal surplus property program and management. Some positions would still be necessary for centralized posting of online auctions, collection of payment, reimbursement, policy and management. Each state agency/office is responsible for storing their own surplus, sending a written description and photos to a central location for posting to an online auction. Each office is responsible for showing the property that is for sale and releasing it when it is sold.
Option 3	Complete Privatization Model – Issue an RFP and then contract for one or more private entities to handle the disposal of State of Oregon surplus property. Entities such as GovDeals, PublicSurplus, Asset Nation, Brasher's, etc. are likely bidders that have the ability to provide most of the services currently provide by the existing program. This arrangement would likely still require that surplus property policy be handled somewhere within state government. Retain minimal Surplus Program staff to run the federal program, oversee the e-waste contract and to develop and maintain surplus property policy.
Option 4	Transfer Model – Transfer the entire Surplus Property Program another state agency such as the Department of Corrections. With multiple locations around the state, this arrangement could address the issue of remote locations having to haul their surplus property all the way to one central location.
Option 5	Agency Responsibility Model – Allow agencies to dispose of surplus property as they see fit while simultaneously requiring each agency to maintain their own records of the disposal of surplus property.

Option #1: "Oregon Model" – Continue operating Program as described above with the existing pursuit of program improvements listed below. Agency Request Budget for the Program for 2013 – 2015 is $5.2M.

Program Improvements Implemented or Actively Being Pursued

Increase Revenue

- Raise rates for selling items for local governments Intergovernmental Agreement (IGAs) – projected increase in Program revenue of $160,000 per biennium.
- Create State Agency rates that will cover Program costs – projected increase of Program revenue by $280,000 per biennium.
- The federal surplus property shipping duties have been assigned directly to the federal property screener to ensure that shipping costs are captured when pricing items. Projected increase in Program revenue of $10,000 per biennium.
- Update the State Plan for the federal program (OAR 125-030) – remove the $15K cap on any single service charge and other small changes. Projected increase in Program revenue of $100,000 per biennium.
- Implemented car hauling program that significantly improves customer service by providing timely pick-up of vehicles; reduces program expenditures necessary to pay 3rd party towing companies (approximately $10K/biennium) and increases revenue by securing new customers.

Reduce Expenses

- Launch an RFP for additional online auction options – including options that allow the Program to charge a buyer premium instead of paying a seller's fee. Projected Program savings of $240,000 per biennium.
- RFQ issued for security services to reduce overall costs and ensure the Program is properly procuring these services. Projected savings of $2,400 per biennium as well as improved security.
- Not filling a vacancy occurring as the result of a retirement. Will result in savings of $137,000 per biennium.
- Implemented energy savings projects that reduced energy costs by more than 33%.

Analyze Opportunities/Improve Operation

- Upgrade to current version of Filemaker for federal program – primary goal is to stabilize software and ensure back-up of inventory data by SDC - estimated one-time cost: $75,000 with funding from within EAM Division.
- If above listed upgrade is successful, look to utilize current version of Filemaker for entire Surplus program complete with the entire Surplus Property Program inventory viewable online

from anywhere in the State. This feature alone is expected to increase the use of the Surplus Property Program by state & local governments and non-profits resulting in increased savings for those entities and increased revenue from sales for the Program.

- Analyze impact and ability to convert federal portion of Program to 'Directs Only' (i.e. securing federal surplus items only upon individual agency request and having those items delivered directly to the agency) – projected to reduce Program costs by $250,000 (shipping) per biennium; simultaneous reduced revenue by $300,000 (service fee on donation property from federal government.)
- If the above option is implemented, sell all existing federal inventory via GSAonline auction – projected one-time revenue of $175,000.
- If the above options are implemented, rent available space, ideally to State Agency that is currently paying more to rent space. Projected increase in Program revenue of $50,000 biennium.
- Conduct analysis of selling e-waste items (computers, monitors, printers) for State Agencies and/or IGAs. State of Washington does this and generates as much revenue from selling e-waste as they do from selling vehicles & equipment. State agencies currently pay to dispose of their e-waste. – Projected impact on revenue or cost of operation unknown at this time.
- Conduct analysis of pallet storage rates to identify rates that will result in the increased revenue for the Program. Projected revenue impact unknown at this time.
- One employee's duties and time committed to conducting outreach/marketing/sales activities. Impact on program and revenue unknown at this time, however results will be monitored and the action will result in improved customer service at a minimum.
- Continue to explore less expensive warehouse location space and/or the opportunity to downsize the warehouse and thereby reduce overhead expense.
- Pursue grants to help support the Surplus Property Program (Justice Assistance Grant Program; FEMA Homeland Security Grant Program; others.) Grants opportunities include grants similar to those used by the state of California which support the operation of their Law Enforcement Support Office.
- Pursue the use of inexpensive inmate labor to support new or improved revenue streams such as recycling and selling of refurbished computers.
- Analyze the feasibility of establishing drop-off nodes for remote locations so that surplus property can be collected and then transported as a unit to the central warehouse vs. each individual agency or office hauling it all the way into the Salem warehouse.

Pros: Centralized service has effectively served state and local governments with minimal change for customers for decades. The existing program sells surplus property and returns the majority of funds to the turn-in agency. (average biennial return to agencies: $7.5M) Surplus staff has significant expertise in handling and selling state agency property. By centralizing the service, the majority of the workload of selling the surplus property transferred from the agencies served. Centralization ensures employees who have significant expertise in handling and selling surplus property take the responsibility for this task. It ensures a clear audit trail. It allows for centralized collection of funds from the sale of surplus property. One location allows for one-stop shopping for surplus property. It

facilitates the redistribution of surplus property between state agencies and local government agencies as well as to Oregon non-profit organizations. The Program's designation as a State Agency for Surplus Property (SASP) facilitates agencies access to federal surplus property at significantly less than retail or price agreement. The Law Enforcement Support Office (LESO) program provides law enforcement entities in Oregon the ability to receive items for free or purchase off of federal contracts. The LESO program saved Oregon law enforcement agencies more than $1.6M during 2011.

Cons: A single location makes it difficult for state agencies that are spread across the state to get their surplus property to the warehouse in Salem. The centralized location, without an inventory software system that allows entities to view current inventory from any computer requires employees to come to the warehouse in order to see what is currently available. The self-funding model which covers administrative overhead consisting primarily of renting, operating and staffing a warehouse, results in some funds being kept by the Program.

Option # 2: "Georgia Model" – Reduce the Surplus Property Program to handle only the following: Establishing and updating surplus policy, online auction posting, collection of payment, reimbursement to agencies, operation of the federal surplus property program and management. Some positions would still be necessary for centralized posting of online auctions, collection of payment, reimbursement, policy and management. Each state agency/office is responsible for storing their own surplus, sending a written description and photos to a central location for posting to an online auction. Each office is responsible for showing the property that is for sale and releasing it when it is sold. Reduces direct costs to State for operating Program by an estimated $3M/per biennium. Also reduces costs of agencies hauling items to Surplus warehouse. Cost to state of transferred workload unknown.

Pros: Eliminates direct costs associated with operating the centralized service; primarily the direct costs of paying for some of the current Surplus Property Program positions and the warehouse facility. Also eliminates the transportation of surplus property from multiple locations to a centralized location.

Cons: Pushes the workload out to state agencies/offices that will have to store the items, write a description of the items, show the items and at a minimum, provide access to the items that have been sold – if not also providing load-out service. Does not provide agencies, non-profits or public customers with centralized, one-stop shopping experience as surplus items are made available across the state. Eliminates the direct Surplus Property staff expertise in lotting and unlotting surplus property to get the best return on the sale of the property.

Option # 3: Complete Privatization Model – Issue an RFP and then contract for one or more private entities to handle the disposal of State of Oregon surplus property. Entities such as GovDeals, PublicSurplus, Asset Nation, Brasher's, etc. are likely bidders that have the ability to provide most of the services currently provide by the existing program. (See Appendix B) This arrangement would likely still require that surplus property policy be handled somewhere within state government. Retain minimal Surplus Program staff to run the federal program, oversee the e-waste contract and to develop and maintain surplus property policy. Reduces direct costs to State for operating Program by an estimated $3M/per biennium. Also reduces costs of agencies hauling items to Surplus warehouse.

Pros: Reduce direct costs to the State of Oregon by eliminating the costs associated with operating, maintaining and staffing a warehouse.

Cons: Some services that are currently provided do not appear to be currently available through private entities. Some of those services include: fair and equitable distribution of property; development and oversight of surplus property policy; identification of best disposal method; etc. (See Appendix B – Comparison to Private) A private entity cannot be a SASP. In order to continue to have access to federal surplus property, a state agency would need to retain this designation and meet the requirements of the federal government. (See Appendix C - Whitepaper re: Federal Donation Program from August 30, 2010) The LESO program also cannot be run by a private entity. (See Appendix D - Whitepaper re: LESO Program from September 9, 2010)

Option #4: Transfer Model – Transfer the entire Surplus Property Program to another state agency such as the Department of Corrections. If the agency has multiple locations around the state, this arrangement could address the issue of remote locations having to haul their surplus property all the way to one central location. Reduces direct costs to State for operating Program by an estimated $2M/per biennium IF the agency has an existing facility/facilities available for the program.

Pros: Surplus inventory could potentially be stored in an existing facility thereby eliminating a significant portion of the overhead associated with the current system.

Cons: This is a shift of workload and cost unless the other agency has an existing facility they could use to process surplus property. Access to some agency locations by non-agency employees and by the public could create security issues for that agency.

Option # 5: Agency Responsibility Model – Allow agencies to dispose of surplus property as they see fit while simultaneously requiring each agency to maintain their own records of the disposal of surplus property. Reduces direct costs to State for operating Program by an estimated $5M/per biennium. Cost to state of transferred workload unknown.

Pros: Freedom of choice allows agencies to handle property in whatever manner they deem most efficient and effective for their particular agency.

Cons: No standardization could result in duplication of effort and/or benefits that would otherwise be gained from a centralized or standardized system. Shifts workload of marketing, showing, selling, collecting revenue from sales, and coordinating customer pick-up to individual agencies. Potentially sets agencies up to violate Oregon government ethic laws and to receive negative media attention. Does not facilitate fair and equitable distribution of property.

Recommendation:

Continue existing operation while pursuing ongoing improvements as described above. Simultaneously, do two things:

1. Put out an Request For Information (RFI) to determine if there are one or more private entities that can provide the majority of the services currently provided that will do one or both of the following: 1) provide the services at a substantial reduction in cost and/or 2) generate a greater return of revenue to the State of Oregon.
2. Investigate whether another state agency has interest and ability to take on the Surplus Property Program and run it at a significant savings over the current operation.

Upon completion of these two tasks, compare the results and determine if either option is viable and if so, which is the best option for the State of Oregon. If either option is deemed to be significantly better than the current Oregon Model for disposal of State of Oregon surplus property, establish a plan, complete with a Project Manager, to develop and implement the conversion from the existing system to the use of the new system. Retain minimal Surplus Program staff as needed to run the federal program, oversee the e-waste contract and to develop and maintain surplus property policy.

If the use of a private entity or transfer of the program to another state agency does not appear to be viable, the recommendation is to keep the current system and continue to pursue ongoing improvements including but not limited to those identified above.

Appendix A

Alabama - http://www.adeca.alabama.gov/Divisions/Surplus/Pages/default.aspx

Sales method(s) -

The auctions are held at the Surplus Property Division warehouses in Montgomery and Eva.

The hours of operation for both warehouses is Monday through Friday, 7:30 a.m. to 4:30 p.m.

Online auction through GovDeals

Rates

Marketing

Software - Assetworks

Warehouse – Yes, two.

Other: $50M in Federal inventory

Alaska - http://doa.alaska.gov/dgs/property/index.html

State and Federal programs run out of two warehouses.

Sales method(s) - Public Surplus, oral auctions by private contractor, sealed bid auctions, two warehouses open to public 2-3 days a week,

Rates

Marketing

Pickup/Delivery - agencies must deliver surplus

Warehouse – Yes, two.

Arizona - http://www.azdoa.gov/agencies/msd/surplus_property/

What they do

Sales method(s) - PublicSurplus

Rates - The SPMO shall collect a fee for direct transfer of excess or surplus material as identified in Section 2.2. The balance of the sale price shall be reimbursed to the transferring agency. Reimbursements of non-direct transfer of state and eligible donee's excess or surplus materials shall be as follows:

A. No reimbursement if sale proceeds for an item is less than $50.00.

B. Reimbursement at the rate of not less than 70% of the sale proceeds for an item selling for a price greater than $50.00.

C. Reimbursement shall not be made until completion of the sale and payment by the donee is received by SPMO.

Marketing

Pickup/Delivery - agencies must deliver surplus

Warehouse – Yes

Other – Agencies must deliver to surplus warehouse, All decals and license plates will be removed from the vehicles prior to transporting to the SPMO warehouse.

Arkansas - http://www.dfa.arkansas.gov/offices/procurement/stateSurplus/Pages/default.aspx

What they do

Sales method(s) - GovDeals

Rates

Marketing

Software – homegrown online (http://www.dfa.arkansas.gov/offices/procurement/stateSurplus/Documents/sdfTutorial.pdf)

Other – Sale proceeds go back to turn-in agency. Fee for service.

Exceptions: State highway and transportation dept can sell their own surplus as long as they follow the fair/equitable rules.

California - http://www.dgs.ca.gov/ofam/Programs/StSurplus/Reutilization.aspx

What they do

Sales method(s) –live auction for personal property from Sacramento warehouse. Fleet is sold onsite by www.barnoneauction.com

Rates

Marketing

Warehouse – yes

Other - Caltrans, Division of Equipment, under a delegation granted by the Department of General Services, Office of Fleet Administration, disposes of surplus vehicles and equipment. Disposal may be by public auction, sealed bid sale, and reutilization to other agencies, as outlined in the State Administrative Manual, Chapters 4111 and 4112, and the Office of Fleet Administrations State Fleet Handbook (STD.59).

Colorado - https://www.coloradoci.com/serviceproviders/surplus/stateSurp.html?intro

What they do – inmate run program through Colorado Correctional Industries

Sales method(s) – vehicles sold through eBay, monthly live auction, warehouse store open 8-4 M-F.

Rates

Marketing

Warehouse – yes

Other – collect e-waste and charge fee to send to certified recycler. Agencies must deliver surplus to warehouse.

The Director of the Department of Corrections has created Administrative Regulation 450-03, Surplus Property Disposal, to manage the disposal of state agency's declared surplus. All state agencies, with the exception of Colorado Department of Transportation (CDOT) must comply

Connecticut - http://das.ct.gov/cr1.aspx?page=37

What they do

Sales method(s) – live auction for all property

Rates

Marketing – advertise online at www.wfsb.com

Other –Federal program directs only

Delaware - http://gss.omb.delaware.gov/surplus/index.shtml

What they do

Sales method(s) – Usgov.bid

Rates

Marketing

Pickup and Delivery: $38/hr for driver and van, $15/hr for helper, $55/hr to pickup scrap in addition to driver/helper charge

Warehouse – Open M-F for agencies, Tu-W for public

Other – property held for agencies for two weeks then sold to public

Florida- http://www.dms.myflorida.com/business_operations/state_purchasing/fleet_federal_property/auctions_faqs

What they do

Sales method(s)- fleet sold at auction

Rates

Marketing

Other

Georgia - http://doas.georgia.gov/STATELOCAL/SURPLUS/Pages/Home.aspx

Disposal (Fair Market Value)

- Public Sale
  - Buy it now (FMV of $20-50)
  - Auction (FMV > $50)
- Destruction / Disposal
  - Destruction (FMV < $20)

- Virtual Warehouse / Auction
  - Public Surplus
    - GovDeals
    - Public Surplus
    - eBay
  - Federal Surplus
    - GSA Auctions
  - Live Auctions
    - Vehicles Only
      - Many state vehicles are offered to the public through a

contracted live auto auction service. The current vendor is ABC/Red Top.

Rates (Gross Proceeds)

- Administrative Costs
    - $100 or 40% of final sale, whichever is more.

Marketing – twitter, facebook

Hawaii – DOWN FOR MAINT

What they do
Sales method(s)
Rates
Marketing
Other

Idaho - http://www.sco.idaho.gov/web/sbe/sbeweb.nsf/pages/sbefaq.htm

19) How can surplus personal property be sold?

An agency may sell surplus personal property to another state agency, city, county, school district or any other public agency residing in Idaho without public notice or receipt of competitive bid. All other sales must be through a public forum (regularly held public auction, state conducted auction, or written bids in response to public advertisement) and must follow defined periods of advertisement to the public.

Marketing - Do not have enough manpower for other marketing means. May market through E-Mail. Does not have any social media.

Illinois - http://www2.illinois.gov/cms/business/surplus/Pages/default.aspx

What they do
Sales method(s)
Rates
Software – webdata/assetworks
Marketing
Other

Indiana - http://www.in.gov/idoa/2383.htm

What they do:
Sales method(s)
Rates
Marketing
Other

Iowa - http://www.iaprisonind.com/

What they do: prison run program
Sales method(s)
Rates

Marketing
Other

Kansas

What they do:
Sales method(s) –online auction for state surplus

Rates - Fees

- Surplus items with a sale price under $500.00, State Surplus Property retains 100% of sale price
- Surplus items with a sale price greater than $500.00; State Surplus Property will retain 20% of sale price, the remaining 80% will be returned to the agency.

Marketing
Other – large inmate run Federal program – Steve has more info. Large online federal inventory catalog: http://www.da.ks.gov/surplus/federal/catalog/clothing/default.htm

Kentucky - http://finance.ky.gov/services/surplus/Pages/default.aspx

What they do
Sales method(s) – ebay, spot bid
Rates
Marketing
Other

Louisiana

What they do
Sales method(s) – once a month live auction
Rates
Marketing
Software - assetworks
Other

Maine - http://www.maine.gov/bgs/centralserv/surplus/index.htm

What they do
Sales method(s) – live auction every other month
Rates
Marketing
Other

Maryland - http://www.dgs.maryland.gov/govdeals.html

What they do - Closed:

DGS closed its surplus warehouse and is now selling the surplus through an online auction, GovDeals. This is much more convenient, green and cost saving to our customers.

Sales method(s)

Rates

Marketing

Other

Massachusetts - http://www.mass.gov/anf/budget-taxes-and-procurement/procurement-info-and-res/procurement-prog-and-serv/surplus-prop-prog/surplus-property-program-overview.html

What they do

Sales method(s) – ActionAuctions.com

Rates

Marketing

Other

Michigan - http://www.michigan.gov/dmb/0,1607,7-150-9141_13135---,00.html

What they do

Sales method(s) – online bidcorp.com

Rates

Marketing

Other

Minnesota - http://www.mnsurplus.org/?5c6edaf0

What they do

Sales method(s) – webdata, live auction

Rates

Marketing

Other

Mississippi - http://www.dfa.state.ms.us/Offices/SurProp/SurProp.htm

What they do

Sales method(s)

Rates

Marketing

Other

Missouri - http://oa.mo.gov/purch/surplus/SASPAbout.html

What they do
Sales method(s) - GovDeals
Rates
Marketing
Other – warehouse is closed or closing - http://oa.mo.gov/purch/surplus/statesurplus.html

Montana - http://gsd.mt.gov/agency/statefederalsurplusprogram.mcpx

What they do
Sales method(s) – live auction
Rates
Marketing
Other -

Nebraska - http://www.das.state.ne.us/materiel/statutes.htm

What they do
Sales method(s) – live auction
Rates
Marketing
Other

Nevada - http://purchasing.state.nv.us/property_program.htm

What they do
Sales method(s) – live auction
Rates
Marketing
Other

New Hampshire - http://admin.state.nh.us/purchasing/state_surplus.asp

What they do
Sales method(s) – live auction
Rates
Marketing
Other

New Jersey - http://www.state.nj.us/treasury/dss/csdssauc.shtml#current

What they do
Sales method(s) - GovDeals
Rates
Marketing
Other

New Mexico -
http://www.generalservices.state.nm.us/transportationservices/Surplus_Property_Bureau.aspx

What they do
Sales method(s) – monthly sale at warehouse
Rates
Marketing
Other

New York - Federal: http://www.ogs.ny.gov/BU/SS/Fed/
State: http://www.ogs.ny.gov/bu/ss/state/

What they do
Sales method(s) - eBay
Rates
Marketing
Other

North Carolina - http://www.surpluspropertydivision.com/

What they do
Sales method(s) - eBay
Rates
Marketing
Warehouse - many
Other

North Dakota - http://www.nd.gov/surplus/index.html

What they do
Sales method(s) - eBay
Rates
Marketing
Other

Ohio - http://das.ohio.gov/Divisions/GeneralServices/Surplus/tabid/227/Default.aspx

Surplus is sold in their warehouse and are shown through an online inventory system. Items that are not sold and become available to the public are listed on GSA Auctions.

What they do

- Public Auctions
    - Surplus items are sold by public auctions only.
        - Auctions are held at their warehouse.
        - Item listings and pictures are provided in their inventory listing, which is also available online on their website.
            - Each item has an agency price. This may be the starting bid for

each item.

Warehouse - All Surplus items are stored and sold from their warehouse.

Rates

- Fees are charged for every item.
    - 1/2 or 2/3 of property's actual value is charged.

Oklahoma - http://www.ok.gov/DCS/State_Surplus/index.html

What they do
Sales method(s) - online auction:
http://www.ok.gov/DCS/State_Surplus/Public_Auction/index.html
Rates
Marketing
Other

Oregon

Pennsylvania -
http://www.portal.state.pa.us/portal/server.pt?open=512&objID=1393&&SortOrder=16&level=2&parentid=1231&css=L2&mode=2

What they do
Sales method(s) - warehouse store, assetauctions.com
Rates
Marketing
Other

Rhode Island – no website.

The inventory of materials available at the State Surplus Property Depot in Quonset are not accessible on-line, nor does Surplus Property currently have a web site with information about its program. Details and specific information about the program must be obtained by contacting the Surplus Property staff.
https://www.nerc.org/documents/state_surplus/ri_state_surplus.pdf

South Carolina -
http://www.portal.state.pa.us/portal/server.pt?open=512&objID=1393&&SortOrder=16&level=2&parentid=1231&css=L2&mode=2

What they do
Sales method(s) - Live auctions, sealed bid
Rates
Marketing
Other

South Dakota - new online catalog: http://www.sdfederalsurplus.com/
storage available -http://apps.sd.gov/applications/CA01ShoppingCart/SCInventorySelection.aspx
What they do
Sales method(s) - PublicSurplus, sealed bids, warehouse sales
Rates
Marketing – federal program website shows inventory
Other – inmates rehab all their equipment

Tennessee - http://state.tn.us/generalserv/ba04s/
What they do
Sales method(s) - assetauctions
Rates
Marketing
Other

Texas - http://state.tn.us/generalserv/ba04s/
What they do
Sales method(s) – live auction
Rates
Marketing
Other

Utah - https://surplusapps.dts.utah.gov/SPOMaster/public.aspx
What they do
Sales method(s)
Rates
Marketing
Other

Vermont - http://bgs.vermont.gov/business_services/surplus/faq
What they do
Sales method(s) - Auctionsinternational.com, Craigslist
Rates
Marketing
Other

Virginia - http://www.dgs.virginia.gov/surplus/
What they do
Sales method(s)
Rates
Marketing
Other

Washington - http://www.ga.wa.gov/surplus/

Washington State Surplus sells surplus items and real surplus property (real estate) through their online auction and retail store. Items for the public are sold through Public Surplus. Used to sell on E-Bay.

What they do

- Transport
  - Distribution of items efficiently. Drivers transport supplies, including vehicles and heavy equipment, anywhere in the state with their fleet of trucks.
    - Transportation Rates – per pallet
      - Local Delivery ($40.00) per pallet space
      - Western WA Delivery ($55.00) per pallet space
      - Eastern WA Delivery ($75.00) per pallet space
    - Transportation Rates – Vehicle hourly rates
      - Truck and Driver ($75.00) per hour (rounded up to nearest hour)
      - Manual loading/unloading ($30.00) per hour
- Storage
  - Cost-effective storage options. Manages storage space: in Tumwater for short- and long-term rental needs. Shipments are accepted directly from vendors and can coordinate with transport services to deliver goods wherever and whenever needed.
    - Warehouse Storage Rates
      - Pallet Space [42x48x54] ($12.00) per pallet, per month
      - Manpower ($25.00) per hour
      - Equipment ($14.00) per hour
      - Pallet pick up by Political Subdivision ($8.00) per pallet
      - Carton picked ($1.00) each
    - Warehouse Shipping and Handling Rates
      - Consolidated Mail Services (CMS) ($1.00) per shipment, plus CMS charges
      - FedEx ($3.00) per shipment, plus FedEx charges
      - Common Carrier ($5.00) per shipment, plus freight charges
- State Surplus
  - Disposal and redistribution. Helps agencies dispose of state-owned goods at no cost. Surplus items are offered first to priority customers (state agencies and other public organizations) and then to the general public. The public can buy state-owned goods online, at warehouse sales or at their retail store. During fiscal year 2009, Surplus returned $4.6 million to agencies within 30 days of sale.
- Federal Surplus
  - Surplus good for qualifying organizations. Offers certain surplus federal goods to state agencies, municipalities and eligible non-profit organizations.

Standard Services Included

- Standardize fee structure
- Automated disposal process for surplus property
- Disposal requests approved within 24 hours
- Reimbursement dollars from surplus sales returned within 30 days of sale

Rates (Gross Proceeds)

- State Agencies (Transportation Costs Included)
  - Items Sold at Warehouse
    - Sold for $500+
      - Surplus keeps 9%
      - Agencies reimbursed 91%
    - Sold for less than $500
      - Surplus keeps 100%
      - Agencies do not get reimbursed
  - Items Sold at Agency
    - Sold for $200+
      - Surplus keeps 9%
      - Agencies reimbursed 91%
    - Sold for less than $200
      - Surplus keeps 100%
      - Agencies do not get reimbursed
  - Vehicle and Heavy Equipment
    - Sold for $300+
      - Surplus keeps 9% ($300 minimum – $1,500 max)
      - Agencies reimbursed 91%
    - Sold for less than $300
      - Surplus keeps 100%
      - Agencies do not get reimbursed
- Political Sub Division
  - Items Sold at Warehouse
    - Sold for $200+
      - Surplus keeps 9%
      - Agencies reimbursed 91%
    - Sold for less than $200
      - Surplus keeps 100%
      - Agencies do not get reimbursed
  - Items Sold at Agency
    - Sold for $200+
      - Surplus keeps 9%
      - Agencies reimbursed 91%
    - Sold for less than $200

            - Surplus keeps 100%
            - Agencies do not get reimbursed
    - Vehicle and Heavy Equipment
        - Sold for $200+
            - Surplus keeps 9% ($200 minimum - $900 max)
            - Agencies reimbursed 91%
        - Sold for less than $200
            - Surplus keeps 100%
            - Agencies do not get reimbursed

Marketing

- Social Media
    - Facebook
        - Few postings on wall. Page may be new.
        - Postings of items that may be of interest.
        - Has 25 'Likes'/Fans
    - Twitter
        - Updates on new auctions or ending auctions, mostly vehicles.
        - Holiday announcements.
        - Has 401 followers.
        - Uses #Surplus as tag/trend.
- Internet Sales
    - Public Surplus
        - Items sold for the public are posted through Public Surplus, could draw attention.

Wisconsin - http://www.wisconsinsurplus.com/

What they do
Sales method(s)- many auction choices. Use Lust auctions and GovDeals
Rates
Marketing
Other – no warehouse

Wyoming - http://ai.state.wy.us/GeneralServices/Surplus/dispose.asp

What they do
Sales method(s)
Rates
Marketing
Other – e-waste (refurb equipment) sold through. DOT sells separately through PublicSurplus

Appendix B

Provided by DAS Surplus Program	PublicSurplus	GovDeals	PropertyRoom	AssetAuctions	Brashers
fair & equitable distribution of property	N	N	N	N	N
first offered to local government & non-profits	Y	N	N	Y	N
Sale of both personal property and vehicle & heavy equipment	Y	Y	Y	Y *	Y
Pick-up of property & vehicles	N	N	Y	N	Y
Temperature controlled warehouse storage of property prior to sale	N	N	Y	N	Y
Ability to sell items from seller's location without requiring transport	Y	Y	Y	Y	Y
Development and oversight of surplus processing policy	N	N	N	N	N
Maintenance and oversight of e-waste policy and vendor contract	N	N	N	N	N
Connecting agencies with requested items (i.e. Want List)	Y	N	N	N	N
Identification of best method for disposal – transfer, sale, recycle, waste stream	N	N	N	N	N
Inventory tracking from receiving to final sale	Y	Y	Y	Y	Y
Clear audit trail	Y	Y	Y	Y	Y
Security of warehouse and storage yard	N	N	Y	N	Y
Written description and digital imaging of property & vehicles	N	N	Y	Y	Y
Lotting and unlotting for best sale price	N	N	N	N	N
Online auction posting, including photo touch up, item descriptions, and detailed marketing efforts	N	N	Y	Y	Y
Ability to sell through multiple venues in order to get the highest sale price	N	N	N	N	N
Marketing property to ensure highest return	Y	Y	Y	Y	Y
Answering item specific questions regarding property & vehicles	N	N	Y	N	N
PCI compliant meeting Oregon Department of Treasury requirements	N	Y	Y	?	N
Addressing issues such as non-paying bidders, problems w/property, etc.	Y	Y	Y	?	Y
Collection of multiple forms of payment (In-person, by phone, or through an electronic payment gateway; credit card, cash, cashier's check, wire transfer)	Y	Y	Y	Y	Y
Providing shipping services	N	N	Y	N	Y
Customer load-out service	N	N	Y	N	N
Issuance of DMV trip permits	N	N	N	N	Y
Processing of titles	N	N	N	Y	Y
Reimbursement of funds to selling customers	Y	Y	Y	Y	Y
Determining eligibility for access to federal surplus	N	N	N	N	N
Law Enforcement Support Office program	N	N	N	N	N
One stop shopping for customers (agency and public)	N	N	N	N	N
Warehouse storage and space rental for non-surplus items	N	N	N	N	N
Forklifting service/capabilities up to 20,000 pounds	N	N	N	N	Y
Loading ramp for loading or unloading heavy equipment	N	N	Y	N	Y
Recover near KBB funds on vehicle/equipment sales	Y	Y	Y	Y	Y
Eligible to operate federal surplus property program	N	N	N	N	N

Rates

Oregon Surplus: CURRENT - Personal Property: keep the 1st $100 + 50% w/$2000 cap; vehicles - keep first $250 + 25% w/$2000 cap

Oregon Surplus: PROPOSED - Personal Property: keep it all; flat 15% on vehicles

PublicSurplus, for state agencies, charges BUYERS a 4% buyer premium and charges the seller nothing

GovDeals

B - Client Elects GovDeals Financial Settlement Services (FSS) allowing GovDeals to Collect Proceeds. Only one option below can be used and once this option is chosen, it cannot be changed for twelve (12) months.

Option B1: The Client pays a 7.5%* fee and the winning bidder pays a 5% Buyers Premium. **

Option B2: The Client pays a 5%* fee and the winning bidder pays a 7.5% Buyers Premium.

Option B3: The Client pays a 2.5%* fee and the winning bidder pays a 10% Buyers Premium.

Option B4: The Client pays zero percent fees (0%) and the winning bidder pays a 12.50% Buyers Premium.

Tiered Fee Reduction Schedule

GovDeals' Tiered Fee Reduction Schedule below explains how the base auction fee of 7.5% is reduced for assets that sell in excess of $100,000 on www.govdeals.com.

1. When an asset sells for up to $100,000 in a winning bid, the GovDeals fee is seven and one-half percent (7.5%*) of the winning bid, but not less than $5.00.

2. Where an asset sells for more than $100,000, and up to $500,000 the GovDeals fee is seven and one-half percent (7.5%) of the winning bid up to $100,000, plus five and one-half percent (5.5%) of the winning bid for auction proceeds in excess of $100,000 up to $500,000.

3. Where an asset sells for greater than $500,000, and up to $1,000,000 the GovDeals fee is seven and one-half percent (7.5%) of the first $100,000 of the winning bid, plus a fee of five and one-half percent (5.5%) of the next $400,000 of the winning bid, plus a fee of three and one-half percent (3.5%) of the bid amount in excess of $500,000 up to $1,000,000.

4. Where an asset sells for greater than $1,000,000 the GovDeals fee is seven and one-half percent (7.5%) of the first $100,000 of the winning bid, plus a fee of five and one-half percent (5.5%) of the next $400,000 of the winning bid, plus a fee of three and one-half percent (3.5%) of the next $500,000 of the winning bid, plus a fee of two and one-half percent (2.5%) of the bid amount in excess of $1,000,000. *Subject to a minimum per asset/lot fee of $5.00. **If the Client chooses to pay the full 7.5% fee, they will have access to the Tiered Fee Reduction Schedule.

Property Room We have a standard pricing mechanism for all fleet sales – our Platinum program includes free towing for autos and light trucks into one of our Yards in either Portland, Eugene, or Woodburn if the pickup location is within 30 nautical miles; cleaning and photographing of the vehicle; holding public inspection days on our site; including the vehicles in our pre-auction online catalog so bidders can preview what is coming up for sale next week and submit prebids or enroll for proxy bidding; conducting a live internet auction every week in each location; collecting the winning bids and handling title and registration and delivery of the vehicles to the winning bidders; paying any sales tax required on behalf of our sellers and filing any sales tax returns required on behalf of our sellers; and providing online access to our sellers for detailed asset tracking and internal accounting data which they can download and print off to satisfy their internal regulations and processes. Our fee is a flat 12.5% of the winning bid price and our sellers get 87.5%. By phone: “Portable” program, where they pick up the asset, market it and sell it = 50%. SOS=5%.

AssetAuctions

They run their auctions in 'events', so they would do an auction every two weeks with 20-50 items per auction.

This is what they do for Tennessee. They charge a 12.5% buyer premium and charge the seller as well. He said the

fee is conditional on volume and extra services provided, but though it would be in the 7.5% range for someone like us.

Brashers

What fees are charged to the seller? $100.00 per unit sale fee plus a $30.00 admin fee (that includes a detailed condition report and storage until the unit sells) we also offer a concurrent online sale. If your unit sells on online there is an $35.00 online success fee.

What fees are charged to the buyer? The buyers fees are based on the sale price of the unit

Do you offer DMV trip permits at the public sales? Yes we can provide trip permits

How long do you retain records on the vehicle sales? The records are scanned and stored digitally (so forever)

Title process?(time frame, do you make sure they are clear titles) We can provide all title services cost will vary according to what needs to be done, titles are mailed to the buyers within 10 days.

Do you have auctions for heavy equipment? Yes and we do very well with equipment.

Is there a way for us to track the inventory that is sent to auction? yes

Appendix C

Date: August 30, 2010

To: Jeanette Fish
Deputy Administrator, SSD

From: Sven Anderson
Surplus Property Manager

Re: Whitepaper re: Federal Donation Program

Issue: Should Oregon run a Federal Surplus Property Program? The program is on the potential reduction option list.

Background: The Federal surplus property program is entirely self-funded and supports the State Surplus program by sharing operational costs. Government and non-profit entities are charged a service fee based solely on what they purchase. The core value of the Oregon Surplus Property program is to support State of Oregon government by providing access to reuse of existing government resources and saving money on the cost of needed equipment. Oregon has operated the Federal Program in conjunction with the State Surplus Property Program for more than three decades. Customers do not commonly differentiate between federal surplus and state surplus; they are simply shopping at Oregon Surplus Property.

The Federal property program exists under the General Services Administration of the federal government. In order to access federal property, a state must have a designated State Agency for Surplus Property (SASP). Establishing and maintaining a SASP requires that the agency adhere to all related federal requirements which are defined in CFR Title 41, §101-44.000. Requirements include but are not limited to: establishing and maintaining eligibility of entities allowed to purchase federal property; properly tracking and maintaining inventory; monitoring compliance; keeping and maintaining records, etc. Monitoring compliance involves ensuring the entity that buys the item uses it properly during the time period associated with that item. The minimum compliance requirements on federal property is that the item must be put to use within one year and used for at least one year. The program allows state government, schools, local governments and qualified not-for-profit organizations to access federal surplus property at a price that is lower than buying retail or through price agreements – up to 80% off retail. Surplus staff maintain, "Want Lists" of items, secure property for customers, and arrange transport for a service charge of approximately 4%. During the past 10 years, the Federal program has transferred $92,000,000* worth of federal surplus to Oregon government and non-profit organizations and generated $5,688,769 of revenue; exceeding potential reductions by more than $460,000 per biennium.

By operating as a SASP, the Oregon Surplus Property program is able to allow local governments & non-profit entities to directly purchase surplus federal vehicles from around the country. This direct

purchasing allows entities to select the highest quality, low mileage vehicles at a negotiated rate, which is similar to purchasing wholesale.

* This is the figure used by the federal government and represents the 'original acquisition value'. Given that property ranges from new to used, the commonly recognized 'actual value at time of transfer' is 25% or $23,000,000 in this case.

For disaster relief, Oregon Surplus property federal inventory includes an assortment of emergency supplies which are available for immediate use. Property that is available ranges from new to heavily used. Items available include vehicles, heavy equipment, generators, commercial kitchen equipment hand tools, sleeping bags, rain gear, boots, gloves, and food. By maintaining a federally recognized SASP, the State of Oregon is eligible to receive federal assistance in the event of an emergency quicker than if Oregon did not have a SASP.

Acquisition of federal surplus equipment and supplies by eligible organizations results in cost avoidance, which saves tax dollars. For instance, the program makes equipment (ambulances, fire trucks, police cars, search and rescue equipment, etc.) affordable for small governmental units. In 2009, DHS was able to purchase $320,000 of cubicles for only $20,000.

The Oregon Federal Surplus property program has handled the sale of Department of Interior vehicles nationwide for the past 10 years. This program is being terminated by GSA effective October 1, 2010 and will result in workload reduction equivalent to approximately .25 FTE as well as a loss of revenue of approximately $143,000 per year.

Option #1: Status Quo

Pros: Maintains existing program and customer base which includes state agencies, counties, cities and of non-profit organizations. The program is entirely self-funding and helps support the State Surplus program both in terms of splitting overall operational costs as well as customers that are initially interested in a federal surplus item often will also purchase items from State Surplus.

Cons: The state needs to reduce overall expenditures and the Surplus program needs to protect its core, which is state surplus.

Option #2: Explore turning the program over to someone else to operate – Corrections?

Pros: Existing facilities, training opportunity for inmates, currently a large customer of State Surplus and could create efficiency within Corrections as well as others depending upon location.

Cons: Shifting of workload and limitation issues versus actual reduction. Corrections is largely General funded agency. Depending upon location, it could create security and staffing issues in terms of entering and leaving the facility. Determination and ongoing assurance of eligibility for non-state agencies to purchase from state surplus is currently handled by federal program employee, those duties will need to continue to be done and added to someone's existing workload. May lead to failure

of the state program when it has to support the total overhead – DAS Facilities has indicated that there is some opportunities for reducing facility overhead costs if the federal program is relocated.

Option #3: Partial reduction in the federal program such as having one employee run the program. This employee would do all eligibility, screening, receiving, pricing, recordkeeping and compliance.

Pros: Provides opportunity to rent out part of the existing space or move to smaller more efficient facility. Reduced expenditures/capital outlay because of reduced screening and being allocated less property, shipping expenditures are less as are receiving times, time spent inputting, warehousing, etc.

Cons: This runs in to a conflict of separation of duties but other states have done it. Inability to secure items for customers and/or reduced availability of items available to state and local governments and eligible non-profit organizations resulting in reduced support of State Surplus program due to less customer traffic in the Surplus facility and on the OregonSurplus.com auction site. Determination and ongoing assurance of eligibility for non-state agencies to purchase from state surplus is currently handled by federal program employee, those duties will need to continue to be done and added to someone's existing workload. May lead to failure of the state program when it has to support the total overhead – DAS Facilities has indicated that there is some opportunities for reducing facility overhead costs if the federal program is reduced. State agencies would receive less money back from the surplus items they turn in order for Oregon State Surplus to cover costs of operation.

Option #4: 'Life-support option' – program still exists but at the bare minimum level.

Pros: Allows items that require compliance checks to remain with entity that currently has them. Some items require compliance checks in perpetuity (i.e. aircraft, NASA items, etc. – currently approximately 120 items; Evergreen Aviation Museum has recently requested hundreds more, including a retired Space Shuttle) – if the program was completely closed down, see Option #5, these items would need to be returned to the federal government at the expense of the entity currently in possession of the item. Provides opportunity to rent out part of the existing space or move to smaller more efficient facility. Leaves the door open to re-growing the program.

Cons: No availability of federal items; zero support of State Surplus program due to less customer traffic in Surplus facility and on OregonSurplus.com auction site. Even a partial shut down will give the impression of a failing entity that no agency will want to patronize/support. Determination and ongoing assurance of eligibility for non-state agencies to purchase from state surplus is currently handled by federal program employee, those duties will need to continue to be done and added to someone's existing workload. May lead to failure of the state program when it has to support the total overhead – DAS Facilities has indicated that there is some opportunities for reducing facility overhead costs if the federal program is reduced. State agencies would receive less money back from the surplus items they turn in order for Oregon State Surplus to cover costs of operation.

Option #5: Close down the program – as required by the federal government, the Oregon State Agency for Surplus Property (SASP) would be required to make public notice of this action and submit a

liquidation plan with a timeframe of 6 – 12 months to close down the operation. The plan would need to include the method for disposing of existing inventory, retention of all SASP record for 2 years following the liquidation; any remaining federal funds must be returned to the federal government. Lastly, designation of another governmental entity to serve as the agency's successor in function until continuing obligations on property donated prior to the closing of the agency are fulfilled.

Pros: Eliminates requirement to hold federal items that do not sell to eligible entities until such time that they can be sold to the general public. Creates opportunity to reduce costs associated with building rent and utilities. Increases potential area for rental either by State Surplus (i.e. additional storage) or DAS Facilities (i.e. additional tenant).

Cons: All other 49 states maintain at least a bare minimum SASP. Federal surplus items would no longer be available and, longer wait for emergency assistance from the feds. No support of State Surplus program due to less customer traffic in the Surplus facility and on OregonSurplus.com auction site. Some items require compliance checks in perpetuity (i.e. aircraft, NASA items, etc. – currently approximately 120 items; Evergreen Aviation Museum has recently requested hundreds more, including a retired Space Shuttle) – these items would need to be returned to the federal government at the expense of the entity currently in possession of the item. Determination and ongoing assurance of eligibility for non-state agencies to purchase from state surplus is currently handled by federal program employee, those duties will need to continue to be done and added to someone's existing workload. May lead to failure of the state program when it has to support the total overhead – DAS Facilities has indicated that there are some opportunities for reducing facility overhead costs if the federal program is reduced. State agencies would receive less money back from the surplus items they turn in order for Oregon State Surplus to cover costs of operation.

Recommendation:

Option #1; retain the program and continue to pursue efforts to reduce administrative costs such as eliminating positions through efficiencies and attrition while also pursuing efforts to improve the financial position of the program through such actions as:

- updating the State Plan for the Federal Program (OAR 125-035) – particularly to remove the cap on maximum service charge;
- pursuing outreach efforts to ensure state and local government and non-profits are aware of the program and the savings available to them;
- replacing the outdated inventory software with one that will allow customers to view current inventory from their computer.

Appendix D

Date: September 9, 2010

To: Jeanette Fish
Deputy Administrator, SSD

From: Sven Anderson
Surplus Property Manager

Re: Whitepaper re: LESO Program

Issue: Should Oregon have The Law Enforcement Support Program? The program is on the list of potential budget reduction options due to statewide budget reductions.

Background: The Law Enforcement Support Office (LESO) makes federal property available to state and local law enforcement organizations through two programs:

- The 1033 Counter-Drug Program, through which law enforcement agencies may obtain equipment they need at no charge.
- The 1122 Law Enforcement Equipment Procurement Program, through which law enforcement agencies can purchase weapons and other equipment through GSA contracts at government prices.

In Oregon, these two (2) programs are presently operated within the Oregon Surplus Property Program and have been since the year 2000. Prior to that, they were managed by the Oregon State Police. The program was transferred to Oregon Surplus Property after OSP experienced some inventory issues associated wit this program. These programs currently require the equivalent of approximately ¼ FTE to operate. Oregon charges each law enforcement entity a flat annual fee, based on the number of officers they have. This system keeps the workload as low as possible vs. charging a percentage per purchase.

Items available through these programs include anything that is law enforcement related – from gloves and boots to armored SWAT-type vehicles, firearms, body armor and surveillance equipment. To-date there have been 13,561 items secured through the 1033 program and thousands of items through 1122 program for law enforcement entities in Oregon. 10,000 of these items require compliance checks in perpetuity; failure to provide that review and reporting will require that the items be returned to the federal government at the expense of the law enforcement entity and/or the State of Oregon.

At this time there are 16 law enforcement agencies, representing 1,687 officers, signed-up to participate in these programs. There are approximately 170 law enforcement entities in Oregon. Those that choose not to participate choose not to based on either the fee associated with the program, the lack of need for additional law enforcement equipment or the compliance requirements of the program.

Over the past 10 years, $3,254,380 worth of property has been transferred, free of charge, to Oregon law enforcement entities through the 1033 program. Operating the 1033 program requires having a designated coordinator who then reviews and approves or denies applications to participate in the program. The coordinator then works with law enforcement entities to find and request items from the federal government. Items that are approved by the federal government are then transferred to the law enforcement entity at no charge. Shipping is charged for larger items – i.e. a pallet or larger. The coordinator must then maintain records of all items transferred and conduct compliance checks. Compliance checks involve verification that the law enforcement entity has the item and that is being used as required and maintaining records of these compliance checks. For weapons and armored vehicles, these checks are required annually and are conducted electronically; there is a minimum 10% onsite review for all other compliance items.

Since 2004, thousands of items has been purchase through GSA contract by Oregon law enforcement entities through the 1122 program, saving law enforcement agencies throughout Oregon, $1,442,809 (vs. MSRP). Operating the 1122 program requires having a designated coordinator who reviews and approves or denies 100 - 150 requests for purchase annually. Once approved, the law enforcement agency purchases equipment directly through GSA contracts. Eliminates need for these entities to take the time and effort necessary to go through the normal procurement process to make similar purchases (i.e. posting an invitation to bid on ORPIN).

Participation by law enforcement entities in the LESO gains the entity access to both the 1033 program and the 1122 program. The annual fees paid to the Oregon Surplus Property program by these entities is based on a sliding scale depending on how many law enforcement officers the given entity has. Participation in the LESO program results in $15,000 - $30,000 in annual revenue for the Oregon Surplus Property program depending on the number of entities participating in any given year.

All fifty (50) states plus 4 territories have active LESO programs; none of them operate at a bare minimum in order to maintain compliance. Most state have at least one (1) FTE committed to the program. Oregon falls somewhere in the middle of the pack in terms of total activity and on the low end as far as staff resources committed to the program. California has 6 FTE committed solely to the LESO program and transfers $8M+ worth of property annually to law enforcement entities in California. Wyoming on the other hand, has one (1) FTE and transfers about $600K.

While Oregon State Police are the number one user of these programs, the following are some of the other largest users of the program: Lane County Sheriff; Washington County Sheriff; Clackamas County Sheriff; Yamhill County Sheriff; Gold Beach Police Department; Umatilla County Sheriff; Beaverton Police Department

Option #1: Status quo

Pros: Continue to provide savings opportunities for state and local law enforcement entities.

Cons: Requires at least a minimal level of staffing for approving applications, screening property and maintaining inventory.

Option #2: Turn the program over to someone else to operate – Corrections? Back to OSP? DPSST? SPO? If the program is not run by a state entity then it can be run by a law enforcement entity that has arrest authority.

Pros: Better ties to law enforcement agencies and compliance reviews could be done in the normal course of their travels.

Cons: Shifting of workload and limitation issues versus actual reduction.

Option #3: Reduce 1033 program in order to maintain minimum federal program requirements to maintain program (i.e. staffing only available to maintain records and ensure compliance) while preventing compliance items previously secured through the 1033 program from being required to be returned to the federal government. There is no reduction option for the 1122 program; it is either 'on' or 'off'.

Pros: Small reduction in workload – approximately equivalent to ¼ FTE. Law enforcement agencies that have previously secured items through the 1033 program can continue to keep those items.

Cons: State and local law enforcement entities no longer able to secure additional law enforcement equipment through the 1033 program. Someone still must designated as the SPOC for this program and this workload added to their current duties. If the 1122 program is eliminated, law enforcement entities in Oregon would no longer be able to purchase directly through GSA contracts resulting in a lost opportunity for savings.

Option #4: Close the program entirely.

Pros: The state needs to reduce overall expenditures and the Surplus program needs to protect its core, which is state surplus. The program is not core. Reduction in expenditures equivalent off approximately ¼ FTE.

Cons: State and local law enforcement entities no longer to secure additional law enforcement equipment through the 1033 or 1122 program resulting in a lost opportunity for savings. All items previously secured through the 1033 program must be returned to the federal government at the expense of the entity and/or the state. There are 10,000 items that would be required to be returned to the federal government. There are 45 agencies that have property that would be required to be returned. All items would need to be returned within 90 days of closing down the program. The cost to return these items is unknown but is estimated to be 'thousands' of dollars. The cost to replace the equipment would be significantly higher with the cost of replacing the weapons alone (500) being $1M - $1.5M.

Recommendation:

Option #1; retain the program and continue to pursue efforts to reduce administrative costs while also pursuing efforts to improve the financial position of the program through such actions as:

- Increasing the annual subscription fee
- Pursuing federal grants to support the program as the State of California does
- pursuing outreach efforts to ensure law enforcement entities are aware of the program and the savings available to them;

RECAP
Enterprise Asset Management
Surplus Program Rate Build for 15-17

Meeting Date: Tuesday July 16, 2013

Time: 9:00-11:00

Location: East Mt Neahkahnie- DAS East

Attendees: Gene Bentley, Debbie Colbert, James Comstock, Jim Hough, Ryan Vogt, Rick Willis

DAS: Jeanette Fish, Sven Anderson, John Cody, Carla Jeannette, Makenzie Dyer, Bill Lee

OVERVIEW

The minutes from the meeting held on July 2 were tabled until the next meeting. Ryan Vogt and Debbie Colbert will review the minutes. In the last meeting we talked about the services that Surplus provides. Bill Lee showed the Project 1 Excel file which estimates the expenditures that Surplus will have for the 13-15 biennium. After that we discussed the options for Surplus. There were several questions about more detail. As we separated State Surplus from Federal Surplus we found that Federal Surplus is benefitting the State, it can only be run by a State agency, and there are some internal modifications that can make Federal Surplus cost neutral.

Q: Gene Bentley If we only ran the Federal Surplus program only could it be cost neutral?
A: Sven Anderson Federal Surplus could be cost neutral if it stayed in the same facility, and the remainder of the facility was rented out to cover the total rent of the building. There are 4.05 FTE that operate the Federal Surplus program right now, and without the State Surplus staff helping there would be no coverage for sick or vacation leave.

At the Enterprise Asset Management (EAM) Customer Utility Board (CUB) meeting there was a whitepaper[1] that Sven wrote. Bill Lee has put this document into the Surplus Property Business Case format[2]. At the back of the business case on page 21 there are 4 appendixes. Appendix A outlines how other states are running their surplus programs. Appendix B is a table that compares five private companies that are performing surplus programs to the Department of Administrative Services Surplus Program. These companies include PublicSurplus, GovDeals, PropertyRoom, AssetAuctions, and Brashers. Appendix C is the State Surplus Property Statute and appendix D is the OAR (Oregon Administrative Rule) for the Federal Surplus Program. The business case is broken into the State Surplus program and the Federal Surplus program. The Federal Surplus part of the business case also includes LESO (Law Enforcement Support Option).

Sven Anderson explained that PublicSurplus and GovDeals do not offer a full service surplus program, and encourage State Surplus operations to continue service. PropertyRoom does provide more comprehensive services, and has the strongest case for taking over the State Surplus program. The State Surplus program currently sells items on Ebay, but there are large fees associated with selling on Ebay. Because of that, Surplus has done a trial with PublicSurplus online sales, and it has been very successful. PublicSurplus doesn't charge fees to the seller; they charge a fee to the buyer. After the initial pilot, State Surplus put out an RFP (request for proposal) for online auction services, and are going to enter into contracts with PublicSurplus, GovDeals, and Proxibid. The thought is that State Surplus will be able to sell items on the site that is best suited for each item. Once those options are in place, they will identify one or two auctions that serve them best.

[1] See Surplus Property Whitepaper (attachment 1)
[2] See Surplus Property Business Case (attachment 3)

In order to decide the best way to run the State Surplus program, the sub-group CUB members feel it is important to define the mission of the State Surplus program.

One purpose of the State Surplus program is to provide an audit trail and asset tracking system for agencies. John Cody noted that Surplus was originally created essentially as an insurance policy so that when agencies are audited Surplus can have a record of where property went and to help ensure that it was not being taken by employees or given away to friends and relatives. Sven Anderson explained that SAM is Surplus' inventory tracking system. Information is entered in to SAM when an agency has items to give to State Surplus, when the property arrives at the Surplus warehouse, and when the item is sold. This documentation happens no matter where the item comes from (local government, state government). Sven Anderson has found that all of the private surplus companies keep similar records also.

Ryan Vogt brought up that at the last meeting it was discussed that the CUB members had never experienced auditors looking for any records on an item outside of the agency. Auditors rarely ask what happens to items after they are sent to Surplus. Debbie Colbert feels that the asset tracking service provided by Surplus is not a big value. Debbie said that asset management is really about prevention of theft. Inventories don't catch those acts, rather good management does. Jim Hough did point out that it may seem like a minor thing now, but it may cause problems if the audit trail that Surplus provides is discontinued. It does act as an insurance policy.

Sven passed out a document containing what he feels is the Surplus program mission[3]. Jim Hough feels that the word "properly" needs to be added to in the first sentence to change the tone to make the statement more positive.

Ryan Vogt feels that the group needs to talk about the value that Surplus offers to state agencies.

- A clear audit trail
- Proper disposal
- Agency savings
- Financial return

James Comstock said that his agency generally doesn't care about how much money they get back from the State Surplus program, they are more concerned with having a low cost and responsible way to get rid of surplus items. Sven Anderson pointed out those agencies that have high dollar items like vehicles do care about how much money they get back from State Surplus.

Q: Ryan Vogt Is State Surplus essentially facilitating the transfer of items from one agency to another?
A: Sven Anderson We facilitate agency transfers at no cost. It is tracked in SAM. It happens infrequently and the State Surplus does not usually get any money from brokering this deal. Debbie added that most State agencies, by rule have to work through State Surplus.

Gene Bentley suggested that State Surplus charge a fee to cover their costs when brokering item transfers. Ryan Vogt suggested that there may be a way to fund State Surplus so that they can broker these deals without having a cost to state agencies. Debbie Colbert suggested that there be a rule change so that agencies can choose whether they use the State Surplus brokering service or not, and if they choose to use it then they pay for it.

Sven Anderson talked about the services that he outlined in his whitepaper[4], and the sub- group CUB members felt that all of these services fell into the values outlined earlier in the meeting (audit trail, proper disposal, agency savings, and financial return).

[3] See Sven Surplus Mission (attachment 4)
[4] DAS Surplus Property whitepaper (attachment 1)

Q: James Comstock Are any of the four major values a priority? Are there any conflicts if one value is of higher priority than the others?
A: Ryan Vogt There are conflicts with the proper disposal value. There is a disconnect between doing something for the greater good and running a successful business. It may be better overall to keep something out of the landfill, but that may be costing us money.

James Comstock said that his agency doesn't send furniture to State Surplus, instead he sends it to metal recycling. James' agency is part of the Judical Branch of government and does not have to follow the same rules that other Executive Branch agencies have to follow; most other agencies are required to send things to Surplus. If State Surplus cannot sell it, or it is not worth selling then the item is recycled. Ryan Vogt confirmed that there is a hierarchical belief that it is better to sell items than it is to recycle, so the State Surplus is willing to take a loss in order to sell something. Debbie Colbert pointed out that if State Surplus is privatized it will cost more to sell things so that the contractor can make a profit, or more items will go in the garbage.

Q: James Comstock Do we want to keep State Surplus and change our priorities so that we don't have to privatize or do we want to outsource and send more items to the dump?
A: Jeanette Fish As a State agency it's hard for Surplus to throw away items because it's bad publicity. Privatizing can also come back to bite us because if the contractor throws away items then we get questioned about watching their policies. There is a little more flexibility with a contractor, but we still need to watch what we do.
A: Debbie Colbert We have a contract for E-waste so we already have a similar contract system. We need to hold the contractor accountable to our standards.

Sven mentioned that PropertyRoom does not pick up low dollar items. They will try to sell them online, but they are posted for sale from wherever they are located. The problem with that is that agencies then need to figure out what to do with surplus items until they sell, and then handle the transaction when the item is picked up.

Q: Gene Bentley Does the State Surplus program currently charge agencies to pick up low dollar items?
A: Sven Anderson We do charge for picking up, but we do not charge an extra fee to pick up low dollar items. The current rates include a rate for personal property in which State Surplus keeps the first $500 of any sale.

One option to make State Surplus sustainable is the "status quo plus" plan meaning State Surplus operates as is with more efficiencies implemented. We need to put the status quo against the four values. It is also valuable to have information from third parties because they must be doing something right. We need to evaluate Surplus' relationship with the entities, like local governments that aren't required to use Surplus. Currently, local governments are selling their high dollar items themselves and sending all of their low dollar items to State Surplus causing State Surplus to lose money. Debbie Colbert feels that there is a lot of tension between high dollar and low dollar items. James Comstock feels that all local government agencies need to be all in or all out. Sven Anderson is concerned about additional budget cuts that may lead to not being able to serve local governments. This potential may mean a reduction in positions/FTE for the Surplus State property program.

Q: Ryan Vogt Is there enough analysis to prove that serving local government is losing money?
A: Sven Anderson At the current rate, serving local governments is causing State Surplus to lose money. Sven recommends that local governments choose other options. James Comstock suggested that State Surplus charge local governments what they charge state agencies.

Debbie Colbert stated that it comes down to dealing with the low dollar items appropriately, and how far is the state willing to go to make that happen. James Comstock asked if State Surplus is really keeping items out of the landfill or are they insignificantly delaying items from getting to the landfill. Jeanette Fish said that it costs us money to take those low dollar items to the land fill, so maybe Surplus should charge more for low dollar

items.

Debbie Colbert suggested that it might be more plausible and cost effective to give remote locations like Pendleton more options to donate locally to acceptable locations. They can do this now but only if the item is under $100. Agencies should be given more discretion to decide where items go, with guidelines to ensure proper disposal. There is push back in agencies because often it is much easier for the agency to take care of items themselves, for example recycling, then it is to send items to the Surplus facility.

Q: Ryan Vogt Is there more information about the 10% of State Surplus items that go back to agencies?
A: Sven Anderson The items that are generally sold back to State government include riding lawn mowers, desks, chairs, file cabinets, vehicles.

Jim Hough said that his agency has always approached the Surplus program as a way to get items, not to get rid of items. He suggested changing the policy with voluntary agencies so that they cannot give items to State Surplus. This doesn't impact local government significantly. Jeanette Fish mentioned that the regular local government users of Surplus are fairly small.

Q: Gene Bentley State Surplus gives local government a preferential rate. What happens if we discontinue this preferential rate?
A: Jeanette Fish This is an unknown at this time.
A: James Comstock My agency doesn't want to cause State Surplus to lose money. My agency doesn't look at it as a revenue generator but as an efficient way to get rid of stuff.
A: Rick Willis The use of State Surplus should make sense. For the high dollar items it makes sense, but for small items in remote locations it is more effective to donate locally. Making the process more user friendly adds value. We need to find what works really well and refine what goes through the warehouse.

Debbie Colbert feels that we really need to think about how State Surplus operates, for example turn State Surplus into a brokering and consultation service rather than having all items go through the Surplus facility.

Jim Hough suggested that when things are sent to State Surplus the ownership transfers to State Surplus, and profits could go to the general fund. Ryan Vogt feels that this would disproportionally affect agencies with high dollar items. Debbie Colbert brought up that if a federal agency purchases one of these items then the money cannot go back to the general fund, and this complicates things.

There is a list of options for the State Surplus program outlined on page 7 in the business case[5]. Rick Willis feels that we need to evaluate Surplus' maximum value, we need to continue what works well, and take a hard look at everything that doesn't work including items in remote locations and low dollar items.

Q: Ryan Vogt With the complete privatization model[6], does the sale of the items fund the contract or does the state have to pay extra fees?
A: Sven Anderson PropertyRoom, for example has a rate structure similar to what we have now. They take a portion of the sales and then return the rest to the State, provided there is enough profit to return to the State.

Gene Bentley prefers the Georgia model[7] because State Surplus facilitates the sale of items, but Surplus doesn't have to handle the items and is not burdened with the cost of the warehouse. Ryan Vogt brought up that there will be additional cost to agencies because the agency has to field buyer questions, store the surplus property, and handle customer service for sales. This would be difficult for small agencies as well as large agencies. Sven

[5] See Surplus Property Business Case (attachment 3)
[6] See Surplus Property Business Case (attachment 3)
[7] See Surplus Property Business Case (attachment 3)

Anderson has collected information from State Parks and ODOT (Oregon Department Of Transportation) about how much it would cost them to follow this model. State Parks estimated that it would cost them $250,000 per biennium to switch to the Georgia model.

Debbie proposed that we should do the Oregon model with some serious changes towards efficiencies and downsizing. She feels we need to change how we deal with low value items and decentralized items. State Surplus needs to stop doing what is costing money, charge more, or give agencies more cost effective options.

Q: Ryan Vogt Sven, what model would you propose?
A: Sven Anderson I advocate for the Oregon model because we have recently implemented some efficiencies and improvements including having an online inventory, updating the e-waste contract, and adding multiple online auction options. We have yet to see the results and impact of that. We need to look at the actual cost of having a third party take on State Surplus because we do not have any data showing there will be significant return or savings. It's worthwhile to compare the Oregon model and contracting Surplus out to a third party.

Gene Bentley feels that State Surplus provides value in that it gives agencies a place to send surplus items. Currently, the cost to do this is too large. He feels that the Georgia model is what we should move to because the agencies create the surplus so it makes sense that they should help manage it. We also don't have to worry about a warehouse and transporting items.

Q: Gene Bentley Is the warehouse under-utilized?
A: Sven Anderson Yes, we are currently trying to rent out part of our warehouse for storage for other agencies. We have fairly cheap rent, but we could do better with a smaller facility.

Q: Rick Willis How much space would you need if low dollar items were not coming to the warehouse?
A: Sven Anderson We could probably use half of our current warehouse.

Debbie Colbert and Ryan Vogt feel there needs to another meeting about Surplus. They agreed to discuss Parking in one meeting and use the September 10th parking meeting to discuss Surplus. For the next meeting, Sven Anderson will create some analysis to turn the efficiencies into savings, and outline what need to be done to the pricing structure to make Surplus viable.

Local government subsidies need to end. It is costing too much money and they have other options. Originally State Surplus took their items so that State Surplus could make more money, but now it is too costly. Debbie Colbert feels that we should give local governments the option to give all of their surplus items to Surplus or none at all.

Action Items:

- Minutes from the July 16th meeting were tabled, and will be discussed at the last meeting.
- The group decided to have a another meeting concerning Surplus rate development on September 10th
- At the next meeting Sven Anderson will provide specific recommendations on the options.

Attachments:

- DAS Surplus Property whitepaper (attachment 1)
- Business Case Template (attachment 2)
- Surplus Property Business Case v1 (attachment 3)
- Sven Surplus Mission attachment 7.16 (attachment 4)
- Surplus Property Program PowerPoint (attachment 5)
- Surplus Project 1 & 2 combined draft (attachment 6)

Next meeting:
September 10, 2013

9:00-11:00
East Mt Mazama- DAS East

RECAP
Enterprise Asset Management
Surplus Program Rate Build for 15-17

Meeting Date: Tuesday September 10, 2013

Time: 8:00-10:00 PM

Location: DAS East- Mt Mazama

Attendees: Ryan Vogt, Debbie Colbert

DAS: Jeanette Fish, Sven Anderson, Carla Jeannette, John Cody, Pablo Torrent, Donna Haole- Valenzuela, Bill Lee, Makenzie Dyer

OVERVIEW

Sven Anderson stated that the Department of Administrative Services (DAS) Surplus program will stop accepting surplus items from local government. The Surplus staff sent out a letter to the effected entities stating that starting October 1, 2013 State Surplus would no longer accept personal property. The Surplus Program will still sell their vehicles. This decision was made because after analysis about the true cost of the service to local entities it was found that the Surplus Program was losing money by providing this service. Sven noted that Jim Hough sent out an email to local government to see how local government felt about the decision and there wasn't any negative feedback.

Sven presented a PowerPoint outlining Oregon Surplus Program rate scenarios[1].

- Slide 2- This slide shows how the net biennial financial impact was calculated for the State and Federal Surplus programs. For each of the scenarios the financial impact of the state program was calculated by subtracting operational costs and/or vendor fees from gross sales. For the federal program the operational costs are subtracted from the fair market value of donation property and Law Enforcement Support Office (LESO) property. Jeanette Fish noted that the Federal program current warehouse model is not self sustaining without the state program.

- Slide 3- The first option is the 'Full Privatization' of the State Surplus Program. This means that a private contractor would run the State Surplus Program. Sven noted that the net biennial financial impact for all options is fairly similar. The pros for this model are increased return to agencies for vehicles and there would be no transportation costs for state surplus items. The cons include a significant workload and cost shift to agencies to process items. The private vendor will not pick up most items worth under $500, they will sell items onsite. The Federal Surplus program can only be run by a state agency, so it cannot be privatized. With the 'Full Privatization' model the Federal Surplus program is required to change to direct sales only. This model would also require a feasibility study by the SEIU union because of the size of the contract. There are still costs that need to be recovered by the State Surplus program for FTE to handle money, policy, and to manage the contract with the private vendor.

- Slide 4- This slide explains the pros and cons of the Georgia model. The Georgia model is where all surplus items are sold on site. There is a central surplus office included in this model that acts as a broker between agencies and buyers. The pros include that it improves equity by shifting workload and cost for high volume- low value items to the agencies producing the surplus items. Debbie pointed out that the

[1] Oregon Surplus Scenarios PowerPoint (attachment 1)

difference between the Georgia model and the privatization model is who is doing the brokering. Fees associated with the sale of each item would pay for office space, FTE, and overhead to run the program. The cons for the Georgia model include a significant workload and cost shift to agencies. The Federal Surplus program would be required to change to direct sales only. Sven shared a scenarios document[2] that outlines the financials for each scenario. Ryan Vogt noted that by having direct sales only for the federal program it limits the ability to buy speculative property.

- Slide 5- This slide outlines the 'DAS Surplus 2015' option, formerly known as 'Status Quo Plus'. Sven feels that this option is the best overall. This option provides one stop shopping at the warehouse, there is existing expertise, pick up and disposal of personal property is handled by the Surplus staff, and there are no transition costs because the program already exists. The cons include difficulty getting property from remote locations, and the vehicle and heavy equipment rate is above market value and is subsidizing personal property. Agencies that have fleet feel that they are paying too much to sell their vehicles through Surplus and don't like that they are subsidizing personal property. Sven also explained that the State Surplus program would keep 100% of the profits from selling personal property surplus items.

  Q: Ryan Vogt If DAS is taking 100% of the revenue from personal property will there also be a charge to pick up personal property?
  A: Carla Jeannette Yes, even if we take 100% we still do not cover all of our costs. We would still need to charge to pick up items to cover our costs. Debbie feels that raising the return to 100% causes unintended consequences. If agencies are charged to have their items picked up and don't receive any return then they are going to find other ways to get rid of their surplus property. John Cody added that the purpose of Surplus Program is to get rid of items in an environmentally friendly way. Sven noted that there are very few items thrown away, and there are some options for agencies to deal with items on their own.

- Slide 6- This slide outlines the option of 'Privatization of Vehicles'. This is an attempt to do a hybrid between having some privatization and still keeping the Surplus program similar to what it is currently. Though agencies with vehicles would see a higher return when they sell vehicles, this option is not financially viable because vehicles currently keep the State Surplus program financially stable.

- Slide 7- The Surplus team recommends the 'DAS Surplus 2015' model. This model includes shrinking warehouse space by half, implementing a new inventory system, discontinuing the use of eBay, and reducing staff.

Q: Ryan Vogt Have you discussed keeping vehicles and privatizing all other State surplus property?
A: Carla Jeannette Most other state surplus programs have found that personal property surplus costs more to handle than it's worth. Utah is trying to privatize their personal surplus property but they cannot find a vendor to take the contract. Sven added that even if vehicles are privatized as well as personal property vendors won't pick up most items so there is a lot of work that is pushed to agencies.

Ryan asked for more detail about what changes the customer will experience with the 'Das Surplus 2015' option. There have been concerns about what outlying areas do with surplus items, and if the $100 'throw away' threshold is the right threshold. Debbie feels that the 'DAS Surplus 2015' option gets the Surplus Program financially viable but it isn't providing what the CUB asked for, including more options for remote settings and a higher return to on vehicles. Sven explained that there are options for remote agencies. They can sell items onsite and there is a tutorial about how to do this online, and they can also transfer or sell items to another agency. Surplus does provide consultation. Additional ideas to consider are centralized drop off centers for surplus property and asking other agencies to pick up items from remote locations with an empty truck, and changing the limit on the value of items that can be disposed of. Debbie pointed out that there is no

[2] Surplus Scenarios 9/10/2013 (attachment 4)

incentive or enforcement for remote agencies to get rid of items through the Surplus program.

Debbie suggested providing some return for sold on site items to incentivize proper disposal of items. John Cody said that this is a possibility but those costs would have to subsidized by vehicle sales, which is something that the CUB wanted to avoid. There are some reduced costs for transportation if items are sold onsite but to stay financial stable Surplus still needs to keep 100% of the revenue from selling these items.

Bill talked more about the surplus scenarios document[3]. The gross sales for each option are estimated based on 2011-13 actual gross sales. The 'DAS Surplus 2015' option takes into consideration reduction of warehouse space and staff. Donna noted that the Surplus program is under contract to pay for the entire warehouse until someone is found to lease part of the space.

Q: Ryan Vogt Can we make more revenue from large federal items?
A: Sven Anderson We have the flexibility to charge more for Federal items only if the Federal Surplus program is in the red. Carla noted that it is not safe to assume that we can get more items to sell and we can't depend on that for our budget.

Q: Pablo Torrent Why is the operational cost for the Surplus program so high for the Georgia model?
A: Bill Lee The S&S cost is high because of State Government Service Charge.

Debbie feels that none of the options outlined address the CUBs concerns. Jeanette stated that the analysis shows that there isn't a great option to increase the return to agencies for vehicles or to decrease the cost to manage personal property; it costs money to manage surplus property.

Debbie stated that if the purpose of the state Surplus Program is to maximize reuse and properly dispose of property then agencies should be charged an assessment to have this philosophy. Debbie feels that the privatization model should be presented to the CUB. It is important to make them aware of that work will be pushed to customers. The CUB should also be informed that having an assessment to pay for the value of being environmentally friendly is an option. Donna pointed out that the Surplus Program used to be based on assessment.

Q: Ryan Vogt The surplus program is currently in the red, how is it being paid for?
A: Jeanette Fish It is currently being subsidized by the total EAM budget.

Bill suggested having a hybrid of an assessment and a fee. Having an assessment helps to stabilize the budget. Ryan stated that at a minimum the starting place for an assessment is to look at how far in the red we are, keep the current rate and reimbursement structure and charge just enough to be financially stable. Then we can explore what it takes to meet customer needs like lowering the vehicle fee rate and picking up items. Debbie feels that Surplus needs to look at what it costs to support the vehicle program and charge that fair amount to agencies, rather than subsidize the personal property through vehicle sales. The assessment will only cover personal property because vehicles are self sustaining.

Debbie would like to see details for the following options laid out:

- All assessment. It was noted that this option will not be popular with the legislature.
- 100% fee. This will probably drive customer behavior in the wrong direction.
- Assessment and fee combination. This will incentivize agencies to take items to surplus. This will also allow people who use the service more to pay more, and those who use it less will pay less.

The cost per personal property item is about $100 for Surplus to handle it. Other states have similar costs.

[3] Surplus Scenarios 9/10/2013 (attachment 4)

Q: Sven Anderson One of my staff asked why Surplus can't be general funded.
A: Debbie Colbert I doubt that the legislature would put money behind this. Donna added that it is not cost effective, and there are other programs that they would rather fund.

The Surplus team will come up with analysis about the pros and cons of assessments, what a combination of assessment and fees would look like, what it actually costs to run the vehicle side of the program, and analyze the vehicles as a separate program.

Carla added that there are Qualified Rehabilitation Facilities (QRFs) have offered to transport surplus property.

The CUB sub group members decided to say no to broker models because they assume that agencies don't want extra work.

Q: Ryan Vogt Are there unintended consequences by not providing service ALL local government? Are the local government entities that don't send us junk?
A: Sven Anderson When we raised our rates in 2013-15 from 10% to 50% many of these local entities stopped sending us items.

The next meeting on 9/24 will run from 8:00AM-12:00PM.

Ryan stated that the CUB is in support of having State and Federal Surplus Programs.

Action Items:

- The Surplus team will come up with analysis about the pros and cons of assessments, what a combination of assessment and fees would look like, what it actually costs to run the vehicle side of the program, and analyze the vehicles as a separate program
- The Surplus team will explore what impacts it would have on cost to raise the threshold from $100 to something else.

Attachments:

- Oregon Surplus Scenarios PowerPoint (attachment 1)
- Surplus options grid (attachment 2)
- Who does what in each model (attachment 3)
- Surplus Scenarios 9/10/2013 (attachment 4)

Next meeting:
Tuesday September 24, 2013
8:00-12:00 PM
DAS East- Mt. Neahkahnie

Agency No.	Agency Name	AP Hits	0% AP Charge	AR Hits	0% AR Charge	ABGT Hrs	0% ABGT Charge		2015-17 Revenue Total Unsubsidized	13-15 LAB		Subsidized 2015-2017 Price List		UnSubsidized 2017-2019 Estimated Costs
		Unit cost-->	$10.00		$10.00		$99.00							
107	Dept of Administrative Services	130,704	$1,307,040	128,744	$1,287,440	15,958.33	1,579,874.67		4,174,354.67	4,918,017.00		4,511,059		4,174,354.67
107	DAS - OAH	6,732	$67,320	2,662	$26,620	2,797.35	276,937.65		370,877.65	-		370,878		370,877.65
108	Board of Counselors & Therapists	1,122	$11,220	3,588	$35,880	448.08	44,359.92		91,459.92	33,942.00		42,427.50		91,459.92
114	Long Term Care Ombudsman	3,146	$31,460	20	$200	727.81	72,053.19		103,713.19	42,844.00		53,555.00		103,713.19
115	Employment Relations Board	1,692	$16,920	996	$9,960	727.81	72,053.19		98,933.19	40,897.00		51,121.25		98,933.19
119	Board of Tax Practitioners	1,664	$16,640	2,662	$26,620	308.21	30,512.79		73,772.79	39,701.00		49,626.25		73,772.79
120	Board of Accountancy	1,590	$15,900	3,072	$30,720	587.95	58,207.05		104,827.05	40,467.00		50,583.75		104,827.05
121	Office of the Governor	9,274	$92,740	4,034	$40,340	2,825.83	279,757.17		412,837.17	227,624.00		284,530.00		412,837.17
122	Board of Psychologist Examiners	1,678	$16,780	942	$9,420	448.08	44,359.92		70,559.92	32,266.00		40,332.50		70,559.92
124	Board of Licensed Social Workers	1,194	$11,940	2,814	$28,140	448.08	44,359.92		84,439.92	37,859.00		47,323.75		84,439.92
131	Advocacy Commissions Office	468	$4,680	60	$600	308.21	30,512.79		35,792.79	21,062.00		26,327.50		35,792.79
170	Oregon State Treasury	8,766	$87,660	2,656	$26,560	1,706.89	168,982.11		283,202.11	-		283,202.11		283,202.11
172	Oregon Facilities Authority	0	$0	0	$0	168.34	16,665.66		16,665.66	-		16,665.66		16,665.66
199	Government Ethics Commission	1,018	$10,180	4,830	$48,300	587.95	58,207.05		116,687.05	84,837.00		106,046.25		116,687.05
213	Criminal Justice Commission	2,628	$26,280	506	$5,060	1,427.15	141,287.85		172,627.85	128,017.00		160,021.25		172,627.85
350	Columbia River Gorge Commission	280	$2,800	22	$220	308.21	30,512.79		33,532.79	26,371.00		32,963.75		33,532.79
399	Psychiatric Security Review Board	1,194	$11,940	42	$420	448.08	44,359.92		56,719.92	11,549.00		14,436.25		56,719.92
524	Oregon Education Investment Board (OEIB)	2,286	$22,860	240	$2,400	448.08	44,359.92		69,619.92	33,032.00		41,290.00		69,619.92
525	Higher Education Coordinating Commission (HECC)	1,286	$12,860	878	$8,780	1,287.28	127,440.72		149,080.72	70,578.00		88,222.50		149,080.72
584	Teachers Standards & Practices	2,220	$22,200	5,576	$55,760	448.08	44,359.92		122,319.92	97,385.00		121,731.25		122,319.92
811	Board of Chiropractic Examiners	1,698	$16,980	3,840	$38,400	587.95	58,207.05		113,587.05	35,998.00		44,997.50		113,587.05
833	Health Related Licensing Boards					0.00			-	-		-		-
833417	Oregon Mortuary and Cemetery Board	910	$9,100	1,564	$15,640	252.26	24,973.74		49,713.74	31,200.00		39,000.00		49,713.74
833418	Board of Naturopathic Medicine	735	$7,350	822	$8,220	168.34	16,665.66		32,235.66	21,816.00		27,270.00		32,235.66
833420	Occupational Therapy	531	$5,310	774	$7,740	168.34	16,665.66		29,715.66	19,193.00		23,991.25		29,715.66
833426	Board of Medical Imaging	547	$5,470	1,412	$14,120	252.26	24,973.74		44,563.74	29,039.00		36,298.75		44,563.74
833428	Board of Examiners for Speech-Language Pathology an Audiology	524	$5,240	1,576	$15,760	224.29	22,204.71		43,204.71	17,578.00		21,972.50		43,204.71
833429	Veterinary Medical Examining Board	679	$6,790	1,048	$10,480	224.29	22,204.71		39,474.71	23,232.00		29,040.00		39,474.71
834	Board of Dentistry	1,968	$19,680	5,100	$51,000	587.95	58,207.05		128,887.05	35,391.00		44,238.75		128,887.05
855	Board of Pharmacy	2,410	$24,100	9,604	$96,040	587.95	58,207.05		178,347.05	101,524.90		126,906.13		178,347.05
862	Oregon Racing Commission	1,870	$18,700	380	$3,800	587.95	58,207.05		80,707.05	79,819.00		80,707.00		80,707.05
915	Construction Contractors Board	3,746	$37,460	9,930	$99,300	308.21	30,512.79		167,272.79	63,305.00		79,131.25		167,272.79
		194,560	**$1,945,600**	200,394	**$2,003,950**	36,365.59	**$3,600,193**		**7,549,733.41**	6,344,543.90		6,945,896.00		7,549,733.41
			26%		27%		48%							

DAS Acronyms and Abbreviations ~

This is a living document and changes often. If you find yourself confronted with a new acronym, please send it along to me and I will add to this list.
This list is meant to help you navigate our acronym laden environment.

ADPICS	Advanced Purchasing and Inventory Control
CAFR	Comprehensive Annual Financial Report
CFO	Chief Financial Office
CHRO	Chief Human Resource Office
LRU	Labor Relations Unit
CIO	Chief Information Office
COO	Office of the Chief Operating Officer
CUB	Customer Utility Board
DAS East	General Services Building | 1225 Ferry St SE, Salem OR 97301
DASH	Our DAS centered intranet site; used for communications by all divisions/ Raelynn Henson is the key contact person.
DAS West	Executive Building | 155 Cottage St NE, Salem OR 97301
Datamart	Stored financial data accesses through the use of BRIO/Hyperion queries
DPC	Division Personnel Coordinator; each division has one and Cheryl Knottingham is the EHRS contact for all DPCs.
EAM	Enterprise Asset Management
EGS	Enterprise Goods and Services
EHRS	Enterprise Human Resource Services
ERM	Enterprise Risk Management
ETS	Enterprise Technology Services
FBS	Financial Business Systems
GovSpace	File sharing environment for use my all state agencies
IA	Internal Audit
iLearn	A dynamic learning and knowledge management system which integrates learning management functions with advanced tracking tools
iLinc	A tool for meetings to be used to share information over the internet and phone lines.
OAM	Oregon Accounting Manual
OEA	Office of Economic Analysis
Ops	Operations
ORCPP	Oregon Cooperative Procurement Program
OSPS	Oregon Statewide Payroll System
Parking Services / Fleet / Motor Pool	Fleet/Motor Pool | 1100 Airport Rd SE, Salem 97301
P & D / Print Plant / PnD	Publishing and Distribution | 550 Airport Rd SE, Salem 97301
PS	Procurement Services
QRF	Qualified Rehabilitation Facility
QTR	Quarterly Target Review

DAS Acronyms and Abbreviations ~

Risk Management	Claims management; Risk finance; Insurance coverage; Risk control; Vehicle safety and risk charges
R*STARS	Relational Statewide Accounting and Reporting System
SABRS	Statewide Audit and Budget Reporting Section
SARS	Statewide Accounting & Reporting Services
SFMA	Statewide Financial Management Application
SFMS	Statewide Financial Management System
SFS	Shared Financial Services
SPOTS	Small Purchase Order Transaction System
State Data Center	Enterprise Technology Center | 530 Airport Rd SE, Salem 97301
Surplus / Surplus Property	Property Distribution Center | 1655 Salem Industrial Drive NE, Salem 97301

Facility Condition Assessment Services
PA #:107-1564-14 / Work Order Contract # 107023

Tier 1 Report of

Facility Condition Assessment

For
Department of Administrative Services
Revenue Building
955 Center Street NE
Salem
Oregon 97310

Date of Report: November 07, 2014

Provided By:

Faithful+Gould, Inc

Provided For:

State of Oregon
Department of Administrative Services

TABLE OF CONTENTS

EXECUTIVE SUMMARY

INTRODUCTION

In accordance with the work order contract held between State of Oregon and its Department of Administrative Services (DAS), Project PA #:107-1564-14 / Work Order Contract # 107023 dated April 1, 2014 and Faithful+Gould Inc, this completed report provides a comprehensive Facility Condition Assessment of the Revenue Building located at 955 Center Street NE, Salem, Oregon, 97310 (The Property).

This report provides a summary of the facility information known to us at the time of the study, the scope of work performed, an equipment inventory, evaluation of the visually apparent condition of The Property together with a capital expenditure forecast of expenditures anticipated over the next 10 years. The expenditure forecast does not account for typical preventative maintenance items such as changing filters to fan coil units.

Our cost rates to produce life cycle and replacement cost estimates are based on our knowledge of the local regional market rates. The data in this report represent an opinion of probable cost of construction and is made on the basis of the experience, qualifications, and best judgment of the professional consultant familiar with the construction industry.

The report provides a summary of the anticipated primary expenditures over the 10-year study period. Further details of these expenditures are included within each respective report section and within the deficiency report, in Appendix A.

In this report we have calculated the Facility Condition Needs Index (FCNI) which is used in Facilities Management to provide a benchmark to compare the relative condition of a group of facilities. The FCNI is primarily used to support asset management initiatives of federal, state, and local government facilities organizations.

LIMITING CONDITIONS

This report has been prepared for the exclusive and sole use of the Department of Administrative Services. The report may not be relied upon by any other person or entity without the express written consent of Faithful+Gould.

Any reliance on this report by a third party, any decisions that a third party makes based on this report, or any use at all of this report by a third party is the responsibility of such third parties. Any reuse without written verification or adaptation by Faithful+Gould for the specific purpose intended will be at user's sole risk and without liability or legal exposure to Faithful+Gould.

The assessment of the building/site components was performed using methods and procedures that are consistent with standard commercial and customary practice as outlined in ASTM Standard E 2018-08 for PCA assessments. As per this ASTM Standard, the assessment of the building/site components was based on a visual walk-through site visit, which captured the overall condition of the site at that specific point in time only.

No legal surveys, soil tests, environmental assessments, geotechnical assessments, detailed barrier-free compliance assessments, seismic assessments, detailed engineering calculations, or quantity surveying compilations have been made. No responsibility, therefore, is assumed concerning these matters. Faithful+Gould did not design or construct the building(s) or related structures and therefore will not be held responsible for the impact of any design or construction defects, whether or not described in this report. No guarantee or warranty, expressed or implied, with respect to the property, building components, building systems, property systems, or any other physical aspect of The property is made.

The recommendations and our opinion of probable costs associated with these recommendations, as presented in this report, are based on walk-through non-invasive observations of the parts of the building which were readily accessible during our visual review. Conditions may exist that are not as per the general condition of the system being observed and reported in this report. Opinions of probable costs presented in this report are also based on information received during interviews with operations and maintenance staff. In certain instances, Faithful+Gould has been required to assume that the information provided is accurate and cannot be held responsible for incorrect information received during the interview process. Should additional information become available with respect to the condition of the building and/or site elements, Faithful+Gould requests that this information be brought to our attention so that we may reassess the conclusions presented herein.

The opinions of probable costs are intended for global budgeting purposes only. Faithful+Gould has no control over the cost of labor and materials, general contractor's or any subcontractor's method of determining prices, or competitive bidding and market conditions. The data in this report represent an opinion of probable cost of construction and is made on the basis of the experience, qualifications, and best judgment of the professional consultant familiar with the construction industry. Faithful+Gould cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from this or subsequent Cost Estimates. The scope of work and the actual costs of the work recommended can only be determined after a detailed examination of the site element in question, understanding of the site restrictions, understanding of the effects on the ongoing operations of the site/building, definition of the construction schedule, and preparation of tender documents.

PROJECT DETAILS

On July 14, 2014, R. Shannon Cole and Andrew McClintock MRICS of Faithful+Gould visited The Property to observe and document the condition of the building and site components. During our site visit, Faithful+Gould was assisted by Bill Gardner (HVAC Technician) and Richard Gywn (Building Technician) who are associated with Department of Administrative Services.

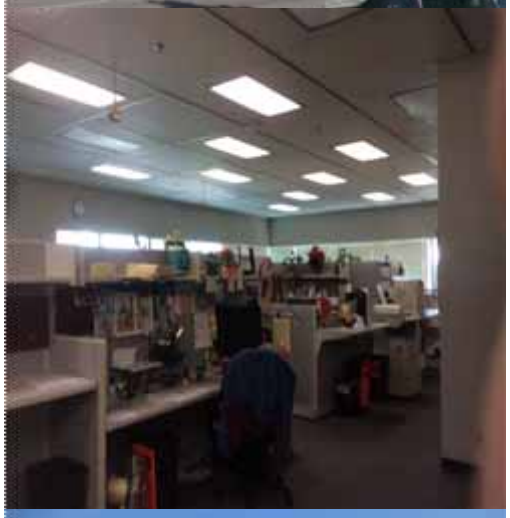
BUILDING DETAILS

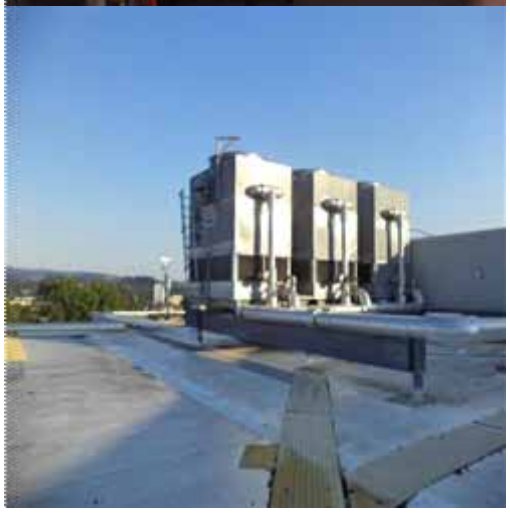
Item	Description
Project Name	Revenue Building
Property Type	Administrative Government Facility
Full Address	955 Center Street NE Salem, Oregon 97310
Onsite Date	July 14, 2014
Historic District	No
Historic Building	No
Year Built	1981
Occupancy Status	Occupied
Number of Stories	6
Gross Building Area (GSF)	360,679
Current Replacement Value (CRV)	$ 73,802,137
CRV/GSF ($/Sq Ft)	$204.62 / Sq Ft

BUILDING DESCRIPTION

PROPERTY EXECUTIVE SUMMARY

The Revenue Building, located at 955 Center Street NE, Salem, Oregon was built in circa 1981, with the tower addition section being built in 1985. The building includes the Department of Revenue and the Department of Administrative Services, Enterprise Information Strategy and Policy Division. The assessment of this building included the underground parking garage that includes parking for approximately 200 vehicles. We are unaware of any significant structural alterations or modifications at the building since construction.





ARCHITECTURAL STRUCTURE EXECUTIVE SUMMARY

The building contains reinforced concrete slab-on-grade floor and reinforced concrete spread strip footings supporting the basement wall constructions. The exterior walls are comprised of precast concrete panels on a cast-in-place concrete frame construction. The main entrance consists of a glazed storefront system with a silver finished framing; other exterior doors are comprised of a combination of aluminum framed and hollow metal framed units. The roof levels are comprised of a combination of a Thermoplastic Polyolefin (TPO) single-ply membrane with no ballast and a modified bitumen Built-up Roofing (BUR) system.

The interior finishes at the building consists of ceramic, vinyl, carpet floor coverings, as well as epoxy floor coating. Gypsum Wall Board (GWB) wall surfaces have a painted finish. Ceiling systems consist of both solid surfaces with a painted finish and also suspended acoustic grid system.

MECHANICAL EXECUTIVE SUMMARY

Heating and cooling at the building is provided by a number of supply fans that supply Variable Air Volume (VAV) terminal units and also return fans. Chilled water for the HVAC system at the building is supplied via two water cooled chillers located in the basement and also three roof level cooling towers. Heating water for HVAC needs is supplied via one natural gas boiler that is located within a basement mechanical room. The individual computer rooms located at upper floor levels have their own dedicated cooling systems present which are served from the condenser water from the cooling tower. The HVAC system is controlled partly by pneumatic and the rest Direct Digital Controls (DDC) via a Building Automation System (BAS).

Domestic hot water is provided via a series of domestic hot water heaters situated throughout the building; two electric units at the 4th floor, two at the 2nd floor, one at the first floor and two at the basement level. The kitchen/break areas contain their own electric point-of-use water heaters. The capacities of the tank type units range from 19 to 119 gallons.

The building contains four traction and one hydraulic passenger elevators that provide access through each level of the building.

ELECTRICAL EXECUTIVE SUMMARY

The electrical system at the building consists of two Main Distribution Panel (MDP) rated at 408Y/277 and at 120/208, both at 3,000 amps. The building contains a number of secondary distribution panelboards, transformers and Motor Control Centers (MCCs). Interior lighting consists of 2' x 4' fluorescent fixtures with also 4' strip fluorescent fixtures mounted as up lighters at the 5th floor and hung within mechanical spaces.

The building has a fully addressable fire alarm system and dry-pipe fire suppression system present. There is also a clean agent system present at the 5th floor data room.

The building contains an emergency generator with a capacity of 1,500 kW.

SITE EXECUTIVE SUMMARY

The building has grassed and shrub bed gardens throughout the site. The southwest elevation has a paved plaza with multiple seating areas provided. The south elevation is the main entrance to the ramp for the underground parking and the loading dock area. The site systems appeared to be in fair to good condition and in-keeping with the style of the building.

SUITABILITY SUMMARY

The building is suitable for its intended use; however we observed one issue regarding ADA compliance. The ADA issue is noted with the presence of non-compliant door hardware at the basement level of the building. We have included an expenditure for replacement of the door hardware to meet ADA compliance standards.

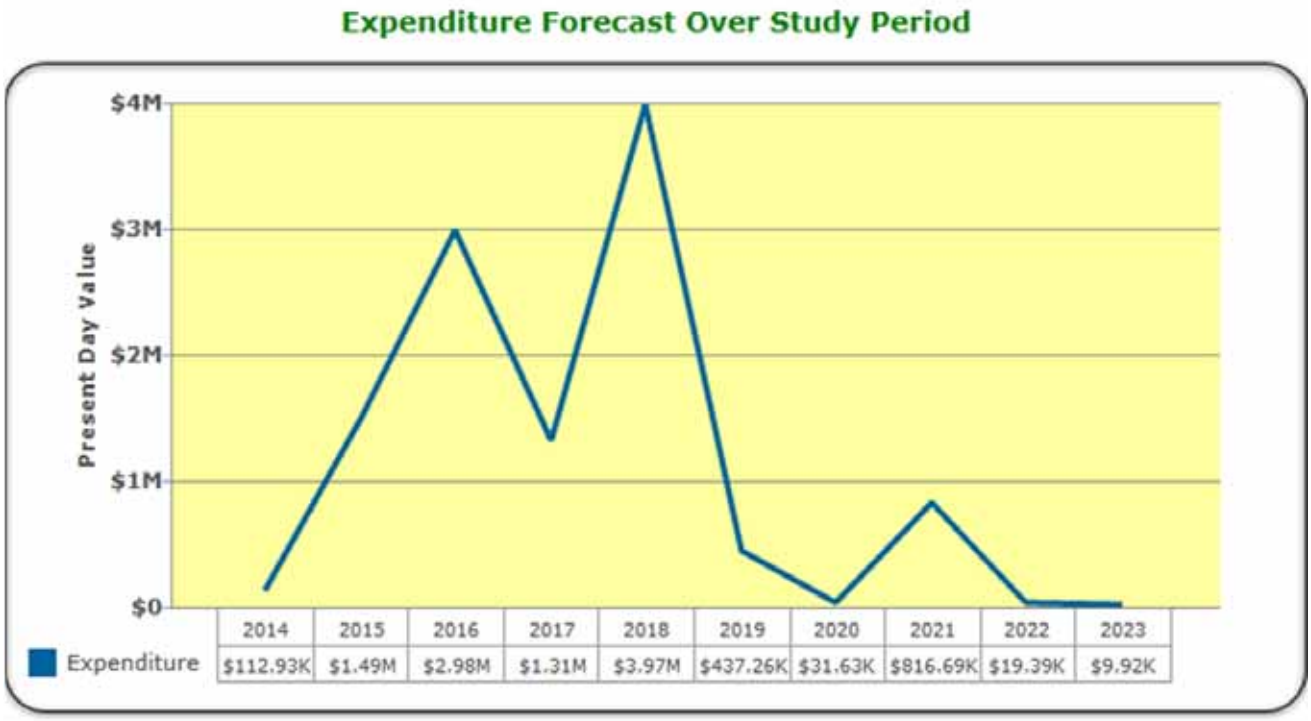
SUMMARY OF FINDINGS

This report represents summary-level findings for the Property Condition Assessment. The deficiencies identified in this assessment can be combined with potential new construction requirements to develop an overall Long Term Capital Needs Plan that can be the basis for a facility wide capital improvement funding strategy. Key findings from the Assessment include:

Key Findings	Metric
Current Year Facility Condition Needs Index	0.15%
Immediate Capital Needs (included in FCNI)	$112,930
Year 2 to Year 10 Capital Needs	$11,070,547

BUILDING EXPENDITURE SUMMARY

The building expenditure summary section provides an executive overview of the findings from the assessment. The chart below provides a summary of yearly anticipated expenditures over the study period for the Revenue Building. In addition, we have scheduled key findings highlighting key items of greater than $5,000 and their anticipated failure year. Further details of these expenditures are included within each respective report section and within the expenditure forecast, in Appendix A of this report. The results illustrate a total anticipated expenditure over the study period of circa $11,183,477.



Key Findings

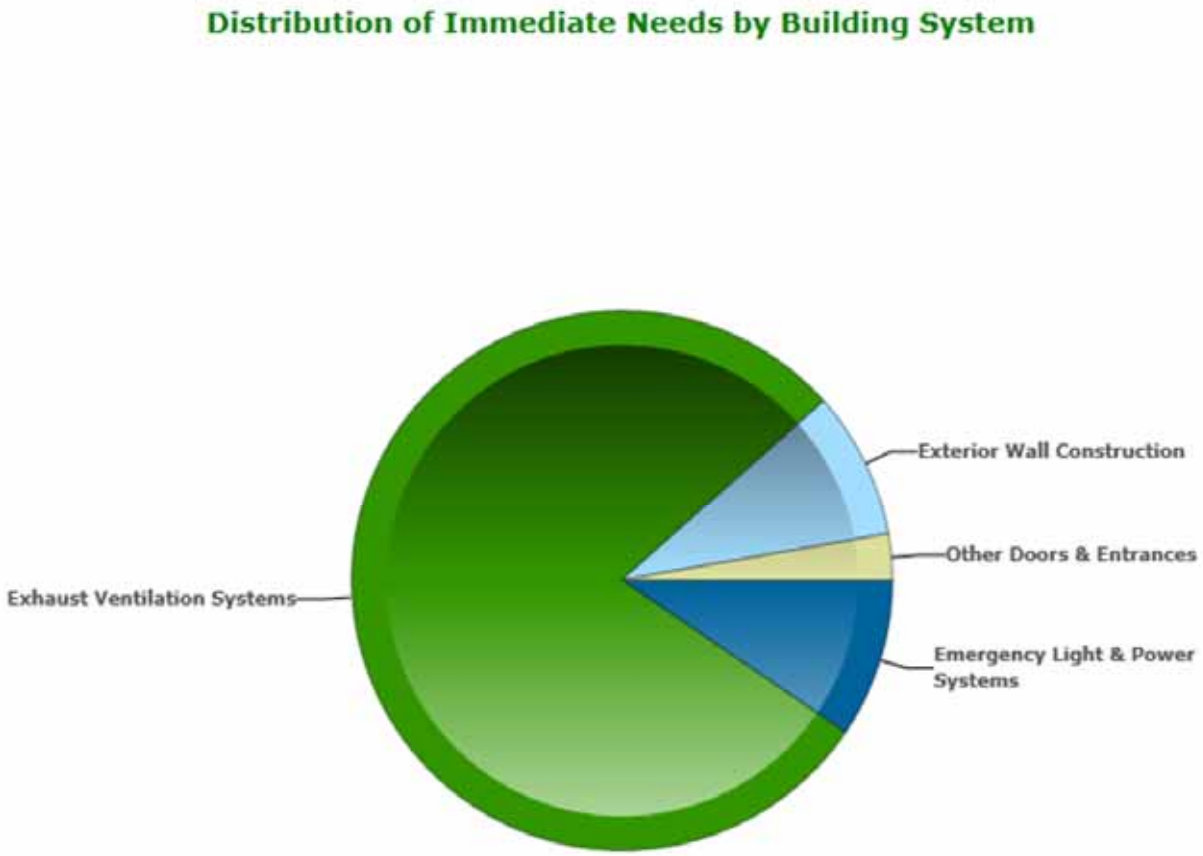
- B Shell: Investigate and Repair Caulking/Sealant Failure at South and West Exterior Elevations (Expansion Joints, Windows, and Storefronts) at an estimated cost of $10,000 in year 2014
- B Shell: Replace Existing Roofing System with a New BUR Covering at Third Floor Roof Level at an estimated cost of $348,737 in year 2015
- B Shell: Replace Single ADA Automatic Door Operator Systems at an estimated cost of $7,500 in year 2019
- C Interiors: Replace Carpet Tiles Floor Covering at an estimated cost of $981,222 in year 2015
- C Interiors: Replace Sheet Carpet Floor Covering at an estimated cost of $139,090 in year 2015
- C Interiors: Replace Toilet Partitions at an estimated cost of $69,444 in year 2018
- C Interiors: Replace Ceramic Floor Tiles at an estimated cost of $123,369 in year 2018
- C Interiors: Replace Ceramic Wall Tiles at an estimated cost of $192,843 in year 2018
- C Interiors: Replace Vinyl Sheet at an estimated cost of $58,248 in year 2018
- C Interiors: Replace Acoustic Ceiling System at an estimated cost of $1,595,380 in year 2018
- C Interiors: Replace Vinyl Trim at an estimated cost of $188,126 in year 2018
- C Interiors: Repaint Epoxy Floor Coating at an estimated cost of $136,175 in year 2018
- C Interiors: Replace Vinyl Tile at an estimated cost of $21,258 in year 2018
- C Interiors: Repaint Wall and Ceiling Surfaces at an estimated cost of $797,175 in year 2018
- D Services: Install Additional Illuminated Exit Signs at an estimated cost of $6,906 in year 2014
- D Services: Replace Exhaust Fan (EF-01) Garage at an estimated cost of $44,540 in year 2014
- D Services: Replace Exhaust Fan (EF-02) Garage at an estimated cost of $44,540 in year 2014
- D Services: Replace Double Check Backflow Device at an estimated cost of $19,000 in year 2015
- D Services: Replace Wall Mounted Water Closet(s) at an estimated cost of $128,967 in year 2016
- D Services: Replace VAV Terminal Boxes at an estimated cost of $729,767 in year 2016
- D Services: Replace Wall Hung Urinal(s) at an estimated cost of $22,503 in year 2016
- D Services: Replace Wall Hung Lavatories at an estimated cost of $47,578 in year 2016
- D Services: Replace/Upgrade HVAC Hot Water Boiler at an estimated cost of $66,812 in year 2016
- D Services: ECM 006 HVAC and/or Control System Modernization at an estimated cost of $1,803,485 in year 2016
- D Services: Replace Supply Fan (SF-04) at an estimated cost of $14,121 in year 2016
- D Services: Replace Supply Fan (SF-02) at an estimated cost of $52,718 in year 2016
- D Services: Replace Supply Fan (SF-01) at an estimated cost of $45,187 in year 2016
- D Services: Replace Supply Fan (SF-03) at an estimated cost of $56,484 in year 2016
- D Services: Replace Electrical Switchgear (Inc all Associated Works) at an estimated cost of $1,114,100 in year 2017
- D Services: Replace Transformer - 112.5 KVA at an estimated cost of $7,402 in year 2017

- D Services: Replace Motor Control Center (MCC 5) at an estimated cost of $19,436 in year 2017
- D Services: Replace Motor Control Center (MCC 3) at an estimated cost of $19,436 in year 2017
- D Services: Replace Motor Control Center (MCC 1) at an estimated cost of $19,436 in year 2017
- D Services: Replace Motor Control Center (MCC 2) at an estimated cost of $19,436 in year 2017
- D Services: Replace Motor Control Center (MCC 6) at an estimated cost of $19,436 in year 2017
- D Services: Replace Motor Control Center (MCC 4) at an estimated cost of $19,436 in year 2017
- D Services: Replace Panelboard - 277/480volts, 400amp (64EL) at an estimated cost of $5,669 in year 2017
- D Services: Replace Panelboard - 277/480volts, 1200amp (UPS) at an estimated cost of $17,007 in year 2017
- D Services: Replace Panelboard - 277/480volts, 2000amp (EQ-1) at an estimated cost of $28,344 in year 2017
- D Services: Replace Panelboard - 277/480volts, 800amp (bypass switch) at an estimated cost of $11,338 in year 2017
- D Services: Replace Panelboard - 277/480volts, 600amp (Main Panel SEC2) at an estimated cost of $8,503 in year 2017
- D Services: Replace Variable Frequency Drive(s) (VFD) (SF-04) at an estimated cost of $5,163 in year 2018
- D Services: Replace Variable Frequency Drive(s) (VFD) (SF-05) at an estimated cost of $5,163 in year 2018
- D Services: Replace Fluor. Light 2" x 4" Recess/Surface Mounted Fixture(s) at an estimated cost of $728,856 in year 2018
- D Services: Replace Exhaust Fan (DRAFT-IND-FAN-01) at an estimated cost of $5,568 in year 2018
- D Services: Undertake Life Extension Repairs at Cooling Tower (CT-03) at an estimated cost of $15,000 in year 2019
- D Services: Undertake Life Extension Repairs at Cooling Tower (CT-02) at an estimated cost of $15,000 in year 2019
- D Services: Undertake Life Extension Repairs at Cooling Tower (CT-01) at an estimated cost of $15,000 in year 2019
- D Services: Replace Local Chemical System - Carbon Dioxide with Tank at an estimated cost of $5,062 in year 2019
- D Services: Replace Split-System (Outdoor and Indoor Unit) (BAC-01) at an estimated cost of $5,871 in year 2019
- D Services: Replace AHU - VAV System (ASU-12) at an estimated cost of $66,812 in year 2019
- D Services: Replace AHU - VAV System (ASU-03) at an estimated cost of $60,738 in year 2019
- D Services: Replace AHU - VAV System (ASU-01) at an estimated cost of $60,738 in year 2019
- D Services: Replace AHU - VAV System (ASU-02) at an estimated cost of $60,738 in year 2019
- D Services: Replace Exhaust Fan (EF-06) at an estimated cost of $5,568 in year 2019
- D Services: Replace Exhaust Fan (EF-05) at an estimated cost of $5,568 in year 2019
- D Services: Replace Exhaust Fan (EF-07) at an estimated cost of $5,568 in year 2019
- D Services: Replace Exhaust Fan (EF-12) at an estimated cost of $14,865 in year 2019
- D Services: Replace Exhaust Fan (EF-03) at an estimated cost of $5,568 in year 2019
- D Services: Replace Exhaust Fan (EF-13) at an estimated cost of $14,865 in year 2019
- D Services: Replace Exhaust Fan (EF-04) at an estimated cost of $5,568 in year 2019
- D Services: Replace Exhaust Fan (EF-14) at an estimated cost of $14,865 in year 2019

- D Services: Replace Variable Frequency Drive(s) (VFD) (HWP-2) at an estimated cost of $5,163 in year 2020
- D Services: Replace Variable Frequency Drive(s) (VFD) (HWP-1) at an estimated cost of $5,163 in year 2020
- D Services: Replace Variable Frequency Drive(s) (VFD) (HWP-3) at an estimated cost of $5,163 in year 2020
- D Services: Replace Emergency Eye wash and Showers at an estimated cost of $5,062 in year 2020
- D Services: Replace Emergency Generator Transfer Switch (ATS-1) at an estimated cost of $5,062 in year 2021
- D Services: Replace Return Fan (RF-03) at an estimated cost of $40,492 in year 2021
- D Services: Replace Return Fan (RF-08) at an estimated cost of $58,713 in year 2021
- D Services: Replace Return Fan (RF-05) at an estimated cost of $40,492 in year 2021
- D Services: Replace Return Fan (RF-04) at an estimated cost of $40,492 in year 2021
- D Services: Replace Return Fan (RF-07) at an estimated cost of $54,601 in year 2021
- D Services: Replace Return Fan (RF-02) at an estimated cost of $50,836 in year 2021
- D Services: Replace Return Fan (RF-01) at an estimated cost of $45,187 in year 2021
- D Services: Replace Fan Coil Unit (CAC-02) at an estimated cost of $7,592 in year 2023
- E Equipment & Furnishing: Replace Floor Mounted Base Cabinet(s) at an estimated cost of $36,443 in year 2018
- G Building Sitework: Replace Emergency Generator - 1,500 kW at an estimated cost of $455,535 in year 2021

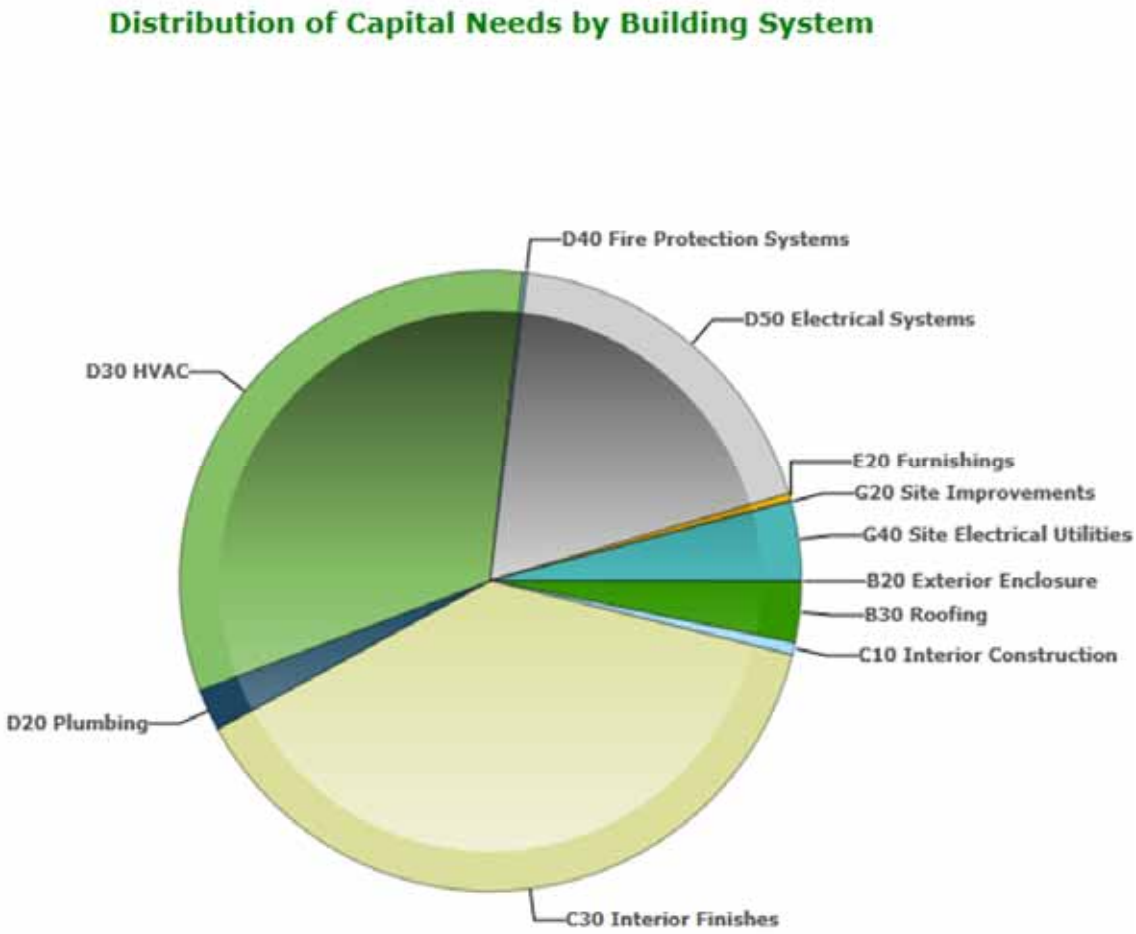
1 All costs presented in present day values
2 Costs represent total anticipated values over the 10 year study period

DISTRIBUTION OF IMMEDIATE (YEAR 1) NEEDS BY BUILDING SYSTEM



Building System	Estimated Cost	Percentage of Total Cost
Emergency Light & Power Systems	$10,750	9.5%
Exhaust Ventilation Systems	$89,080	78.9%
Exterior Wall Construction	$10,000	8.9%
Other Doors & Entrances	$3,100	2.8%
Total	$112,930	100%

DISTRIBUTION OF YEAR 2-YEAR 10 NEEDS BY BUILDING SYSTEMS



Building System	Estimated Cost	Percentage of Total Cost
B20 Exterior Enclosure	$7,500	0.1%
B30 Roofing	$348,737	3.2%
C10 Interior Construction	$69,444	0.6%
C30 Interior Finishes	$4,232,886	38.2%
D20 Plumbing	$240,679	2.2%
D30 HVAC	$3,588,673	32.4%
D40 Fire Protection Systems	$24,062	0.2%
D50 Electrical Systems	$2,056,566	18.6%
E20 Furnishings	$44,035	0.4%
G20 Site Improvements	$2,429	0.0%
G40 Site Electrical Utilities	$455,535	4.1%
Total	$11,070,547	100%

ACCESSIBILITY OVERVIEW

Introduction

As a publicly accessible facility, access to and within the building for disabled building users will be governed (where applicable) by the 1991 Americans with Disability Act (ADA) Accessibility Guidelines. Specifically, under each use scenario two areas of the ADA have significant effect on the physical aspects of the Property.

Title I deals with employment discrimination, and requires that employers not discriminate against a disabled person in hiring or employment. This can impact the configuration and features of buildings and those employers are expected to make "reasonable accommodation", including making facilities readily accessible to disabled employees.

Title III requires that public accommodation provide goods and services to disabled patrons on an equal basis with the non-disabled patrons. This title is the part of the Act with perhaps the greatest impact on buildings, which provide public accommodations.

The ADA has provided a benchmark for measuring accessibility, primarily orientated towards new construction. It also provides guidance for modification of existing facilities to eliminate barriers to access. This benchmark is the ADA Accessibility Guidelines (ADAAG). The ADAAG was written by the Architectural and Transportation Barriers Compliance Board, and first issued in final form in July 1991. The stated purpose of the guidelines is to ensure that newly constructed facilities and altered portions of existing facilities covered by the ADA are readily accessible to disabled persons.

Tier I: Visual Accessibility Survey—The scope of this limited visual survey is specifically limited to the following four areas. The user should be aware that due to the visual nature of the Tier I survey, the reliability of the results will be less accurate than a Tier II or III survey, which includes representative sampling measurements and counts.

The visual accessibility survey was carried out in conjunction with the FCA and any recommended ADA works have been included in the respective asset or system section of this report and categorized as ADA Plan items:

- Accessible Entrances. Providing access from public sidewalks, parking or public transportation that enables disabled individuals to enter the facility.
- Access to Goods and Services. Providing horizontal and vertical access to areas within the building where goods and services are made available to the public.
- Usability of Restrooms. Providing access to restroom facilities.
- Removal of Remaining Barriers. Providing access to the goods, services, facilities, privileges, advantages, or accommodations.

Projected Expenditures

Identified recommended ADA works are scheduled below.

ID	Type	Recommendation	Priority	Plan Type	Year	Expenditures
137733	B2030	Replace Single ADA Automatic Door Operator Systems	Priority 1	ADA	2019	$7,500
137734	B2030	Replace Door Knob Hardware with Level Handle Hardware (Single and Double Hollow Metal Doors)	Priority 1	ADA	2014	$3,100

ENERGY CONSERVATION MEASURES

Energy Conservation opportunities have been identified through an assessment of the systems and equipment during the Facility Condition Assessment (FCA) and provide simple payback in years and the annual cost avoidance for each ECM.

The physical assessment consisted of a limited, non-intrusive visual assessment of the building and its components. It was expected that generally all aspects of the buildings were made assessable, including provision to gain access to the roof, interior areas, mechanical, electrical rooms and common areas. Confined spaces or hazardous areas were not expected to be assessed. Low-sloped roofs with safe access were accessed; however, high-sloped, inaccessible roofs or roofs that were considered unsafe without the use of personal protective equipment were not accessed.

The assessment techniques followed the ASTM standards for property condition assessments (ASTM E2018-08) and consisted of a visual assessment of those components that are readily accessible and visible. The building assessment was limited to those components that affected energy usage, which typically include:

- Building Envelope, material description, construction type, windows and doors
- Lighting, type and approximate coverage by type
- Heating, type and area serviced
- Cooling, type and area serviced
- Ventilation, type
- Domestic Hot Water, method of heating, capacity, storage
- Miscellaneous Equipment, motors, solar panels, pools etc.

We have focused our assessment of energy conservation opportunities on measures that have realistic payback periods of 10 years or less. Our experience tells us that major architectural and mechanical system upgrades are almost never justified based on energy savings alone. We recommend specifying suitable high efficiency replacements for systems that are at the end of their useful life in an effort to lower long term cost of ownership. Some typical examples of energy conservation opportunities that are justified based on energy savings alone include, but are not limited to the following:

- Lighting lamp and ballast retrofits
- Variable Frequency Drive (VFD) upgrades on motors with variable loads greater than 20 horsepower
- HVAC system retro commissioning and/or controls upgrades
- Instantaneous domestic water heaters
- Heat recovery on 100% fresh air HVAC systems
- Economizer / free cooling upgrades on suitable HVAC systems
- Attic insulation upgrades

Projected Expenditures

Identified recommended energy conservation measures are scheduled below.

Type	Energy Conservation Measure	Net Cost ($)	Annual Saving ($)	Simple Payback (Years)
D3060	ECM 006 HVAC and/or Control System Modernization	1,803,485	144,278.80	12.50

FACILITY CONDITION NEEDS INDEX

In this report we have calculated the Facility Condition Needs Index (FCNI) which is used in Facilities Management to provide a benchmark to compare the relative condition of a group of facilities. The FCNI is primarily used to support asset management initiatives of federal, state, and local government facilities organizations.

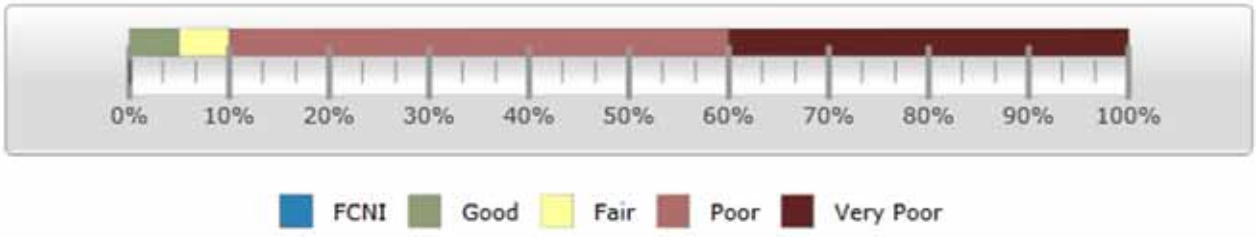
The FCNI is the ratio of accumulated Total Cost (TC) (Deferred Maintenance, Capital Renewal and Plant Adaptation) to the Current Replacement Value (CRV) for a constructed asset calculated by dividing the TC by the CRV. The range is from zero for a newly constructed asset, to one for a constructed asset with a TC value equal to its CRV. Acceptable ranges vary by "Asset Type', but as a general guideline the FCNI scoring system is as follows:

$$FCNI = \frac{\text{Deferred Maintenance + Capital Renewal + Plant Adaptation (TC)}}{\text{Current Replacement Value of the Facility(s) (CRV)}}$$

If the FCNI rating is 60% or greater then replacement of the asset/building should be considered instead of renewal.

Condition	Definition	Percentage Value
GOOD	In a new or well-maintained condition, with no visual evidence of wear, soiling or other deficiencies	0% to 5%
FAIR	Subject to wear, and soiling but is still in a serviceable and functioning condition	5% to 10%
POOR	Subjected to hard or long-term wear. Nearing the end of its useful or serviceable life.	Greater than 10%
V-POOR	Subjected to hard or long-term wear. Has reached the end of its useful or serviceable life. Renewal now necessary	Greater than 60%

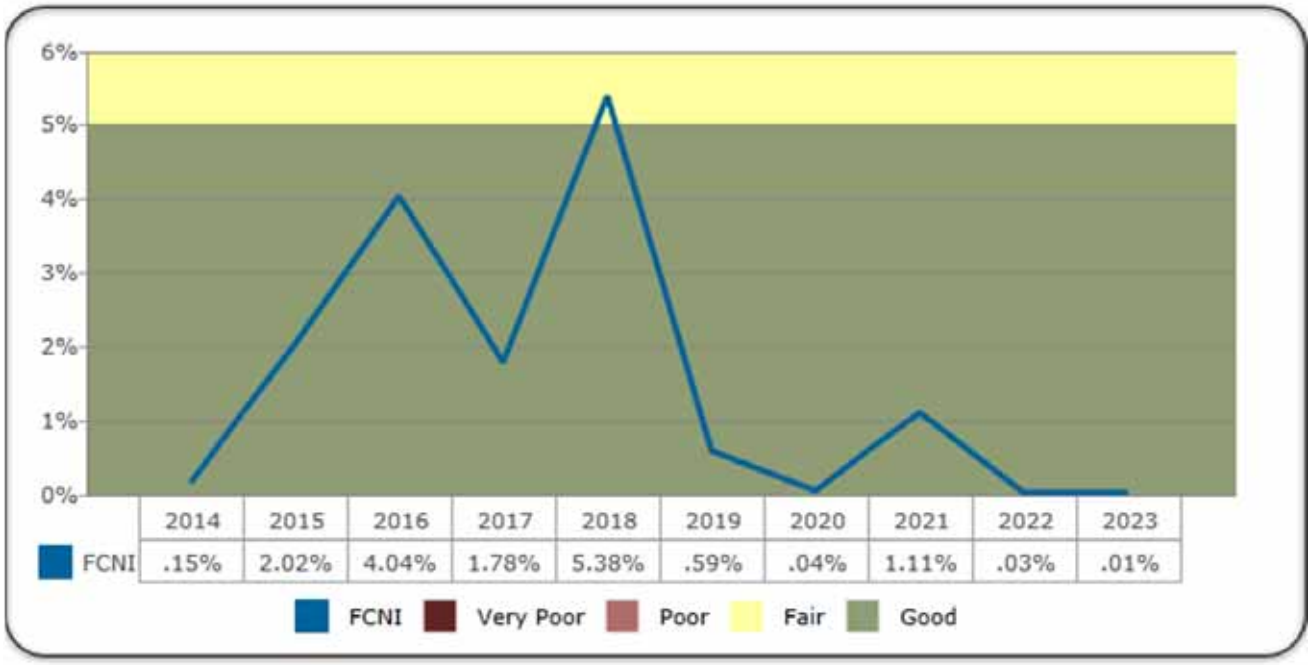
The chart below indicates the current FCNI ratio of the Revenue Building.



Revenue Building, FCNI: 0.15%

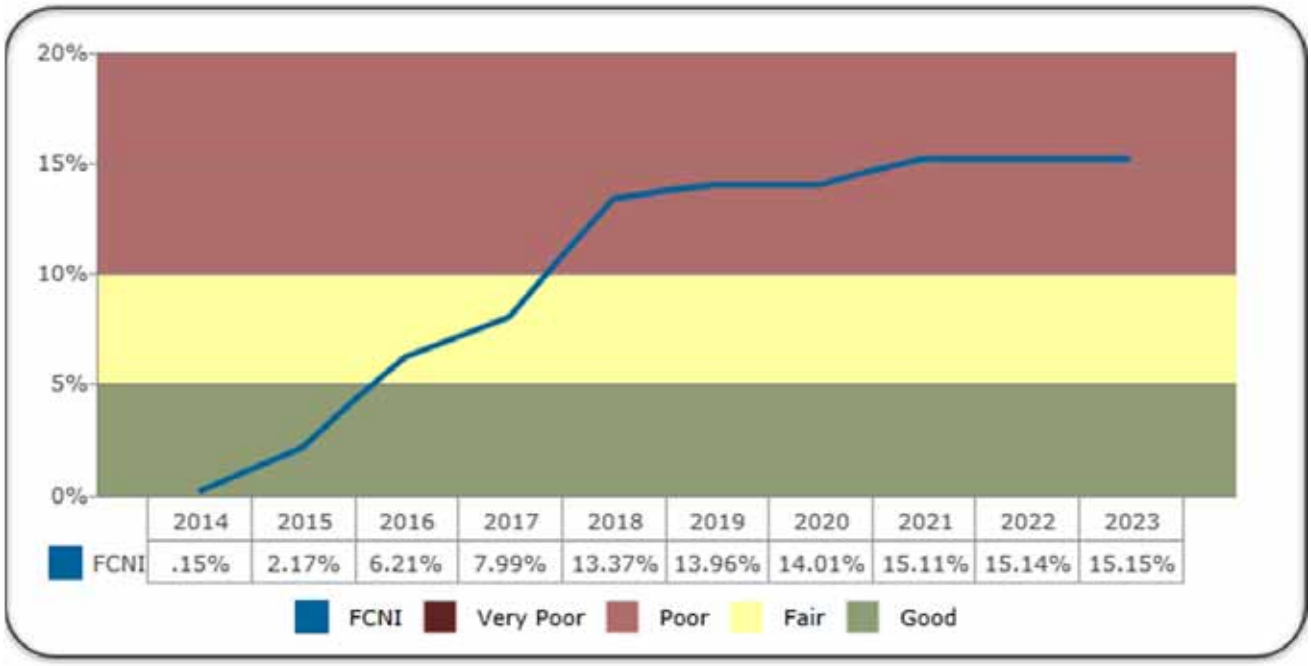
The chart below indicates the effects of the FCNI ratio per year, assuming the required funds and expenditures ARE made to address the identified actions each year.

Year by Year Effects of FCNI Over the Study Period



The Chart below indicates the cumulative effects of the FCNI ratio over the study period assuming the required funds and expenditures are NOT provided to address the identified works and deferred maintenance each year.

Cumulative Effects of FCNI over the Study Period

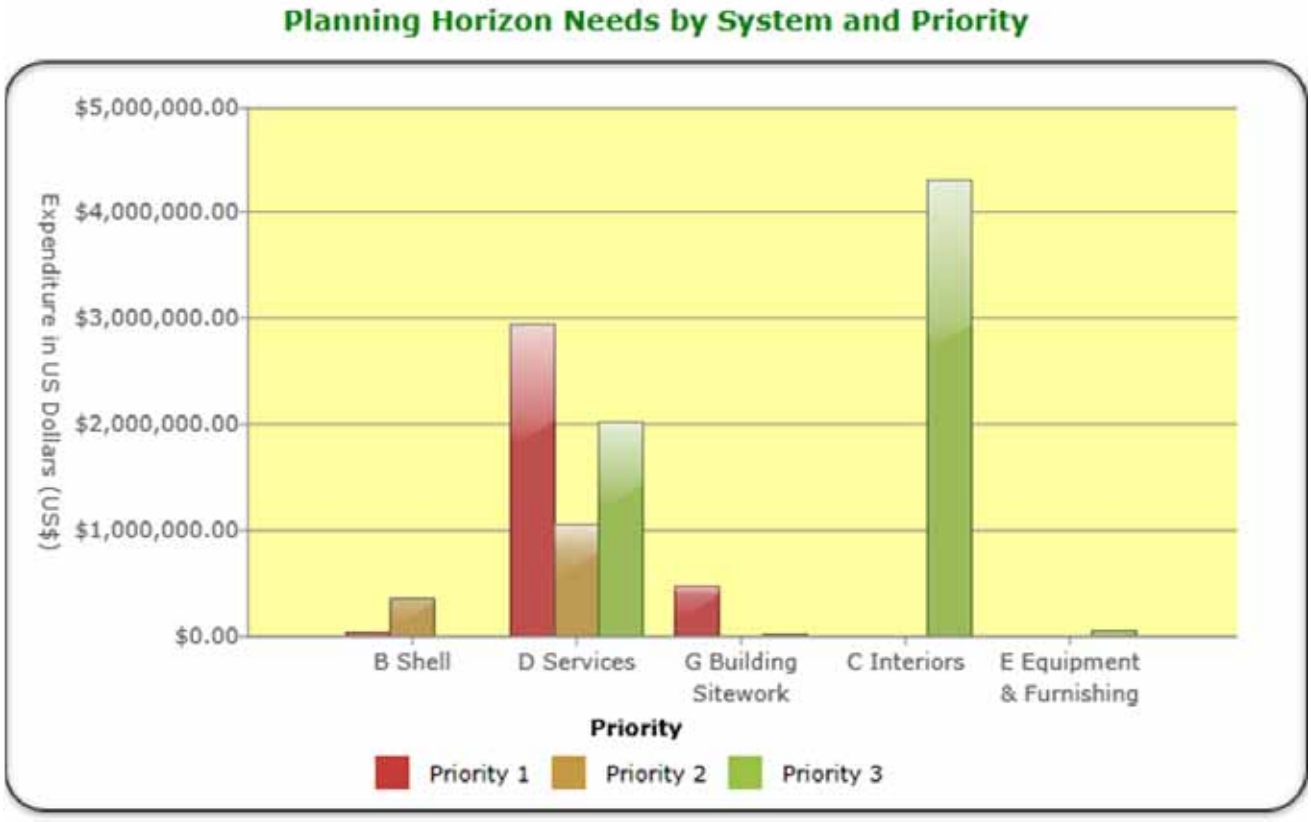


NEEDS SORTED BY PRIORITIZATION OF WORK

Faithful+Gould has prioritized the identified work in order to assist with analyzing the deficiencies found during the assessment. The baseline prioritization model is not just based on replacement year or criticality but uses four key data attributes to build an overall importance metric for every recommendation: System type, the cause or nature of the issue, timing and building mission incorporated into the model with relative weighting to provide an overall priority score. Priority categories are shown below:

Priority 1 Currently Critical	•Systems requiring immediate action that have failed, compromises staff or public safety or requires to be upgraded to comply with current codes and accessibility
Priority 2 Potentially Critical:	•A system or component is nearing end of useful life, if not addressed will cause additional deterioration and added repair costs
Priority 3 Necessary / Not Critical:	•Lifecycle replacements neccessary but not critical or mid-term future replacements to maintain the integrity of the facility or component

The chart below illustrates the breakdown of expenditure according the priority coding providing an opportunity to strategically plan and effectively direct funding to the highest priority.



Building System	Priority 1	Priority 2	Priority 3	Total
B Shell	$20,600	$348,737	$0	$369,337
C Interiors	$0	$0	$4,302,330	$4,302,330
D Services	$2,943,520	$1,043,865	$2,022,426	$6,009,810
E Equipment & Furnishing	$0	$0	$44,035	$44,035
G Building Sitework	$455,535	$0	$2,429	$457,964
Totals	$3,419,655	$1,392,602	$6,371,220	$11,183,477

NEEDS SORTED BY PLAN TYPE

Faithful+Gould has prioritized the identified work according to the Plan Type or deficiency categories in order to assist with analyzing the deficiencies found during the assessment. The following Plan Types are shown below:

Plan Type 1 Deferred Maintenance	•Maintenance that was not performed when it was scheduled or past its useful life resulting in immediate repair or replacement
Plan Type 2 Routine Maintenance	•Maintenance that is planned and performed on a routine basis to maintain and preserve the condition
Plan Type 3 Capital Renewal	•Planned replacement of building systems that have or will reach the end of their useful life
Plan Type 4 Energy & Sustainability	•When the repair or replacement of equipment or systems are recommended to improve energy and sustainability performance
Plan Type 5 ADA	•When the repair or replacement of equipment or systems are recommended to comply with ADA
Plan Type 6 Seismic	•Projects identified as part of a Seismic Study
Plan Type 7 Environmental	•When the repair or replacement of equipment or systems are recommended to remove hazardous materials
Plan Type 8 Functionality	•Projects identified to improve the functionality of the facility

The chart below illustrates the breakdown of expenditure according to the Plan Type or deficiency categories providing an opportunity to strategically plan and effectively direct funding.

Building System	Total Cost
Deferred Maintenance	$109,830
Capital Renewal	$7,164,683
Functionality	$1,114,100
Routine Maintenance	$980,779
ADA	$10,600
Energy & Sustainability	$1,803,485

A SUBSTRUCTURE SYSTEMS

A10 FOUNDATIONS

A1011 Wall Foundations

Description

The building is supported by a reinforced concrete spread footing around the perimeter of the foundation wall. The compressive strength of the concrete is unknown.

Condition

The footings are not visible; however due to the good condition of the slab-on-grade and the exterior wall surfaces we estimated the footings to be in good condition therefore no actions will be generated during the study period.

A1032 Structural Slab on Grade

Description

The building consists of cast-in-place concrete slab-on-grade. We assume that the floor slab was placed over a vapor barrier and compacted gravel fill, with the thickness of the slab ranging from 4" to 8" laid over a sand bed. The compressive strength of the concrete is unknown (reference Photograph A1032 Structural Slab on Grade.1 in Appendix B).

Condition

The slab-on-grade was observed to be in good condition; therefore we do not anticipate any actions during the study period.

A20 BASEMENT CONSTRUCTION

A2021 Basement Wall Construction

Description

The basement level contains a reinforced cast-in-place concrete wall construction. These are assumed to be supported via the concrete spread footings. We are unaware of the thickness of the wall construction and the compressive strength of the concrete.

Condition

The basement wall construction was observed to be in good condition. There were no signs of undue settling, major cracks or excessive water ingress noted. We do not anticipate a requirement for replacement during the study period.

B SHELL SYSTEMS

B10 SUPERSTRUCTURE

B1012 Upper Floors Construction

Description

The upper floors consist of reinforced cast-in-place concrete slabs with cantilevered balconies on the third floor. The compressive strength of the suspended slabs is unknown.

Condition

The upper floors were observed to be in generally good condition, with no significant cracking or failure observed. No actions will be generated during the study period.

B1021 Flat Roof Construction

Description

The building contains a cast-in-place reinforced concrete slab roof deck.

Condition

The concrete roof slab appeared to be in good condition. The typical EUL for this type of material is seventy-five years; therefore we do not anticipate any actions during the study period. However, when the roof membrane is replaced the concrete should be investigated and any repairs to the concrete slab undertaken.

B1032 Concrete Frame Structure

Description

The structure of the building consists of reinforced concrete columns and beams.

Condition

The concrete framed structure appeared to be in good condition. There were no visible signs of failure noted. We do not anticipate any replacement cost expenditure during the study period.

B20 EXTERIOR ENCLOSURE

B2011 Exterior Wall Construction

Description

The building exterior consists of precast concrete panels which are supported via the building reinforced cast-in-place concrete framed structure. Also observed at the roof level mechanical room is a stucco over stud wall construction (reference Photograph B2011 Exterior Wall Construction.1 and 2 in Appendix B).

Condition

The exterior wall construction appeared to be in fair to good condition with no obvious bulging or cracking of the concrete panel and stucco wall constructions. The caulking was found to be in fair condition having been replaced in 2008. However it was noted that on the south and west elevations that the caulking is beginning to fail and water is leaking into the building. We have provided an expenditure to investigate and repair these locations early in the study period to maintain water integrity and prevent any water penetration.

B2013 Exterior Louvers, Screens, and Fencing

Description

The building contains metal framed louvers at the roof and basement level mechanical rooms (reference Photograph B2013 Exterior Louvers, Screens, and Fencing.1 in Appendix B).

Condition

The metal louvers appeared to be in fair to good condition. The typical EUL for this type of equipment is thirty-years; however we have extended the RUL beyond the study period with no anticipated actions.

B2021 Windows

Description

The building contains double glazed fixed metal window units at each elevation. Urethane sealant is provided at the perimeter of the window framing systems (reference Photograph B2021 Windows.1 in Appendix B).

Condition

The double glazed window systems appeared to be in fair to good condition; therefore no actions will be generated during the study period. The perimeter sealant appeared to be in good condition and is anticipated to last beyond the study period.

B2023 Storefronts

Description

The building contains glazed metal framed windows at all elevations (reference Photograph B2023 Storefronts.1 in Appendix B).

Condition

The glazed metal framed windows appeared to be in fair to good condition. The typical EUL for this type of equipment is thirty-years; however we have extended the RUL beyond the study period with no anticipated actions.

B2031 Glazed Doors & Entrances

Description

The building contains two single and fifteen double aluminum framed glazed doors with a factory applied finished. The doors generally contain panic hardware at the interior and lever handles at the exterior, as well as door closing devices. Three of the double doors have power openers and ADA compliant electronic push pads adjacent to the entrance that operate one side of the door opening. All of the glazed doors have tempered glass glazing, panic hardware, and door closers (reference Photograph B2031 Glazed Doors & Entrances.1 and 2 in Appendix B).

Condition

The glazed doors appeared to be in fair to good condition. They operated satisfactory with the hardware performing as required; therefore we have extended the RUL beyond the study period. However, the ADA compliant door openers typically have a EUL of ten-years; therefore we recommend replacement of the system mid-term in the study period to maintain adequate access.

B2034 Overhead Doors

Description

The building contains one metal roll-up overhead door that is electrically operated and is guided via a metal track located on either side of the door slats (reference Photograph B2034 Overhead Doors.1 in Appendix B).

Condition

The roll-up door appeared to be in good condition having been replaced in 2013. The typical EUL for this type of equipment is thirty-years; therefore we do not anticipate any actions during the study period.

B2039 Other Doors & Entrances

Description

There are nineteen single and twelve double hollow metal doors with a factory painted finish. The doors contain a knob hardware and a door closing device. Urethane sealant is provided at the perimeter of the door frames (reference Photograph B2039 Other Doors & Entrances.1 and 2 in Appendix B).

Condition

The hollow metal doors appeared to be in fair to good condition with no major signs of damage or deterioration. There were no issues with these doors; therefore we have extended the RUL beyond the study period. We recommend replacement of all door knob hardware with ADA compliant hardware early in the study period to maintain accessibility compliance.

To maintain the appearance of the doors we recommend that the doors are repainted mid-term in the study period; however we anticipate this work to be carried out on an as-needed basis as part of routine maintenance.

Projected Expenditures

Identified recommended works that are required during the 10-year study period are scheduled below.

ID	Type	Recommendation	Priority	Plan Type	Year	Expenditures
137732	B2010	Investigate and Repair Caulking/Sealant Failure at South and West Exterior Elevations (Expansion Joints, Windows, and Storefronts)	Priority 1	Deferred Maintenance	2014	$10,000
137733	B2030	Replace Single ADA Automatic Door Operator Systems	Priority 1	ADA	2019	$7,500
137734	B2030	Replace Door Knob Hardware with Level Handle Hardware (Single and Double Hollow Metal Doors)	Priority 1	ADA	2014	$3,100

TOTALS BY YEAR

Year	Total Expenditures
2014	$13,100
2019	$7,500

B30 ROOFING

B3011 Roof Finishes

Description

The building is covered by a low-slope roofing system comprised of an insulated concrete deck containing a combination of roof coverings. There is a fully adhered Thermoplastic Polyolefin (TPO) single-ply membrane with no ballast over the original building and a modified bitumen Built-up Roofing (BUR) system over the atrium and tower parts of the building. The TPO membrane and BUR are bonded to the perimeter low parapet wall constructions and the parapet is finished with metal capping and flashing. The roof levels drain to 4" diameter field roof drains located throughout the roof surfaces and are connected to interior leaders (reference Photograph B3011 Roof Finishes.1 and 2 in Appendix B).

Condition

The roof coverings appeared to be in poor to fair and fair to good conditions. The TPO was installed in 1992 and the BUR was installed in 2006. The typical EUL for this type of material is twenty-years; therefore we anticipate replacement of the TPO early in the study period to maintain water integrity and prevent any water penetration. We have also included replacement with a Built-up Roof (BUR) system instead of replacement with a like for like material, based on requests from DAS.

B3022 Roof Hatches

Description

The building has two galvanized metal framed and lidded roof hatches (reference Photograph B3022 Roof Hatches.1 in Appendix B).

Condition

The roof hatches appeared to be in good condition having been replaced in 2006. The typical EUL for this type of equipment is thirty-years; therefore we do not anticipate any actions during the study period.

Projected Expenditures

Identified recommended works that are required during the 10-year study period are scheduled below.

ID	Type	Recommendation	Priority	Plan Type	Year	Expenditures
137735	B3010	Replace Existing Roofing System with a New BUR Covering at Third Floor Roof Level	Priority 2	Capital Renewal	2015	$348,737

TOTALS BY YEAR

Year	Total Expenditures
2015	$348,737

C INTERIORS SYSTEMS

C10 INTERIOR CONSTRUCTION

C1011 Fixed Partitions

Description

The building contains a combination of interior fixed partitions to include Gypsum Wall Board (GWB) wall partitions affixed to stud wall framing and Concrete Masonry Unit (CMU) wall constructions. The interior surfaces have a painted wall finish.

Condition

The interior partitions were observed to be in good condition and no replacement actions are anticipated during the study period. The painted finish has a EUL of eight-years and should be repainted early in the study period to maintain the aesthetic of the interior. The cost of repainted is located with the interior wall finishes portion (C3012) of the report.

C1014 Site Built Toilet Partitions

Description

The restrooms contain metal privacy partitions that are floor and ceiling mounted (reference Photograph C1014 Site Built Toilet Partitions.1 in Appendix B).

Condition

The partitions were observed to be in poor condition and are believed to be original to the building. The typical EUL for this type of equipment is twenty-years; therefore we anticipate replacement early in the study period to coincide with the restroom renovation.

C1017 Interior Windows & Storefronts

Description

The building contains interior glazing with metal frames with a painted finish (reference Photograph C1017 Interior Windows & Storefronts.1 in Appendix B).

Condition

The metal frame and glazing appeared to be in good condition. The typical EUL for this type of equipment is fifty-years; therefore we do not anticipate any actions during the study period. We do recommend the repainting of the frames to coincide with the interior wall and ceiling repainting to maintain the overall appearance of the interiors.

C1021 Interior Doors

Description

The building contains approximately three hundred and twenty-five doors within the interiors. The doors are a combination of wood (single and double) and hollow metal (single and double). All doors have a painted or varnish finish and generally contain locksets and lever door handles (reference Photograph C1021 Interior Doors.1 through 3 in Appendix B).

Condition

The interior doors appeared to be in fair to good condition. The typical EUL for this type of equipment is thirty-years; however based on our observations we have extended the RUL beyond the study period with no anticipated actions. We do recommend the repainting and re varnishing of doors to coincide with the interior wall and ceilings repainting to maintain the overall appearance of the interiors.

Projected Expenditures

Identified recommended works that are required during the 10-year study period are scheduled below.

ID	Type	Recommendation	Priority	Plan Type	Year	Expenditures
137736	C1010	Replace Toilet Partitions	Priority 3	Capital Renewal	2018	$69,444

TOTALS BY YEAR

Year	Total Expenditures
2018	$69,444

C20 STAIRS

C2011 Regular Stairs

Description

The building contains three staircases that are provides access to all six levels. The staircases are a half-turn configuration that turns 180 degrees at an intervening landing. The staircases are constructed from steel with concrete pan infill for the treads. The wall enclosures are formed from cast-in-place concrete with metal handrails. One additional steel staircase is located at the fifth floor level that gains access to the roof level (reference Photograph C2011 Regular Stairs.1 in Appendix B).

Condition

All the staircases appeared to be in good condition. The typical EUL for this type of equipment is seventy-five years; therefore we do not anticipate any actions during the study period.

C30 INTERIOR FINISHES

C3012 Wall Finishes to Interior Walls

Description

The building has a combination of finishes on the GWB walls. The walls and ceilings are primarily painted to include base and finish coats. However, within the restrooms there are ceramic tiles located against the toilet fixture wet wall that are full wall height (reference Photograph C3012 Wall Finishes to Interior Walls.1 and 2 in Appendix B).

Condition

The painted finishes appeared to be in poor to fair conditions throughout the building. We understand that a portion of the fourth floor was renovated in 2013 and the finishes appeared to be in a better condition than those on the other floor levels. The typical EUL for this type of material is eight-years; therefore we anticipate repainting all the walls and ceilings early in the study period to maintain the overall appearance of the interiors. As for the ceramic wall tiles they appeared to be in poor to fair condition and are assumed to be original to the building. The typical EUL for this type of material is thirty-years; therefore we anticipate replacement early in the study period to coincide with the interior repainting and a full restroom renovation to maintain the overall appearance and operational reliability of the interiors.

C3023 Hardeners and Sealers

Description

The building contains epoxy floor coating within mechanical rooms.

Condition

The epoxy floor coating appeared to be in poor to fair condition. The typical EUL for this type of material is ten-years; therefore we anticipate replacement early in the study period to maintain a protective coating on the concrete floor.

C3024 Flooring

Description

The building has a combination of floor finishes to include ceramic tile, vinyl tile, and vinyl sheet floor coverings. The ceramic tiles are located within the restrooms and the vinyl (tile and sheet) is located throughout the buildings kitchenette/break rooms, storage areas, and working areas (reference Photograph C3024 Flooring.1 through 3 in Appendix B).

Condition

The floor coverings appeared to be in poor to fair condition and assumed to be original to the building. The typical EUL for ceramic tile is thirty-years and for vinyl (tile and sheet) is eighteen-years; therefore we anticipate replacement of all floor coverings early in the study period to coincide with the interior repainting and a full restroom renovation to maintain the overall appearance and operational reliability of the interiors.

C3025 Carpeting

Description

The building contains a combination of carpet tiles and sheet carpet throughout the office and corridor areas (reference Photograph C3025 Carpeting.1 and 2 in Appendix B).

Condition

The carpet was appeared to be in poor to fair condition having an assumed installation date of 2000. The typical EUL for this type of material is ten-years; therefore we anticipate replacement early in the study period to maintain the overall appearance and operational reliability of the interiors.

C3026 Bases, Curbs and Trim

Description

The interior floors contain black vinyl trim base molding at the edges that serves as a finish between walls and floors.

Condition

The vinyl trim appeared to be in fair condition having an assumed installation date of 2000. The typical EUL for this type of material is nine-years; therefore we anticipate replacement of the early in the period to coincide with the carpet tile replacement and to maintain the overall appearance and operational reliability of the interiors.

C3027 Access Pedastal Flooring

Description

There is a raised access computer floor located within room 411 on the fourth floor. The floor consists of a gridded metal frame with adjustable height supports via pedestals with 2' x 2' access panels.

Condition

The raised access floor appeared to be in good condition having been installed in 2010. The typical EUL for this type of equipment is twenty-five years; therefore we do not anticipate any actions during the study period.

C3031 Ceiling Finishes

Description

The building contains GWB ceilings, usually formed from 1/2" or 5/8" gypsum wallboard, fastened with drywall nails or screws.

Condition

The GWB and wood ceilings appeared in good condition. The painted finish has a EUL of eight-years and should be repainted early in the study period to maintain the aesthetic of the interior. The cost of repainting is located with the interior wall finishes portion (C3012) of the report.

C3032 Suspended Ceilings

Description

The building contains suspended ceiling 2' x 5' acoustic tile system with an exposed grid within the finished areas (reference Photograph C3032 Suspended Ceilings.1 in Appendix B).

Condition

The tile ceiling systems were observed to be in poor to fair condition. The typical EUL for this type of material is twenty-years; therefore we anticipate replacement early in the study period to maintain the overall appearance of the interiors. We also note that with the irregular size of the ceiling tiles that a complete replacement including grid would be recommended.

Projected Expenditures

Identified recommended works that are required during the 10-year study period are scheduled below.

ID	Type	Recommendation	Priority	Plan Type	Year	Expenditures
137737	C3010	Repaint Wall and Ceiling Surfaces	Priority 3	Routine Maintenance	2018	$797,175
137738	C3010	Replace Ceramic Wall Tiles	Priority 3	Capital Renewal	2018	$192,843
137739	C3020	Replace Vinyl Tile	Priority 3	Capital Renewal	2018	$21,258
137740	C3020	Replace Carpet Tiles Floor Covering	Priority 3	Capital Renewal	2015	$981,222
137741	C3020	Replace Vinyl Sheet	Priority 3	Capital Renewal	2018	$58,248
137742	C3020	Replace Ceramic Floor Tiles	Priority 3	Capital Renewal	2018	$123,369
137743	C3020	Repaint Epoxy Floor Coating	Priority 3	Routine Maintenance	2018	$136,175
137744	C3020	Replace Sheet Carpet Floor Covering	Priority 3	Capital Renewal	2015	$139,090
137745	C3020	Replace Vinyl Trim	Priority 3	Capital Renewal	2018	$188,126
137746	C3030	Replace Acoustic Ceiling System	Priority 3	Capital Renewal	2018	$1,595,380

TOTALS BY YEAR

Year	Total Expenditures
2015	$1,120,312
2018	$3,112,574

D SERVICES SYSTEMS

D10 CONVEYING SYSTEMS

D1011 Passenger Elevators

Description

The building contains four main passenger elevators that are geared-traction systems installed at the time of construction. The hoist machinery, control panel driving sheave and hoisting pulleys are all located within the roof level penthouse elevator equipment room (reference Photograph D1011 Passenger Elevators.1 and 2 in Appendix B). Each of these four traction elevators have a load capacity of 3,500 lbs and serve from basement level through to 5th floor, they were manufactured by US Elevators and maintained by KONE.

The building also contains one hydraulic-drive passenger elevator, which was manufactured by US Elevators; load capacity of the elevator is unknown, however we assume it to be at least 3,000 lbs; however this needs to be confirmed. The elevator also serves basement through to 5th floor level. The machine room is at basement level and contains the hydraulic fluid tank, pump and valve equipment serving the hydraulic ram to the elevator car together with its individual control equipment (reference Photograph D1011 Passenger Elevators.3 in Appendix B). We understand that the hydraulic elevator is also maintained by KONE.

Condition

The traction elevators overall appeared to be in fair to good condition. Currently under service contract, the elevators appear provide adequate and reliable service, the controllers are also of newer technology. Finishes within the elevator cabs appeared to be in fair to good condition. Assuming the completion of on-going repair and maintenance in accordance with industry standard practice and manufacturer recommendations, replacement or significant capital repair should not be required within the study period.

The hydraulic elevator appeared to be in fair to good condition and well maintained. The equipment was operational at the time of the assessment and no issues were reported to us, we assume it is original to the section of building it serves. Finishes within the elevator cab appeared to be in fair to good condition. Assuming the completion of on-going repair and maintenance in accordance with industry standard practice and manufacturer recommendations, replacement or significant capital repair should not be required within the study period.

Performance measurements were not taken to evaluate system performance to industry standards as published by the National Elevator Industry Inc. (N.E.I.I.). General system performance was observed such as door operation, acceleration and stopping. Where observed, performance appeared adequate.

D1013 Lifts

Description

The loading docks at basement level both contained dock leveling systems (reference Photograph D1013 Lifts.1 in Appendix B).

Condition

The dock leveling systems appeared to be in fair to good condition. There are no reported issues and therefore we do not anticipate a requirement for their replacement during the study period.

D20 PLUMBING

D2011 Water Closets

Description

There are approximately forty-nine wall mounted vitreous china water closets with plastic seats situated within the restrooms that are located at each floor of the building. These are all tank-less type units with manual flush valves (reference Photograph D2011 Water Closets.1 in Appendix B).

Condition

The water closets were observed to be in poor to fair condition. The water closets flushed properly and appeared not to have any cracks in the china, however they are dated. Based on observed conditions and an EUL of thirty-five years we anticipate a requirement for their replacement early in the study period as they have reached the end of their EUL. We suggest that this work is undertaken as part of a complete restroom renovation project. Until they are fully replaced, we anticipate that the flush valves may fail and therefore to maintain function they may need to be rebuilt or in some cases replaced. This work has not been included in this study as we anticipate it will be carried out on an as-needed basis as part of routine maintenance.

D2012 Urinals

Description

There are approximately eighteen wall mounted vitreous china urinals situated within the men's restrooms that are located at each floor of the building. They each contain manual flush valves (reference Photograph D2012 Urinals.1 in Appendix B).

Condition

The urinals were observed to be in poor to fair condition. The urinals flushed properly and appeared not to have any cracks in the china, however they are dated. Based on observed conditions and an EUL of thirty-five years we anticipate a requirement for their replacement mid-term in the study period as they have also reached the end of their EUL. We suggest that this work is undertaken as part of a complete restroom renovation project. Until they are fully replaced, we anticipate that the flush valves may fail and therefore to maintain function they may need to be rebuilt or in some cases replaced. This work has not been included in this study as we anticipate it will be carried out on an as-needed basis as part of routine maintenance.

D2013 Lavatories

Description

The building contains a combination of vanity top and wall mounted vitreous china lavatories; there are approximately forty wall mounted lavatories within the restrooms at each floor level of the building, we observed only three vanity type lavatories. The lavatories generally consist of non metering faucets with a single mixer type lever handle. The vanity top vitreous china lavatories are mainly self-rimming, single bowl type and are mounted within a vanity that consist of a plastic laminated faced counter top (reference Photograph D2013 Lavatories.1 and 2 in Appendix B).

Condition

The lavatories appeared to be in poor to fair condition. All of the sinks drained properly and did not have any cracks in the china, however they are dated. Based on observed conditions we anticipate a requirement for the replacement of the lavatories early in the study period as they have also reached the end of their EUL. We suggest that this work is undertaken as part of a complete restroom renovation project. Until they are fully replaced, we anticipate that the faucets may fail during the study period and therefore to maintain function they may need to be replaced. This work has not been included in this study as we anticipate it will be carried out on an as-needed basis as part of routine maintenance.

D2014 Sinks

Description

The building contains single bowl counter top stainless steel kitchen sinks within the break areas (reference Photograph D2014 Sinks.1 in Appendix B). They generally contain swan neck faucets with lever handles.

The building contains floor mounted mop sinks within the janitor closets at each floor of the building (reference Photograph D2014 Sinks.2 in Appendix B).

Condition

The break area stainless steel sinks appeared to be in fair condition and are original to the building having being installed at the time of the fixed cabinet and counter installations. The fixed cabinets and counter tops have been included for replacement early in the study period, see section E of this report, therefore we have included for these sinks to be replaced at the same time as part of a full break room renovation.

The mop sinks were observed to be in fair to good condition. They are suitable for their intended use and therefore we do not anticipate any replacements during the study period.

D2016 Wash Fountains

Description

The building contains two emergency eye wash stations within the basement mechanical areas.

Condition

The emergency eye wash stations appeared to be in fair condition. Based on a typical EUL of twenty-years, current observed conditions and with regular testing we anticipate a requirement for their replacement after mid-term in the study period. It is important to maintain this life safety piece of equipment in good working order.

D2018 Drinking Fountains and Coolers

Description

The building contains a combination of wall and floor mounted drinking fountains (reference Photograph D2018 Drinking Fountains and Coolers.1 and 2 in Appendix B). In addition there is one wall mounted water bottle filling station also present at the building.

Condition

The drinking fountains appeared to be in fair to good condition and operated properly when tested. Typical EUL of these units are twenty-years and therefore based on observed conditions and no reported operating issues we do not anticipate a requirement for their replacement during the study period.

The water bottle filling station appeared to be in good condition and recently installed, therefore we do not anticipate a requirement for their replacement during the study period.

D2021 Cold Water Service

Description

Domestic cold water service enters the building at basement level (reference Photograph D2021 Cold Water Service.1 in Appendix B). Domestic water service piping mainly consists of copper piping. The main meter and backflow preventer is located where the supply enters the building.

Condition

The domestic water service piping appeared to be in fair to good condition and operating without any issues. We do not anticipate a requirement to complete significant repair or replacement of the piping systems within the study period.

D2022 Hot Water Service

Description

The building's domestic hot water for restroom and kitchen use is provided via seven electric water heaters manufactured by a variety of manufacturers including Bradford White, Rheem, American and A.O. Smith (reference Photograph D2022 Hot Water Service.1 and 2 in Appendix B). They range in capacity from 19 to 119 gallons and are situated with two at the 4th floor, two at the 2nd floor, one at the first floor for kitchen use and two at the basement level.

The building contains a number of wall mounted under counter point-of-use electric water heaters, they are present and serve the break areas at each floor level (reference Photograph D2022 Hot Water Service.3 in Appendix B). They were manufactured by Ariston and Insinkerator.

Condition

The domestic hot water heaters vary in condition from fair through to good condition; based on the typical EUL of fifteen-years we recommend that the two 50 gallon water heaters at the 4th floor level are replaced near-term in the study period and the two at basement level, the 50 and 19 gallon water heaters as well as the 199 gallon at the first floor kitchen are replaced following mid-term in the study period. These replacements are recommended to maintain efficient and uninterrupted operation at the areas they serve. The remaining water heaters are all newer installations (2nd floor locations) and therefore are anticipated to last beyond the study period without replacement necessary.

The point-of-use water heaters appeared to be in fair to good condition with no reported issues. Based on typical EUL, no reported issues and recent installation, we do not anticipate replacement during the study period.

D2023 Domestic Water Supply Equipment

Description

The hot water heater serving the first floor kitchen area has a circulation pump/motor present to assist with circulating the domestic hot water. It was manufactured by Gundfos and its motor capacity is assumed to be no more than 1/2-hp.

Condition

The domestic hot water pump/motor was observed to be in fair to good condition. Based on a typical EUL of fifteen-years for this type of equipment and no reported operating issues, we have extended its RUL till after mid-term in the study period.

D2031 Waste Piping

Description

Waste piping is assumed to be cast iron piping throughout the building and forms a gravity system with connections to all plumbing fixtures, with vertical pipe drops down through the building.

Condition

No visually apparent problems with the sanitary waste piping or system were observed or reported by the maintenance personnel. The waste system can be serviceable, through the end of the study period, with regular maintenance.

D2043 Rainwater Drainage Equipment

Description

The building contains eleven sump pump systems, they are present at the basement parking garage; information regarding their manufacturer and capacity could not be gained, as they are all located within a covered chamber. Each sump pump has a wall mounted control panel/unit situated opposite (reference Photograph D2043 Rainwater Drainage Equipment.1 and 2 in Appendix B).

Condition

The sump pumps are assumed to be in fair condition and operating without any issues; no issues were reported. Access could not be gained within the chambers. Based on typical EUL of twenty-years for these types of submersible pumps and no operating issues at this time we have included for replacement to maintain reliable and continuous operation later in the study period.

D2099 Other Piping Systems

Description

The building contains six air compressors and also one air dryer unit all located at basement level (reference Photograph D2099 Other Piping Systems.1 through 3 in Appendix B). The HVAC air compressors are manufactured by Honeywell with motor capacities of 7.5-hp each; the fire air compressors are smaller units manufactured by Speedaire with assumed motor capacities of 1-hp.

Condition

The HVAC air compressors and air dryer appeared to be in fair and fair to good condition. We are unaware when they were installed, however based on observed conditions, usage and their typical EUL of twenty-five years we anticipate that the HVAC air compressors are recommended for replacement later in the study period to maintain reliable operation. However as part of a recommended upgrade of the HVAC control system we have not included their expenditure as they will be disconnected and will be no longer be of use.

The fire air compressors are assumed to be newer installations and therefore we do not anticipate a requirement for their replacement during the study period.

Projected Expenditures

Identified recommended works that are required during the 10-year study period are scheduled below.

ID	Type	Recommendation	Priority	Plan Type	Year	Expenditures
137747	D2010	Replace Countertop Single Bowl Kitchen Sinks	Priority 3	Capital Renewal	2016	$4,859
137748	D2010	Replace Emergency Eye wash and Showers	Priority 1	Capital Renewal	2020	$5,062
137749	D2010	Replace Wall Mounted Water Closet(s)	Priority 3	Capital Renewal	2016	$128,967
137750	D2010	Replace Wall Hung Urinal(s)	Priority 3	Capital Renewal	2016	$22,503
137751	D2010	Replace Vanity Top Lavatories	Priority 3	Capital Renewal	2016	$2,991
137752	D2010	Replace Wall Hung Lavatories	Priority 3	Capital Renewal	2016	$47,578
137753	D2020	Replace Domestic Water Circ Pump/Motor (DOM-1)	Priority 3	Capital Renewal	2022	$658
137754	D2020	Replace Domestic Hot Water Heater (DWH-06)	Priority 2	Capital Renewal	2016	$1,392
137755	D2020	Replace Domestic Hot Water Heater (Mech Area)	Priority 3	Capital Renewal	2021	$529
137756	D2020	Replace Domestic Hot Water Heater (DWH-02)	Priority 3	Capital Renewal	2021	$3,313
137757	D2020	Replace Domestic Hot Water Heater (DWH-01)	Priority 3	Capital Renewal	2021	$1,392
137758	D2020	Replace Domestic Hot Water Heater (DWH-05)	Priority 2	Capital Renewal	2016	$1,392
137759	D2040	Replace Sump Pump (SUMP-PUMP-02A) Garage	Priority 3	Capital Renewal	2021	$1,822
137760	D2040	Replace Sump Pump (SUMP-PUMP-03B) Garage	Priority 3	Capital Renewal	2021	$1,822
137761	D2040	Replace Sump Pump (SUMP-PUMP-03A) Garage	Priority 3	Capital Renewal	2021	$1,822
137762	D2040	Replace Sump Pump (SUMP-PUMP-06A)	Priority 3	Capital Renewal	2021	$1,822
137763	D2040	Replace Sump Pump (SUMP-PUMP-05B)	Priority 3	Capital Renewal	2021	$1,822
137764	D2040	Replace Sump Pump (SUMP-PUMP-05A)	Priority 3	Capital Renewal	2021	$1,822

137765	D2040	Replace Sump Pump (SUMP-PUMP-06B)	Priority 3	Capital Renewal	2021	$1,822
137766	D2040	Replace Sump Pump (SUMP-PUMP-04A) Garage	Priority 3	Capital Renewal	2021	$1,822
137767	D2040	Replace Sump Pump (SUMP-PUMP-04B) Garage	Priority 3	Capital Renewal	2021	$1,822
137768	D2040	Replace Sump Pump (SUMP-PUMP-01A) Garage	Priority 3	Capital Renewal	2021	$1,822
137769	D2040	Replace Sump Pump (SUMP-PUMP-02B) Garage	Priority 3	Capital Renewal	2021	$1,822

TOTALS BY YEAR

Year	Total Expenditures
2016	$209,683
2020	$5,062
2021	$25,277
2022	$658

D30 HVAC

D3012 Gas Supply System

Description

The building's natural gas is supplied directly from the local utility company and supplies the HVAC equipment particularly the boiler located within the basement of the building.

Condition

The natural gas system at the building appeared to be in fair to good condition. No known corrosion was observed that could be attributed to age and deferred maintenance.

D3021 Boilers

Description

The building contains one natural gas hot water boiler that is situated in the basement mechanical room. It has a capacity of an assumed 400 MBH and was manufactured by Unilux (reference Photograph D3021 Boilers.1 in Appendix B).

Condition

The boiler appeared to be in poor to fair condition and reported by DAS to be heavily undersized. The typical EUL of this equipment is thirty-years; therefore based on age and unsuitable capacity we have included for replacement early in the study period with a more suitable 2,000 MBH / 2,000,000 BTU sized boiler.

D3023 Auxiliary Equipment

Description

The basement mechanical area contains one unit heater that is supplied with hot water from the boiler (reference Photograph D3023 Auxiliary Equipment.1 in Appendix B). The unit is manufactured by Modine.

Condition

The unit heater appeared to be in fair condition, although original to the building. It's typical EUL has past, however with no issues reported and current observed conditions replacement is not anticipated during the study period, only regular maintenance is recommended for continued operation.

D3031 Chilled Water Systems

Description

Chilled water for air conditioning purposes is provided by a number of water cooled centrifugal chillers with capacities of 290-tons and 200-tons. The 200-ton chiller is formed via four water cooled scroll modular chillers with dual independent scroll compressors an individual capacity of 50-tons each. They are located within the basement mechanical room and were manufactured by Multistack (reference Photograph D3031 Chilled Water Systems.1 in Appendix B).

The building contains three roof level induced draft counterflow designed cooling towers that were manufactured by Evapco (reference Photograph D3031 Chilled Water Systems.2 in Appendix B). We have assumed that they have a capacity of approximately 150 tons each and supply the condenser water for the chillers. Condenser water is circulated to the towers via two circulation pump/motors with motor capacities of 25-hp.

Condition

The chillers appeared to be in good condition as they are recently installed. Based on the typical EUL of twenty-years for this type of equipment we do not anticipate a requirement for their replacement during the study period.

The cooling towers appeared to be in fair to good condition. Based on typical EUL and observed condition we do not anticipate a requirement for their replacement during the study period. We noted a small amount of scale and organic growth build up on the baffles, in the basin, and cooling tower housing. Based upon our experience with similar systems, we recommend the completion of life extension repairs to the cooling towers mid-term of the study period. At a minimum these should include replacement of baffles, fan and motor replacement, repairs to the cooling tower enclosures, cleaning and applying protective coatings, replacement of float valves, and thorough inspection of the internal components.

D3032 Direct Expansion Systems

Description

The building contains two split-system air conditioning systems each with outdoor condenser units and indoor fan units. One system was manufactured by Trane with a capacity of 4-tons and the other was manufactured by Liebert with a capacity of 3-tons (reference Photograph D3032 Direct Expansion Systems.1 and 2 in Appendix B). They serve data/computer room spaces within the building.

Condition

The split-systems appeared to be in poor to fair condition. The EUL of this type of equipment is twenty-years and we assume that they are at least fifteen-years of age each. We have anticipated for full system replacement mid-term in the study period to maintain reliable and suitable operation at the locations they serve.

D3041 Air Distribution Systems

Description

The building contains five supply fans referenced SF-01 through SF-05; fans SF-01 through SF-03 are located within the basement mechanical rooms and fans SF-04 and SF-05 are located within a roof level enclosure. The basement supply fans were manufactured by Joy Manufacturing Company with capacities of 48,000 CFM to 60,000 CFM (reference Photograph D3041 Air Distribution Systems.1 in Appendix B). The roof level supply fans are located within one unit which we understand is a multi-zone unit that was manufactured by Gaylord with assumed supply fan capacities of 15,000 CFM each.

The building also contains four Air Handler Units (AHUs) referenced ASU-01 through ASU-03 and ASU-12 located within the basement level. They were manufactured by PACE and have assumed capacities of 15,000 CFM and 16,500 CFM (reference Photograph D3041 Air Distribution Systems.2 in Appendix B).

The building contains seven return fans referenced RF-01 through RF-08 (there is no RF-06); they are located within the basement mechanical rooms. Return fans RF-01, RF-02 and RF-07 are separate units; all other return fans are in a combined unit with Air Handler

Units (AHUs) referenced ASU. The main return fans were manufactured by Joy Manufacturing Company with capacities of 48,000 CFM to 58,000 CFM (reference Photograph D3041 Air Distribution Systems.3 in Appendix B). The return fans that are incorporated with AHUs are manufactured by PACE have an assumed capacity of 10,000 CFM to 14,500 CFM.

The building contains a number of chilled water fan coil units that serve the data rooms and also the basement electrical areas. They are manufactured by PACE and Liebert and have capacities up to an assumed 10,000 CFM (reference Photograph D3041 Air Distribution Systems.4 in Appendix B).

The building contains approximately 445 no. VAV terminal units through each floor of the building. They tend to be mounted above the ceiling systems, which we understand are present from review of the available building drawings.

The ductwork is sheet metal, except for flexible duct connections to ceiling diffusers in suspended ceiling areas.

Condition

The supply fans SF-01 through SF-03 appeared to be in poor to fair condition. We assume that they are original to the building and therefore they are more than the typical EUL of twenty-five years. We understand that these fan units are becoming hard to buy parts for, their controllers are not made any more and they are very maintenance intensive. We have included for their replacement early in the study period along with the fan walls to maintain efficient and reliable operation.

The multi-zone unit and associated supply fans SF-04 through SF-05 appeared to be in poor to fair condition, we understand the unit is starting to have constant maintenance issues also similar to the Joy fan units. We assume that the unit is original to the building and therefore it is more than the typical EUL of twenty-five years. We recommend replacement of the units early in the study period to maintain efficient and reliable operation.

The AHUs reference ASU appeared to be in fair condition with no reported operating issues. We assume that they are original to the building and therefore they are more than the typical EUL of twenty-five years. Due to observed condition we have extended the RUL till mid-term in the study period when replacement is recommended to maintain efficient and reliable operation.

The return fans appeared to be in fair condition with no reported operating issues. We assume that they are original to the building and therefore they are more than the typical EUL of twenty-five years. Due to observed condition we have extended the RUL of the large capacity fans till after mid-term in the study period when replacement is recommended to maintain efficient and reliable operation. The smaller capacity return fans are recommended for replacement along with the AHUs they are combined with also later in the study period to maintain efficient and suitable operation.

The chilled water fan coil units appeared to be in fair and fair to good condition. Some of the units were installed the time of construction and two at the 5th floor more recently; therefore based on a typical EUL of twenty-five years replacement is recommended at different intervals within in the study period to maintain reliable and efficient operation. Others located at the basement and also the two at 5th floor level are anticipated to last beyond the study with regular maintenance being performed only.

The VAV terminal units could not be viewed, however even though they are all operational we understand that it's hard to obtain parts for these units and a number of them have had to be retrofitted with other pneumatic parts; therefore they are in poor to fair condition. The typical EUL of these types of units is twenty-five years and therefore they have reached the end of their EUL and are due for replacement. We recommend they are replaced early in the study period at the same time as the HVAC control system is upgraded from pneumatic to Direct Digital Controls (DDC).

Only a small proportion of the ducting in the building was reviewed but that portion was noted to be in good condition with no deficiencies.

D3042 Exhaust Ventilation Systems

Description

The building contains a combination of roof level centrifugal and interior mounted inline exhaust fan units with assumed capacities ranging from 300 CFM to 13,350 CFM (reference Photograph D3042 Exhaust Ventilation Systems.1 and 2 in Appendix B). They are typically used to remove/exhaust air from restrooms and the break room areas. They are generally manufactured by PACE.

The basement parking garage contains two industrial duty centrifugal fan units. They were manufactured by PACE and have assumed capacities of 40,000 CFM each (reference Photograph D3042 Exhaust Ventilation Systems.3 in Appendix B).

Condition

The exhaust fans appeared to be in fair condition generally throughout the building. We assume that they are mostly original to the building; therefore based on a typical EUL of fifteen-years they are due for replacement. However based on observed conditions and no reported issues we have extended their EUL a further five-years and therefore replacement is anticipated mid-term in the study period to maintain reliable and efficient operation.

The parking garage large capacity industrial duty centrifugal fan units appeared to be in fair to good condition. The units appear to be original to the building; therefore based on a typical EUL of fifteen-years they are due for replacement, similar to the over standard exhaust fans at the building However based on observed conditions and no reported issues we have extended their EUL a further five-years and therefore replacement is anticipated mid-term in the study period to maintain reliable and efficient operation.

D3044 Hot Water Distribution

Description

The building uses five pump/motors to circulate heated water, located within the penthouse mechanical room. These water pumps have a motor capacity of 7.5-hp each, except for HWP-03 which has a 3-hp motor (reference Photograph D3044 Hot Water Distribution.1 in Appendix B).

Condition

The hot water pump/motors were observed to be in fair to good condition, we do not know the age of all the pump/motors there appears to be a mixture of ages. Based on a typical EUL of fifteen-years for this type of equipment and based on their observed condition and no reported operating issues, we have included for their replacement later in the study period.

D3045 Chilled Water Distribution

Description

The building uses four high capacity chilled water pump/motors located within the basement referenced CWP-01, CWP-02, CWP-07 and CWP-08. These water pumps have a motor capacity of 20 and 30-hp and were manufactured by Baldor (reference Photograph D3045 Chilled Water Distribution.1 in Appendix B).

Condenser water is circulated to the cooling towers via two circulation pumps within the basement. These condenser water pumps have a motor capacity of 25-hp.

The building uses eleven chilled water pump/motors generally located within the basement mechanical rooms positioned adjacent to the equipment they serve. These water pumps have a smaller motor capacity ranging from 1/2-hp to 5-hp and were manufactured by a number of manufacturers including Baldor, Reliance and Armstrong.

Condition

The higher capacity chilled water pump/motors were observed to be in good condition, and recently installed. Based on a typical EUL of fifteen-years for this type of equipment and based on their observed condition and no reported operating issues, we do not anticipate replacement during the study period.

The condenser pump/motors were observed to be in good condition, and recently installed. Based on a typical EUL of fifteen-years for this type of equipment and based on their observed condition and no reported operating issues, we do not anticipate replacement during the study period.

The lower capacity chilled water pump/motors were observed to be in fair condition, we do not know the age of all the pump/motors however they generally appear to be more than fifteen-years of age, although some newer motors. Based on a typical EUL of fifteen-years for this type of equipment and based on their observed condition and no reported operating issues, we have extended the older units RUL till mid-term in the study period and recommended replacement of these chilled water pump/motors that are due.

D3051 Terminal Self-Contained Units

Description

The elevator equipment room contains one electric unit heater manufactured by Qmark. Information on capacity could not be gained.

Condition

The unit heater appeared to be in fair to good condition. Based on observed conditions and usage we do not anticipate a requirement for replacement during the study period.

D3068 Building Automation Systems

Description

The Building Automation System (BAS) is understood to have been partly upgraded from a pneumatic system that controls the valve actuators and thermostats to Direct Digital Control (DDC) (reference Photograph D3068 Building Automation Systems.1 in Appendix B). The DDC is controlled by American Auto Matrix system.

Condition

The buildings pneumatic controls system appeared to be in poor to fair condition; we understand that this system was installed as part of the original construction and is now out dated. A pneumatic system is becoming obsolete and hard to obtain replacement parts. Both the actuators and pneumatic thermostats are inefficient and can be hard to maintain when they are at this age. We recommend that the system is upgraded to Direct Digital Control (DDC) near-term in the study period. The upgrade has been included as an energy

conservation measure. The whole building has been included for upgrade, as it is unclear what condition that system is in, its age and if it will work with a newer system installation.

D3069 Other Controls & Instrumentation

Description

The building uses a number of Variable Frequency Drives (VFDs) to control motors connected to supply and return fans within the AHUs, exhaust fans and circulation pump/motors. They are generally manufactured by ABB and GE and are located opposite the piece of equipment they serve (reference Photograph D3069 Other Controls & Instrumentation.1 and 2 in Appendix B).

Condition

The VFDs are all operating with no reported issues. They vary in condition with some of the older ABB units in fair condition and newer GE units in fair to good condition. Based on the typical EUL of twenty-years we have included the older type units for replacement mid-term in the study period when they have reached their EUL to maintain reliable operation.

Projected Expenditures

Identified recommended works that are required during the 10-year study period are scheduled below.

ID	Type	Recommendation	Priority	Plan Type	Year	Expenditures
137770	D3020	Replace/Upgrade HVAC Hot Water Boiler	Priority 3	Capital Renewal	2016	$66,812
137771	D3030	Replace Split-System (Outdoor and Indoor Unit) (BAC-01)	Priority 3	Capital Renewal	2019	$5,871
137772	D3030	Undertake Life Extension Repairs at Cooling Tower (CT-03)	Priority 3	Routine Maintenance	2019	$15,000
137773	D3030	Replace Split-System (Outdoor and Indoor Unit) (CAC-08)	Priority 3	Capital Renewal	2019	$4,404
137774	D3030	Undertake Life Extension Repairs at Cooling Tower (CT-02)	Priority 3	Routine Maintenance	2019	$15,000
137775	D3030	Undertake Life Extension Repairs at Cooling Tower (CT-01)	Priority 3	Routine Maintenance	2019	$15,000
137776	D3040	Replace Chilled Circulation Pump/Motors 1.5HP (CWP-09)	Priority 3	Capital Renewal	2019	$4,555
137777	D3040	Replace Chilled Circulation Pump/Motors 1.5HP (CWP-04)	Priority 3	Capital Renewal	2019	$4,555
137778	D3040	Replace Return Fan (RF-05)	Priority 3	Capital Renewal	2021	$40,492
137779	D3040	Replace Return Fan (RF-04)	Priority 3	Capital Renewal	2021	$40,492
137780	D3040	Replace Fan Coil Unit (CAC-07)	Priority 2	Capital Renewal	2016	$4,555
137781	D3040	Replace Fan Coil Unit (CAC-02)	Priority 3	Capital Renewal	2023	$7,592
137782	D3040	Replace Return Fan (RF-07)	Priority 3	Capital Renewal	2021	$54,601
137783	D3040	Replace Chilled Circulation Pump/Motors 1/2HP (CWP-06)	Priority 3	Capital Renewal	2019	$2,328

137784	D3040	Replace Chilled Circulation Pump/Motors 1/2HP (CWP-08)	Priority 3	Capital Renewal	2019	$2,328
137785	D3040	Replace Chilled Circulation Pump/Motors 5HP (CWP-10)	Priority 3	Capital Renewal	2019	$3,341
137786	D3040	Replace Chilled Circulation Pump/Motors 1/2HP (CWP-03A)	Priority 3	Capital Renewal	2019	$2,328
137787	D3040	Replace Chilled Circulation Pump/Motors 1/2HP (CWP-05)	Priority 3	Capital Renewal	2019	$2,328
137788	D3040	Replace Hot Circulation Pump/Motors 7.5HP (HWP-01)	Priority 3	Capital Renewal	2022	$3,847
137789	D3040	Replace Chilled Circulation Pump/Motors 1/2HP (CCWP-02)	Priority 3	Capital Renewal	2019	$2,328
137790	D3040	Replace Chilled Circulation Pump/Motors 1/2HP (CCWP-03)	Priority 3	Capital Renewal	2023	$2,328
137791	D3040	Replace Chilled Circulation Pump/Motors 5HP (CWP-09A)	Priority 3	Capital Renewal	2019	$3,341
137792	D3040	Replace Exhaust Fan (EF-05)	Priority 3	Capital Renewal	2019	$5,568
137793	D3040	Replace Exhaust Fan (EF-14)	Priority 3	Capital Renewal	2019	$14,865
137794	D3040	Replace Exhaust Fan (EF-15)	Priority 3	Capital Renewal	2019	$1,002
137795	D3040	Replace Exhaust Fan (EF-08)	Priority 3	Capital Renewal	2019	$1,114
137796	D3040	Replace Exhaust Fan (EF-09B)	Priority 3	Capital Renewal	2019	$334
137797	D3040	Replace Chilled Circulation Pump/Motors 5HP (CWP-08A)	Priority 3	Capital Renewal	2019	$3,341
137798	D3040	Replace Exhaust Fan (EF-10)	Priority 3	Capital Renewal	2019	$974
137799	D3040	Replace Exhaust Fan (EF-16)	Priority 3	Capital Renewal	2019	$4,454
137800	D3040	Replace Hot Circulation Pump/Motors 7.5HP (HWP-05)	Priority 3	Capital Renewal	2022	$3,847
137801	D3040	Replace Supply Fan (SF-02)	Priority 3	Capital Renewal	2016	$52,718
137802	D3040	Replace AHU - VAV System (ASU-12)	Priority 3	Capital Renewal	2019	$66,812
137803	D3040	Replace AHU - VAV System (ASU-03)	Priority 3	Capital Renewal	2019	$60,738
137804	D3040	Replace Return Fan (RF-01)	Priority 3	Capital Renewal	2021	$45,187
137805	D3040	Replace Supply Fan (SF-01)	Priority 3	Capital Renewal	2016	$45,187
137806	D3040	Replace AHU - VAV System (ASU-01)	Priority 3	Capital Renewal	2019	$60,738
137807	D3040	Replace Supply Fan (SF-03)	Priority 3	Capital Renewal	2016	$56,484
137808	D3040	Replace AHU - VAV System (ASU-02)	Priority 3	Capital Renewal	2019	$60,738
137809	D3040	Replace Return Fan (RF-03)	Priority 3	Capital Renewal	2021	$40,492
137810	D3040	Replace VAV Terminal Boxes	Priority 2	Capital Renewal	2016	$729,767

137811	D3040	Replace Hot Circulation Pump/Motors 3HP (HWP-03)	Priority 3	Capital Renewal	2022	$3,341
137812	D3040	Replace Hot Circulation Pump/Motors 7.5HP (HWP-02)	Priority 3	Capital Renewal	2022	$3,847
137813	D3040	Replace Hot Circulation Pump/Motors 7.5HP (HWP-04)	Priority 3	Capital Renewal	2022	$3,847
137814	D3040	Replace Return Fan (RF-08)	Priority 3	Capital Renewal	2021	$58,713
137815	D3040	Replace Supply Fan (SF-04)	Priority 3	Capital Renewal	2016	$14,121
137816	D3040	Replace Return Fan (RF-02)	Priority 3	Capital Renewal	2021	$50,836
137817	D3040	Replace Exhaust Fan (EF-09A)	Priority 3	Capital Renewal	2019	$334
137818	D3040	Replace Exhaust Fan (DRAFT-IND-FAN-01)	Priority 3	Capital Renewal	2018	$5,568
137819	D3040	Replace Exhaust Fan (EF-01) Garage	Priority 2	Deferred Maintenance	2014	$44,540
137820	D3040	Replace Exhaust Fan (EF-06)	Priority 3	Capital Renewal	2019	$5,568
137821	D3040	Replace Exhaust Fan (EF-02) Garage	Priority 2	Deferred Maintenance	2014	$44,540
137822	D3040	Replace Exhaust Fan (EF-12)	Priority 3	Capital Renewal	2019	$14,865
137823	D3040	Replace Exhaust Fan (EF-11)	Priority 3	Capital Renewal	2019	$3,530
137824	D3040	Replace Exhaust Fan (RF-06) (for tele rm)	Priority 3	Capital Renewal	2019	$390
137825	D3040	Replace Exhaust Fan (EF-03)	Priority 3	Capital Renewal	2019	$5,568
137826	D3040	Replace Exhaust Fan (EF-13)	Priority 3	Capital Renewal	2019	$14,865
137827	D3040	Replace Exhaust Fan (EF-04)	Priority 3	Capital Renewal	2019	$5,568
137828	D3040	Replace Exhaust Fan (EF-17)	Priority 3	Capital Renewal	2019	$4,454
137829	D3040	Replace Exhaust Fan (EF-07)	Priority 3	Capital Renewal	2019	$5,568
137830	D3050	Replace Unit Heater (Elevator Equip)	Priority 3	Capital Renewal	2019	$607
137831	D3060	Replace Variable Frequency Drive(s) (VFD) (SF-04)	Priority 3	Capital Renewal	2018	$5,163
137832	D3060	Replace Variable Frequency Drive(s) (VFD) (HWP-2)	Priority 3	Capital Renewal	2020	$5,163
137833	D3060	Replace Variable Frequency Drive(s) (VFD) (HWP-1)	Priority 3	Capital Renewal	2020	$5,163
137834	D3060	ECM 006 HVAC and/or Control System Modernization	Priority 1	Energy & Sustainability	2016	$1,803,485
137835	D3060	Replace Variable Frequency Drive(s) (VFD) (SF-05)	Priority 3	Capital Renewal	2018	$5,163
137836	D3060	Replace Variable Frequency Drive(s) (VFD) (HWP-3)	Priority 3	Capital Renewal	2020	$5,163

TOTALS BY YEAR

Year	Total Expenditures
2014	$89,080
2016	$2,773,130
2018	$15,893
2019	$424,701
2020	$15,488
2021	$330,813
2022	$18,728
2023	$9,921

D40 FIRE PROTECTION SYSTEMS

D4011 Sprinkler Water Supply

Description

The building is protected with an automatic dry-pipe fire suppression system utilizing standard pendant and up-right commercial sprinkler heads fixed to fire-line pipes which are supported via the upper structure. Standpipe risers are located throughout the building (reference Photograph D4011 Sprinkler Water Supply.1 and 2 in Appendix B). The system is monitored by water flow and tamper switches connected to the fire alarm system.

Condition

The sprinkler system was observed to be in fair to good condition. No visible corrosion or leaks were observed. We do not anticipate any work in relation to full system replacement within the cost study period.

We understand that the 8" fire main double back flow device has come to the end of its useful life and is in need of replacement. We recommend this replacement because if it is not replaced in a scheduled replacement, it will need replacement as an emergency replacement and therefore this could result in closure of the building.

D4091 Carbon Dioxide Systems

Description

The 5th floor data room contains a clean agent suppression system and is not served by the buildings dry-pipe fire suppression system. The clean agent system consists of a fire alarm suppression control unit, storage tank holding the agent and associated pipe work and ceiling mounted pendant heads (reference Photograph D4091 Carbon Dioxide Systems.1 and 2 in Appendix B).

Condition

The clean agent fire suppression system appeared to be in fair condition. It is unclear when it was installed, however based on the observed age of the system and typical EUL we have included for its full replacement mid-term in the study period, so that reliable and suitable operation is maintained.

Projected Expenditures

Identified recommended works that are required during the 10-year study period are scheduled below.

ID	Type	Recommendation	Priority	Plan Type	Year	Expenditures
137837	D4010	Replace Double Check Backflow Device	Priority 2	Capital Renewal	2015	$19,000
137838	D4090	Replace Local Chemical System - Carbon Dioxide with Tank	Priority 1	Capital Renewal	2019	$5,062

TOTALS BY YEAR

Year	Total Expenditures
2015	$19,000
2019	$5,062

D50 ELECTRICAL SYSTEMS

D5011 High Tension Service & Dist

Description

Located within a secured/locked room within the basement is the buildings own electrical medium voltage distribution substations/transformers; these units not owned and operated by Pacific Power (local utility company), they are State owned and installed as part of the original building construction. One unit has a 277/480 volt service and the other is a 120/208 service (reference Photograph D5011 High Tension Service & Dist.1 in Appendix B).

Condition

The medium voltage distribution substations/transformers appeared to be in fair condition, based on observed conditions and regular maintenance being performed, we do not anticipate a requirement for their replacement during the study period.

However as part of the medium voltage Main Distribution Panels (MDPs) replacement (as detailed below) these two medium voltage distribution substations/transformers have also been included for replacement earlier than necessary. They serve the MDPs via overhead bus-feeds and cannot be easily adopted without significant downtime to serve new MDPs in a proposed new location (explanation of location is detailed in Low Tension Service & Dist section below). This work has been included for prior to mid-term in the study period.

D5012 Low Tension Service & Dist

Description

The building contains two Main Distribution Panels (MDPs) one rated at 480Y/277 volts and the other at 120/208, both at 3,000 amps; they are both located at the electrical room within the basement level. They were both manufactured by GE and are original to the building (reference Photograph D5012 Low Tension Service & Dist..1 in Appendix B).

There is also a number of secondary distribution switchboards present rated at 480Y/227 volts and ranging from 400 to 2,000 amps, also manufactured by GE (reference Photograph D5012 Low Tension Service & Dist.2 in Appendix B). There is a mixture of lower capacity voltage and amperage branch panels located throughout the building.

The electrical rooms at each floor of the building typically contains dry type step down transformers. They ranged in rating from 3 KVA to 112.5 KVA and were manufactured by GE and Challenger (reference Photograph D5012 Low Tension Service & Dist.3 in Appendix B).

We also observed that the building contains six Motor Control Centers (MCCs) all at 600 amps, situated in the penthouse and also basement mechanical spaces (reference Photograph D5012 Low Tension Service & Dist.4 in Appendix B).

The building contains two emergency generator transfer switches that are connected to the emergency generator and MDP; transfer switch ATS-1 is manufactured by Zenith and ATS-2 NexGear. The transfer switches are located within the basement electrical area adjacent to each other (reference Photograph D5012 Low Tension Service & Dist.5 in Appendix B). ATS- 2 is reported to be connected to the local utility provider and in an emergency we understand it transfers electrical supplies outside of the building.

Condition

The MDPs, secondary switchboards, transformers, MCCs and branch panels appeared to be in poor to fair condition for their age. We assume that the equipment is original to the building; there were no signs of deterioration or issues noted at any of the panels/equipment. The typical EUL for electrical switchboard gear, transformers and MCCs such as this is thirty-years; therefore replacement has been included prior to mid-term in the study period so that reliable and adequate power supply is maintained. Replacing the equipment will reduce the possibility of outages and losses and also reduce electrical costs by increasing energy efficiency. We do however recommend further evaluation of the equipment via an infrared electrical inspection which will highlight if high temperatures, excessive electrical resistance, failing components, ground faults and short circuiting issues exist.

The electrical equipment should receive preventive maintenance consisting of cleaning the interiors of all enclosures, and infrared scans of connections, fuses, and breakers in switches, panel boards, and motor starters beginning at the start of the study period and repeated no more than every three-years thereafter. Any items identified as abnormal during the infrared scans should be corrected at that time.

In order to maintain electrical service at the building during upgrade/replacement of the main switchgear (Main Distribution Panels) it is understood that DAS have undertaken analysis of the feasibility of this and after extensive review it has been recommended that the existing MDPs are used as slice boxes to connect the new switchgear to existing feeders at the garage level. This will allow the building to maintain operational status while the main switchgear is replaced (or at least limit downtime to potentially weekends or off-hours only).

The space within the electrical areas is minimal and the electrical rooms are boxed in at three sides by a mechanical plenum, the parking garage and the building exterior wall resulting in no feasible way to install new MDPs within the existing electrical areas; therefore it has been recommended that a new electrical space is to be created/formed within the parking garage. We have removed the expenditure relating to the individual replacement of the MDPs and added an action based not only on the electrical works, but also architectural and mechanical works associated with creating this new space and upgraded MDPs.

The emergency transfer switches appeared to be in fair and also good condition. We recommend replacement of ATS-1 at the time of the emergency generator replacement, later in the study period. Transfer switch ATS-2 is anticipated to last beyond the study period with regular maintenance being performed.

D5021 Branch Wiring Devices

Description

The branch wiring devices including switches, receptacles, GFCI and other devices were observed to be commercial grade in standard non-decor format. Branch wiring was observed to be distributed in Electrical Metallic Tubing (EMT) conduit except in locations that may vibrate where flexible metal clad cable is typically used.

Condition

The branch wiring was observed to be in fair to good condition with no broken outlets or switches therefore no actions will be generated during the study period.

D5022 Lighting Equipment

Description

The interior lighting throughout the building is generally provided by recessed 2’ x 4' fluorescent fixtures with also 4' strip fluorescent fixtures mounted as up lighters at the 5th floor and hung within mechanical spaces and parking garage (reference Photograph D5022 Lighting Equipment.1 and 2 in Appendix B). There are also a number of recessed compact fluorescent light fixtures located within the atrium area. All of the in-room lighting is controlled via a combination of lighting control panels, local switching and sensors in the respective rooms.

Exterior lighting is provided at roof level and first floor level along the elevations and at soffits. The roof level has wall mounted wall pack fixtures above mechanical penthouse access points at roof level; the first floor level has recessed and surface mounted 1' x 1', 2' x 2' and 4' fluorescent light fixtures at the underside of the soffits (reference Photograph D5022 Lighting Equipment.3 and 4 in Appendix B).

Condition

The interior lighting generally appeared to be in fair to good condition throughout; all fixtures were operating properly with no broken lenses or deteriorated housings. We understand that the 2' x 4' fixtures have been retrofitted to T-8, however when this work was undertaken is unclear, we have assumed it to have been more than ten-years ago and therefore we have included for replacement of the 2' x 4' fixtures prior to mid-term in the study period at the time of the recommended suspended ceiling replacement. Other 4' strip up lighting light fixtures at the 5th floor office areas where recently installed a part of the renovation within that area and therefore along with the general mechanical room lighting and recessed compact fluorescent fixtures we do not anticipate a need for any of their replacement during the study period. We anticipate these light fixtures will be replaced on an as needed basis.

The exterior lighting was observed to be in fair to good condition and all fixtures were operating properly with no broken lenses or deteriorated housings. We do not anticipate a need for their replacement during the study period.

D5033 Telephone Systems

Description

The telephone service board and data equipment was located within dedicated rooms at each floor of the building, mounted on plywood board and also within a data rack. The telephone system provides voice lines to the telephone switch panel and is patched to the structured voice cabling to the various telephone voice plates throughout the building. The data system contains a tower rack with voice and data patch panels, routers, switches, modems and structured data cabling to the various data plates located throughout the building.

Condition

The existing telephone and data equipment / infrastructure were observed to be in fair to good condition. We assume that over time the systems have under gone regular upgrades due to changing and innovating technology requirements. There are no reported operating issues at this time which will require immediate action now or during the study period.

D5037 Fire Alarm Systems

Description

The building contains a Siemens intelligent fire detection system with addressable Fire Alarm Control Panel (FACP). The FACP monitors manual pull stations and smoke and heat detectors throughout the building interior, there is also an annunciation panel present opposite the main entrance (reference Photograph D5037 Fire Alarm Systems.1 and 2 in Appendix B).

Condition

The fire alarm system appeared to be in fair to good condition with no operational issues observed or noted to us. There is no action for either the system or FACP and the annunciation panel's replacement during the study period, as we believe all will last beyond the study period with regular maintenance and testing.

D5092 Emergency Light & Power Systems

Description

The building contains a number of wall mounted emergency light fixtures (reference Photograph D5092 Emergency Light & Power Systems.1 in Appendix B).

There are approximately 63 exit signs throughout the building levels and at all egress points from the building. The signs are plastic with a combination of red and green lettering (reference Photograph D5092 Emergency Light & Power Systems.2 in Appendix B).

Condition

The emergency light fixtures were observed to be in poor and also fair to good condition. There are a number of older units that are assumed original to the building and therefore past the EUL and are recommended for replacement early in the study period. The newer units are anticipated to last beyond the study period without replacement necessary.

The exit signs were observed to be in fair to good condition with no issues, therefore no actions will be generated during the study period. However the number of observed exit signs at each floor level was minimal. As stated by the Nation Fire Protection Agency (NFPA) there should be illuminated exit signs placed at locations where the direction of travel to reach the nearest exit is not apparent (NFPA 101, Section 7.10.2). We observed that there are instance at each floor level where direction of travel to reach the nearest exit was not easily identifiable and therefore we recommend that additional illuminated exit signs are installed near-term in the study period. We have estimated a total of twenty exit signs are required; however we recommend a further view is undertaken to verify this and establish if additional are required.

Projected Expenditures

I dentified recommended works that are required during the 10-year study period are scheduled below.

ID	Type	Recommendation	Priority	Plan Type	Year	Expenditures
137839	D5010	Replace Transformer - 112.5 KVA	Priority 2	Capital Renewal	2017	$7,402
137840	D5010	Replace Panelboard - 277/480volts, 800amp (bypass switch)	Priority 2	Capital Renewal	2017	$11,338
137841	D5010	Replace Emergency Generator Transfer Switch (ATS-1)	Priority 1	Capital Renewal	2021	$5,062
137842	D5010	Replace Panelboard - 277/480volts, 600amp (Main Panel SEC2)	Priority 2	Capital Renewal	2017	$8,503
137843	D5010	Replace Electrical Switchgear (Inc all Associated Works)	Priority 1	Functionality	2017	$1,114,100
137844	D5010	Replace Transformer - 30 KVA (UPS-2)	Priority 2	Capital Renewal	2017	$3,798
137845	D5010	Replace Panelboard - 277/480volts, 1200amp (UPS)	Priority 2	Capital Renewal	2017	$17,007
137846	D5010	Replace Panelboard - 277/480volts, 2000amp (EQ-1)	Priority 2	Capital Renewal	2017	$28,344
137847	D5010	Replace Motor Control Center (MCC 2)	Priority 2	Capital Renewal	2017	$19,436
137848	D5010	Replace Motor Control Center (MCC 6)	Priority 2	Capital Renewal	2017	$19,436
137849	D5010	Replace Motor Control Center (MCC 4)	Priority 2	Capital Renewal	2017	$19,436
137850	D5010	Replace Transformer - 75 KVA (B2E1)	Priority 3	Capital Renewal	2020	$4,935
137851	D5010	Replace Transformer - 75 KVA	Priority 3	Capital Renewal	2020	$4,935
137852	D5010	Replace Panelboard - 277/480volts, 400amp (64EL)	Priority 2	Capital Renewal	2017	$5,669
137853	D5010	Replace Motor Control Center (MCC 5)	Priority 2	Capital Renewal	2017	$19,436
137854	D5010	Replace Motor Control Center (MCC 3)	Priority 2	Capital Renewal	2017	$19,436
137855	D5010	Replace Motor Control Center (MCC 1)	Priority 2	Capital Renewal	2017	$19,436
137856	D5020	Replace Fluor. Light 2" x 4" Recess/Surface Mounted Fixture(s)	Priority 3	Capital Renewal	2018	$728,856
137857	D5090	Install Additional Illuminated Exit Signs	Priority 1	Deferred Maintenance	2014	$6,906
137858	D5090	Replace Emergency Lighting Fixture(s)	Priority 1	Deferred Maintenance	2014	$3,844

TOTALS BY YEAR

Year	Total Expenditures
2014	$10,750
2017	$1,312,779
2018	$728,856
2020	$9,870
2021	$5,062

E EQUIPMENT & FURNISHING SYSTEMS

E20 FURNISHINGS

E2012 Fixed Casework

Description

The building contains floor and wall mounted cabinets with laminate counter tops within the kitchenette/break room areas. The restrooms have only laminate counter tops present (reference Photograph E2012 Fixed Casework.1 and 2 in Appendix B).

Condition

All the floor and wall mounted cabinets and laminate counter tops appeared to be in poor to fair condition are assumed to be original to the building. The typical EUL for this type of material is twenty-years; therefore we anticipate replacement early in the study period to coincide with the restroom renovation and to maintain the overall appearance and operational reliability of the interiors.

Projected Expenditures

Identified recommended works that are required during the 10-year study period are scheduled below.

ID	Type	Recommendation	Priority	Plan Type	Year	Expenditures
137859	E2010	Replace Wall Mounted Cabinet(s)	Priority 3	Capital Renewal	2018	$4,555
137860	E2010	Replace Counter Top(s) - Laminated	Priority 3	Capital Renewal	2018	$3,037
137861	E2010	Replace Floor Mounted Base Cabinet(s)	Priority 3	Capital Renewal	2018	$36,443

TOTALS BY YEAR

Year	Total Expenditures
2018	$44,035

G BUILDING SITEWORK SYSTEMS

G20 SITE IMPROVEMENTS

G2021 Bases and Sub-Bases

Description

The building basement level parking garage contains paint stripping to denote parking spaces as well as travel paths (reference Photograph G2021 Bases and Sub-Bases.1 in Appendix B).

Condition

The paint stripping appeared to be in poor to fair condition. The typical EUL for this type is material is five-years; therefore we anticipate re-stripping the parking garage early in the study period to maintain the overall appearance of the space.

Projected Expenditures

Identified recommended works that are required during the 10-year study period are scheduled below.

ID	Type	Recommendation	Priority	Plan Type	Year	Expenditures
137862	G2020	Repaint Parking Garage Striping	Priority 3	Routine Maintenance	2015	$1,215
137863	G2020	Repaint Parking Garage Striping	Priority 3	Routine Maintenance	2020	$1,215

TOTALS BY YEAR

Year	Total Expenditures
2015	$1,215
2020	$1,215

G40 SITE ELECTRICAL UTILITIES

G4092 Site Emergency Power Generation

Description

The building is supported by a diesel generator located within the basement. The generator was manufactured by Kohler and has a capacity of 1,500 kW (reference Photograph G4092 Site Emergency Power Generation.1 in Appendix B).

Condition

The emergency generator appeared to be in fair to good condition. The typical EUL for this type of equipment is twenty-years and therefore assumed to be past its EUL and due for replacement. The generator is regularly tested and is protected from the environment within the basement we have extended the RUL and recommended replacement later in the study period maintain reliable operation.

Projected Expenditures

Identified recommended works that are required during the 10-year study period are scheduled below.

ID	Type	Recommendation	Priority	Plan Type	Year	Expenditures
137864	G4090	Replace Emergency Generator - 1,500 kW	Priority 1	Capital Renewal	2021	$455,535

TOTALS BY YEAR

Year	Total Expenditures
2021	$455,535

APPENDICES

APPENDIX A:	Capital Expenditures
APPENDIX B:	Photographic Record
APPENDIX C:	Document Review and Warranty Information
APPENDIX D:	Equipment Tables
APPENDIX E:	Glossary of Terms

APPENDIX A:
CAPITAL EXPENDITURES

Deficiency Report

Revenue Building

GSF: 360,679

Year Built: 1981 **Renew Year :**

Replacement Cost: $73,802,137

						Materials					
Fiscal Year	**$**	**ID**	**CSI**	**Type Name**	**Description**	**Qty**	**Units**	**Cost**	**Assessed Cost**	**$ Markup**	**$**
2014	**$112,930**	137732	B2010	Deferred Maintenance	Investigate and Repair Caulking/Sealant Failure at South and West Exterior Elevations (Expansion Joints, Windows, and Storefronts)	1	LS	$10,000.00	$10,000		$10,000
		137734	B2030	ADA	Replace Door Knob Hardware with Level Handle Hardware (Single and Double Hollow Metal Doors)	31	EACH	$100.00	$3,100		$3,100
		137819	D3040	Deferred Maintenance	Replace Exhaust Fan (EF-01) Garage	40000	CFM	$1.11	$44,540		$44,540
		137821	D3040	Deferred Maintenance	Replace Exhaust Fan (EF-02) Garage	40000	CFM	$1.11	$44,540		$44,540
		137857	D5090	Deferred Maintenance	Install Additional Illuminated Exit Signs	20	EACH	$345.32	$6,906		$6,906
		137858	D5090	Deferred Maintenance	Replace Emergency Lighting Fixture(s)	4	EACH	$961.00	$3,844		$3,844
2015	**$1,489,264**	137735	B3010	Capital Renewal	Replace Existing Roofing System with a New BUR Covering at Third Floor Roof Level	34450	SF	$10.12	$348,737		$348,737
		137740	C3020	Capital Renewal	Replace Carpet Tiles Floor Covering	17950	SY	$54.66	$981,222		$981,222
		137744	C3020	Capital Renewal	Replace Sheet Carpet Floor Covering	3000	SY	$46.36	$139,090		$139,090
		137837	D4010	Capital Renewal	Replace Double Check Backflow Device	1	LS	$19,000.00	$19,000		$19,000
		137862	G2020	Routine Maintenance	Repaint Parking Garage Striping	3000	LF	$0.40	$1,215		$1,215

Deficiency Report

						Materials					
Fiscal Year	**$**	**ID**	**CSI**	**Type Name**	**Description**	**Qty**	**Units**	**Cost**	**Assessed Cost**	**$ Markup**	**$**
2016	**$2,982,813**	137747	D2010	Capital Renewal	Replace Countertop Single Bowl Kitchen Sinks	3	EACH	$1,619.68	$4,859		$4,859
		137749	D2010	Capital Renewal	Replace Wall Mounted Water Closet(s)	49	EACH	$2,631.98	$128,967		$128,967
		137750	D2010	Capital Renewal	Replace Wall Hung Urinal(s)	18	EACH	$1,250.19	$22,503		$22,503
		137751	D2010	Capital Renewal	Replace Vanity Top Lavatories	3	EACH	$997.12	$2,991		$2,991
		137752	D2010	Capital Renewal	Replace Wall Hung Lavatories	40	EACH	$1,189.45	$47,578		$47,578
		137754	D2020	Capital Renewal	Replace Domestic Hot Water Heater (DWH-06)	50	GALS	$27.84	$1,392		$1,392
		137758	D2020	Capital Renewal	Replace Domestic Hot Water Heater (DWH-05)	50	GALS	$27.84	$1,392		$1,392
		137770	D3020	Capital Renewal	Replace/Upgrade HVAC Hot Water Boiler	2000	MBH	$33.41	$66,812		$66,812
		137801	D3040	Capital Renewal	Replace Supply Fan (SF-02)	56000	CFM	$0.94	$52,718		$52,718
		137805	D3040	Capital Renewal	Replace Supply Fan (SF-01)	48000	CFM	$0.94	$45,187		$45,187
		137807	D3040	Capital Renewal	Replace Supply Fan (SF-03)	60000	CFM	$0.94	$56,484		$56,484
		137810	D3040	Capital Renewal	Replace VAV Terminal Boxes	445	EACH	$1,639.93	$729,767		$729,767
		137815	D3040	Capital Renewal	Replace Supply Fan (SF-04)	15000	CFM	$0.94	$14,121		$14,121
		137780	D3040	Capital Renewal	Replace Fan Coil Unit (CAC-07)	1	EACH	$4,555.35	$4,555		$4,555
		137834	D3060	Energy & Sustainability	ECM 006 HVAC and/or Control System Modernization	360697	SF	$5.00	$1,803,485		$1,803,485
2017	**$1,312,779**	137839	D5010	Capital Renewal	Replace Transformer - 112.5 KVA	112.5	KVA	$65.80	$7,402		$7,402
		137840	D5010	Capital Renewal	Replace Panelboard - 277/480volts, 800amp (bypass switch)	800	AMP	$14.17	$11,338		$11,338
		137842	D5010	Capital Renewal	Replace Panelboard - 277/480volts, 600amp (Main Panel SEC2)	600	AMP	$14.17	$8,503		$8,503
		137844	D5010	Capital Renewal	Replace Transformer - 30 KVA (UPS-2)	1	EACH	$3,798.15	$3,798		$3,798
		137845	D5010	Capital Renewal	Replace Panelboard - 277/480volts, 1200amp (UPS)	1200	AMP	$14.17	$17,007		$17,007
		137846	D5010	Capital Renewal	Replace Panelboard - 277/480volts, 2000amp (EQ-1)	2000	AMP	$14.17	$28,344		$28,344

Deficiency Report

						Materials					
Fiscal Year	**$**	**ID**	**CSI**	**Type Name**	**Description**	**Qty**	**Units**	**Cost**	**Assessed Cost**	**$ Markup**	**$**
2017	**$1,312,779**	137847	D5010	Capital Renewal	Replace Motor Control Center (MCC 2)	600	AMP	$32.39	$19,436		$19,436
		137848	D5010	Capital Renewal	Replace Motor Control Center (MCC 6)	600	AMP	$32.39	$19,436		$19,436
		137849	D5010	Capital Renewal	Replace Motor Control Center (MCC 4)	600	AMP	$32.39	$19,436		$19,436
		137852	D5010	Capital Renewal	Replace Panelboard - 277/480volts, 400amp (64EL)	400	AMP	$14.17	$5,669		$5,669
		137853	D5010	Capital Renewal	Replace Motor Control Center (MCC 5)	600	AMP	$32.39	$19,436		$19,436
		137854	D5010	Capital Renewal	Replace Motor Control Center (MCC 3)	600	AMP	$32.39	$19,436		$19,436
		137855	D5010	Capital Renewal	Replace Motor Control Center (MCC 1)	600	AMP	$32.39	$19,436		$19,436
		137843	D5010	Functionality	Replace Electrical Switchgear (Inc all Associated Works)	1	LS	$1,114,100.00	$1,114,100		$1,114,100
2018	**$3,970,801**	137736	C1010	Capital Renewal	Replace Toilet Partitions	49	EACH	$1,417.22	$69,444		$69,444
		137738	C3010	Capital Renewal	Replace Ceramic Wall Tiles	12700	SF	$15.18	$192,843		$192,843
		137737	C3010	Routine Maintenance	Repaint Wall and Ceiling Surfaces	450000	SF	$1.77	$797,175		$797,175
		137739	C3020	Capital Renewal	Replace Vinyl Tile	7000	SF	$3.04	$21,258		$21,258
		137741	C3020	Capital Renewal	Replace Vinyl Sheet	7000	SF	$8.32	$58,248		$58,248
		137742	C3020	Capital Renewal	Replace Ceramic Floor Tiles	7000	SF	$17.62	$123,369		$123,369
		137745	C3020	Capital Renewal	Replace Vinyl Trim	46000	LF	$4.09	$188,126		$188,126
		137743	C3020	Routine Maintenance	Repaint Epoxy Floor Coating	33630	SF	$4.05	$136,175		$136,175
		137746	C3030	Capital Renewal	Replace Acoustic Ceiling System	200000	SF	$7.98	$1,595,380		$1,595,380
		137818	D3040	Capital Renewal	Replace Exhaust Fan (DRAFT-IND-FAN-01)	5000	CFM	$1.11	$5,568		$5,568
		137831	D3060	Capital Renewal	Replace Variable Frequency Drive(s) (VFD) (SF-04)	1	EACH	$5,162.73	$5,163		$5,163
		137835	D3060	Capital Renewal	Replace Variable Frequency Drive(s) (VFD) (SF-05)	1	EACH	$5,162.73	$5,163		$5,163

Deficiency Report

						Materials					
Fiscal Year	**$**	**ID**	**CSI**	**Type Name**	**Description**	**Qty**	**Units**	**Cost**	**Assessed Cost**	**$ Markup**	**$**
2018	**$3,970,801**	137856	D5020	Capital Renewal	Replace Fluor. Light 2" x 4" Recess/Surface Mounted Fixture(s)	180000	SF	$4.05	$728,856		$728,856
		137859	E2010	Capital Renewal	Replace Wall Mounted Cabinet(s)	18	LF	$253.08	$4,555		$4,555
		137860	E2010	Capital Renewal	Replace Counter Top(s) - Laminated	60	LF	$50.62	$3,037		$3,037
		137861	E2010	Capital Renewal	Replace Floor Mounted Base Cabinet(s)	60	LF	$607.38	$36,443		$36,443
2019	**$437,262**	137733	B2030	ADA	Replace Single ADA Automatic Door Operator Systems	3	EACH	$2,500.00	$7,500		$7,500
		137771	D3030	Capital Renewal	Replace Split-System (Outdoor and Indoor Unit) (BAC-01)	4	TON	$1,467.84	$5,871		$5,871
		137773	D3030	Capital Renewal	Replace Split-System (Outdoor and Indoor Unit) (CAC-08)	3	TON	$1,467.84	$4,404		$4,404
		137772	D3030	Routine Maintenance	Undertake Life Extension Repairs at Cooling Tower (CT-03)	1	LS	$15,000.00	$15,000		$15,000
		137774	D3030	Routine Maintenance	Undertake Life Extension Repairs at Cooling Tower (CT-02)	1	LS	$15,000.00	$15,000		$15,000
		137775	D3030	Routine Maintenance	Undertake Life Extension Repairs at Cooling Tower (CT-01)	1	LS	$15,000.00	$15,000		$15,000
		137798	D3040	Capital Renewal	Replace Exhaust Fan (EF-10)	875	CFM	$1.11	$974		$974
		137799	D3040	Capital Renewal	Replace Exhaust Fan (EF-16)	4000	CFM	$1.11	$4,454		$4,454
		137802	D3040	Capital Renewal	Replace AHU - VAV System (ASU-12)	16500	CFM	$4.05	$66,812		$66,812
		137803	D3040	Capital Renewal	Replace AHU - VAV System (ASU-03)	15000	CFM	$4.05	$60,738		$60,738
		137806	D3040	Capital Renewal	Replace AHU - VAV System (ASU-01)	15000	CFM	$4.05	$60,738		$60,738
		137808	D3040	Capital Renewal	Replace AHU - VAV System (ASU-02)	15000	CFM	$4.05	$60,738		$60,738
		137817	D3040	Capital Renewal	Replace Exhaust Fan (EF-09A)	300	CFM	$1.11	$334		$334
		137820	D3040	Capital Renewal	Replace Exhaust Fan (EF-06)	5000	CFM	$1.11	$5,568		$5,568
		137822	D3040	Capital Renewal	Replace Exhaust Fan (EF-12)	13350	CFM	$1.11	$14,865		$14,865
		137823	D3040	Capital Renewal	Replace Exhaust Fan (EF-11)	3170	CFM	$1.11	$3,530		$3,530
		137824	D3040	Capital Renewal	Replace Exhaust Fan (RF-06) (for tele rm)	350	CFM	$1.11	$390		$390

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2019	**$437,262**	137825	D3040	Capital Renewal	Replace Exhaust Fan (EF-03)	5000	CFM	$1.11	$5,568		$5,568
		137826	D3040	Capital Renewal	Replace Exhaust Fan (EF-13)	13350	CFM	$1.11	$14,865		$14,865
		137827	D3040	Capital Renewal	Replace Exhaust Fan (EF-04)	5000	CFM	$1.11	$5,568		$5,568
		137828	D3040	Capital Renewal	Replace Exhaust Fan (EF-17)	4000	CFM	$1.11	$4,454		$4,454
		137829	D3040	Capital Renewal	Replace Exhaust Fan (EF-07)	5000	CFM	$1.11	$5,568		$5,568
		137776	D3040	Capital Renewal	Replace Chilled Circulation Pump/Motors 1.5HP (CWP-09)	1	EACH	$4,555.35	$4,555		$4,555
		137777	D3040	Capital Renewal	Replace Chilled Circulation Pump/Motors 1.5HP (CWP-04)	1	EACH	$4,555.35	$4,555		$4,555
		137783	D3040	Capital Renewal	Replace Chilled Circulation Pump/Motors 1/2HP (CWP-06)	1	EACH	$2,328.29	$2,328		$2,328
		137784	D3040	Capital Renewal	Replace Chilled Circulation Pump/Motors 1/2HP (CWP-08)	1	EACH	$2,328.29	$2,328		$2,328
		137785	D3040	Capital Renewal	Replace Chilled Circulation Pump/Motors 5HP (CWP-10)	1	EACH	$3,340.59	$3,341		$3,341
		137786	D3040	Capital Renewal	Replace Chilled Circulation Pump/Motors 1/2HP (CWP-03A)	1	EACH	$2,328.29	$2,328		$2,328
		137787	D3040	Capital Renewal	Replace Chilled Circulation Pump/Motors 1/2HP (CWP-05)	1	EACH	$2,328.29	$2,328		$2,328
		137789	D3040	Capital Renewal	Replace Chilled Circulation Pump/Motors 1/2HP (CCWP-02)	1	EACH	$2,328.29	$2,328		$2,328
		137791	D3040	Capital Renewal	Replace Chilled Circulation Pump/Motors 5HP (CWP-09A)	1	EACH	$3,340.59	$3,341		$3,341
		137792	D3040	Capital Renewal	Replace Exhaust Fan (EF-05)	5000	CFM	$1.11	$5,568		$5,568
		137793	D3040	Capital Renewal	Replace Exhaust Fan (EF-14)	13350	CFM	$1.11	$14,865		$14,865
		137794	D3040	Capital Renewal	Replace Exhaust Fan (EF-15)	900	CFM	$1.11	$1,002		$1,002
		137795	D3040	Capital Renewal	Replace Exhaust Fan (EF-08)	1000	CFM	$1.11	$1,114		$1,114
		137796	D3040	Capital Renewal	Replace Exhaust Fan (EF-09B)	300	CFM	$1.11	$334		$334
		137797	D3040	Capital Renewal	Replace Chilled Circulation Pump/Motors 5HP (CWP-08A)	1	EACH	$3,340.59	$3,341		$3,341
		137830	D3050	Capital Renewal	Replace Unit Heater (Elevator Equip)	1	EACH	$607.38	$607		$607
		137838	D4090	Capital Renewal	Replace Local Chemical System - Carbon Dioxide with Tank	1	LS	$5,061.50	$5,062		$5,062

Deficiency Report

						Materials					
Fiscal Year	**$**	**ID**	**CSI**	**Type Name**	**Description**	**Qty**	**Units**	**Cost**	**Assessed Cost**	**$ Markup**	**$**
2020	**$31,634**	137748	D2010	Capital Renewal	Replace Emergency Eye wash and Showers	2	EACH	$2,530.75	$5,062		$5,062
		137832	D3060	Capital Renewal	Replace Variable Frequency Drive(s) (VFD) (HWP-2)	1	EACH	$5,162.73	$5,163		$5,163
		137833	D3060	Capital Renewal	Replace Variable Frequency Drive(s) (VFD) (HWP-1)	1	EACH	$5,162.73	$5,163		$5,163
		137836	D3060	Capital Renewal	Replace Variable Frequency Drive(s) (VFD) (HWP-3)	1	EACH	$5,162.73	$5,163		$5,163
		137850	D5010	Capital Renewal	Replace Transformer - 75 KVA (B2E1)	75	KVA	$65.80	$4,935		$4,935
		137851	D5010	Capital Renewal	Replace Transformer - 75 KVA	75	KVA	$65.80	$4,935		$4,935
		137863	G2020	Routine Maintenance	Repaint Parking Garage Striping	3000	LF	$0.40	$1,215		$1,215
2021	**$816,687**	137755	D2020	Capital Renewal	Replace Domestic Hot Water Heater (Mech Area)	19	GALS	$27.84	$529		$529
		137756	D2020	Capital Renewal	Replace Domestic Hot Water Heater (DWH-02)	119	GALS	$27.84	$3,313		$3,313
		137757	D2020	Capital Renewal	Replace Domestic Hot Water Heater (DWH-01)	50	GALS	$27.84	$1,392		$1,392
		137759	D2040	Capital Renewal	Replace Sump Pump (SUMP-PUMP-02A) Garage	1	EACH	$1,822.14	$1,822		$1,822
		137760	D2040	Capital Renewal	Replace Sump Pump (SUMP-PUMP-03B) Garage	1	EACH	$1,822.14	$1,822		$1,822
		137761	D2040	Capital Renewal	Replace Sump Pump (SUMP-PUMP-03A) Garage	1	EACH	$1,822.14	$1,822		$1,822
		137762	D2040	Capital Renewal	Replace Sump Pump (SUMP-PUMP-06A)	1	EACH	$1,822.14	$1,822		$1,822
		137763	D2040	Capital Renewal	Replace Sump Pump (SUMP-PUMP-05B)	1	EACH	$1,822.14	$1,822		$1,822
		137764	D2040	Capital Renewal	Replace Sump Pump (SUMP-PUMP-05A)	1	EACH	$1,822.14	$1,822		$1,822
		137765	D2040	Capital Renewal	Replace Sump Pump (SUMP-PUMP-06B)	1	EACH	$1,822.14	$1,822		$1,822
		137766	D2040	Capital Renewal	Replace Sump Pump (SUMP-PUMP-04A) Garage	1	EACH	$1,822.14	$1,822		$1,822
		137767	D2040	Capital Renewal	Replace Sump Pump (SUMP-PUMP-04B) Garage	1	EACH	$1,822.14	$1,822		$1,822
		137768	D2040	Capital Renewal	Replace Sump Pump (SUMP-PUMP-01A) Garage	1	EACH	$1,822.14	$1,822		$1,822

Deficiency Report

						Materials					
Fiscal Year	**$**	**ID**	**CSI**	**Type Name**	**Description**	**Qty**	**Units**	**Cost**	**Assessed Cost**	**$ Markup**	**$**
2021	**$816,687**	137769	D2040	Capital Renewal	Replace Sump Pump (SUMP-PUMP-02B) Garage	1	EACH	$1,822.14	$1,822		$1,822
		137804	D3040	Capital Renewal	Replace Return Fan (RF-01)	48000	CFM	$0.94	$45,187		$45,187
		137809	D3040	Capital Renewal	Replace Return Fan (RF-03)	10000	CFM	$4.05	$40,492		$40,492
		137814	D3040	Capital Renewal	Replace Return Fan (RF-08)	14500	CFM	$4.05	$58,713		$58,713
		137816	D3040	Capital Renewal	Replace Return Fan (RF-02)	54000	CFM	$0.94	$50,836		$50,836
		137778	D3040	Capital Renewal	Replace Return Fan (RF-05)	10000	CFM	$4.05	$40,492		$40,492
		137779	D3040	Capital Renewal	Replace Return Fan (RF-04)	10000	CFM	$4.05	$40,492		$40,492
		137782	D3040	Capital Renewal	Replace Return Fan (RF-07)	58000	CFM	$0.94	$54,601		$54,601
		137841	D5010	Capital Renewal	Replace Emergency Generator Transfer Switch (ATS-1)	1	EACH	$5,061.50	$5,062		$5,062
		137864	G4090	Capital Renewal	Replace Emergency Generator - 1,500 kW	1	LS	$455,535.00	$455,535		$455,535
2022	**$19,386**	137753	D2020	Capital Renewal	Replace Domestic Water Circ Pump/Motor (DOM-1)	1	EACH	$658.00	$658		$658
		137800	D3040	Capital Renewal	Replace Hot Circulation Pump/Motors 7.5HP (HWP-05)	1	EACH	$3,846.74	$3,847		$3,847
		137811	D3040	Capital Renewal	Replace Hot Circulation Pump/Motors 3HP (HWP-03)	1	EACH	$3,340.59	$3,341		$3,341
		137812	D3040	Capital Renewal	Replace Hot Circulation Pump/Motors 7.5HP (HWP-02)	1	EACH	$3,846.74	$3,847		$3,847
		137813	D3040	Capital Renewal	Replace Hot Circulation Pump/Motors 7.5HP (HWP-04)	1	EACH	$3,846.74	$3,847		$3,847
		137788	D3040	Capital Renewal	Replace Hot Circulation Pump/Motors 7.5HP (HWP-01)	1	EACH	$3,846.74	$3,847		$3,847

Deficiency Report

						Materials					
Fiscal Year	**$**	**ID**	**CSI**	**Type Name**	**Description**	**Qty**	**Units**	**Cost**	**Assessed Cost**	**$ Markup**	**$**
2023	**$9,921**	137781	D3040	Capital Renewal	Replace Fan Coil Unit (CAC-01)	1	EACH	$7,592.25	$7,592		$7,592
		137790	D3040	Capital Renewal	Replace Chilled Circulation Pump/Motors 1/2HP (CCWP-03)	1	EACH	$2,328.29	$2,328		$2,328
Total										Total:	**$11,183,477**

APPENDIX B:
PHOTOGRAPHIC RECORD

A1032 Structural Slab on Grade.1:- View of typical slab-on-grade concrete.

B2011 Exterior Wall Construction.1:- View of typical precast concrete walls.

B2011 Exterior Wall Construction.2:- View of typical stucco over stud walls.

B2013 Exterior Louvers, Screens, and Fencing.1:- View of typical metal louvers.

B2021 Windows.1:- View of typical aluminum window units.

B2023 Storefronts.1:- View of typical glazed metal framed windows.

B2031 Glazed Doors & Entrances.1:- View of typical single aluminum glazed door.

B2031 Glazed Doors & Entrances.2:- View of typical aluminum glazed doors.

B2034 Overhead Doors.1:- View of rolling overhead door.

B2039 Other Doors & Entrances.1:- View of typical single hollow metal door.

B2039 Other Doors & Entrances.2:- View of typical double hollow metal doors.

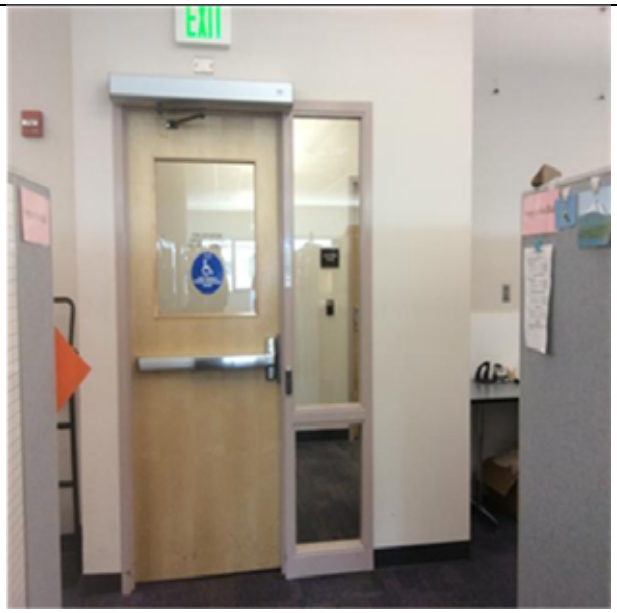
B3011 Roof Finishes.1:- View of typical TPO single-ply membrane,

B3011 Roof Finishes.2:- View of typical built-up roof covering.

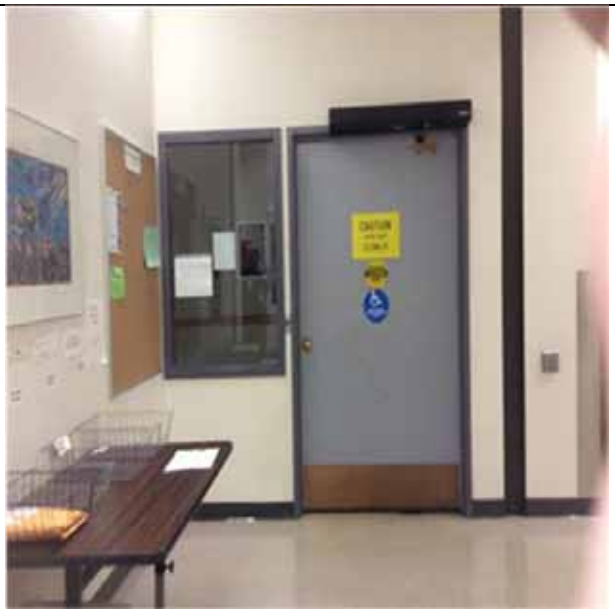
B3022 Roof Hatches.1:- View of typical galvanized roof hatch.

C1014 Site Built Toilet Partitions.1:- View of typical metal toilet partitions.

C1017 Interior Windows & Storefronts.1:- View of typical standard windows.



C1021 Interior Doors.1:- View of typical single wood door.



C1021 Interior Doors.2:- View of typical single hollow metal door.

C1021 Interior Doors.3:- View of typical double hollow metal doors.

C2011 Regular Stairs.1:- View of typical steel stairs with carpet finish and metal handrails.

C3012 Wall Finishes to Interior Walls.1:- View of typical painted walls.

C3012 Wall Finishes to Interior Walls.2:- View of typical ceramic wall tiles.

C3024 Flooring.1:- View of typical ceramic floor tiles.

C3024 Flooring.1:- View of typical vinyl tiles.

C3024 Flooring.2:- View of typical vinyl sheet.

C3025 Carpeting.1:- View of typical carpet tiles.

C3025 Carpeting.1:- View of typical broadloom standard carpet without padding.

C3027 Access Pedestal Flooring.1:- View of typical access pedestal flooring.

C3032 Suspended Ceilings.1:- View of typical acoustic ceiling system.

D1011 Passenger Elevators.1:- View of the hoist equipment at elevator 01P.

D1011 Passenger Elevators.2:- View of the controller unit for elevator 01P.

D1011 Passenger Elevators.3:- View of the hydraulic elevator equipment.

D1013 Lifts.1:- View of one of the dock levelers.

D2011 Water Closets.1:- View of the wall mounted water closets.

D2012 Urinals.1:- View of the wall mounted urinals.

D2013 Lavatories.1:- View of one of the wall mounted lavatories.

D2013 Lavatories.2:- View of one of the vanity counter top lavatories.

D2014 Sinks.1:- View of the single bowl sink.

D2014 Sinks.2:- View of the custodial sink.

D2018 Drinking Fountains and Coolers.1:- View of dual drinking fountain.

D2018 Drinking Fountains and Coolers.2:- View of the floor mounted drinking fountain.

D2021 Cold Water Service.1:- View of the cold water supply system.

D2022 Hot Water Service.1:- View of domestic water heater DWH-01.

D2022 Hot Water Service.2:- View of domestic water heater DHW-05.

D2022 Hot Water Service.3:- View of one of the point-of-use water heaters.

D2023 Domestic Water Supply Equipment.1:- View of a domestic water circulation pump/motor.

D2043 Rainwater Drainage Equipment.1:- View of one of the sump pump chambers.

D2043 Rainwater Drainage Equipment.2:- View of one of the sump pump control panel units.

D2099 Other Piping Systems.1:- View of the fire compressor unit.

D2099 Other Piping Systems.2:- View of HVAC compressor 02.

D2099 Other Piping Systems.3:- View of the air dryer unit.

D3021 Boilers.1:- View of the HVAC boiler.

D3023 Auxiliary Equipment.1:- View of the hot water unit heater.

D3031 Chilled Water Systems.1:- View of chiller CH-01.

D3031 Chilled Water Systems.2:- View of cooling tower CT-01.

D3032 Direct Expansion Systems.1:- View of the indoor unit of the Liebert split-system.

D3032 Direct Expansion Systems.2:- View of the outdoor unit of the Liebert split-system.

D3041 Air Distribution Systems.1:- View of supply fan SF-02.

D3041 Air Distribution Systems.2:- View of AHU ASU-03.

D3041 Air Distribution Systems.3:- View of return fan RF-07.

D3041 Air Distribution Systems.4:- View of water cooled fan coil unit ASU-11A and 11B.

D3042 Exhaust Ventilation Systems.1:- View of one of the roof level exhaust fan units.

D3042 Exhaust Ventilation Systems.2:- View of a small capacity restroom exhaust fan unit.

D3042 Exhaust Ventilation Systems.3:- View of one of the garage exhaust fan units.

D3044 Hot Water Distribution.1:- View of pump/motor HWP-01.

D3045 Chilled Water Distribution.1:- View of chilled water pump/motor CWP-01.

D3045 Chilled Water Distribution.2:- View of the heat exchanger unit.

D3068 Building Automation Systems.1:- View of the BAS control unit.

D3069 Other Controls & Instrumentation.1:- Vie w of the ABB type VFDs.

D3069 Other Controls & Instrumentation.2:- View of the newer GE type VFDs.

D4011 Sprinkler Water Supply.1:- View of the fire suppression system riser and valves.

D4011 Sprinkler Water Supply.2:- View of a typical sprinkler head.

D4091 Carbon Dioxide Systems.1:- View of the clean agent storage tank.

D4091 Carbon Dioxide Systems.2:- View of the control panel.

D5011 High Tension Service & Dist.1:- View of one of the main transformers.

D5012 Low Tension Service & Dist.1:- View of the 480/277 voltage MDP.

D5012 Low Tension Service & Dist.2:- View of secondary distribution panel EC2.

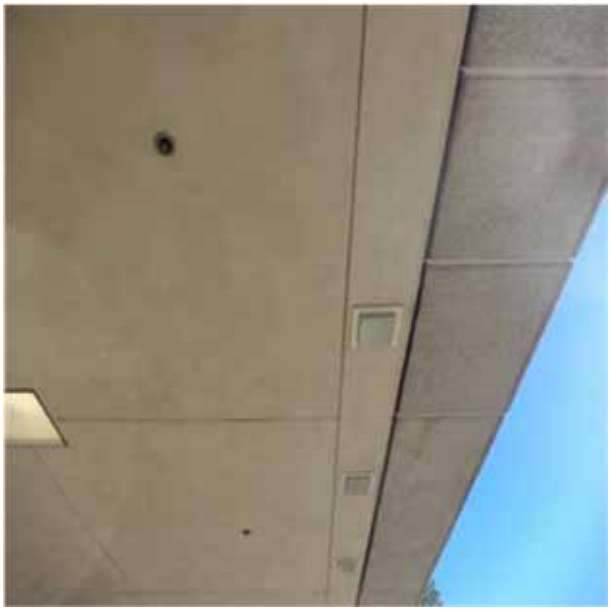
D5012 Low Tension Service & Dist.3:- View of a 75 KVA transformer.

D5012 Low Tension Service & Dist.4:- View of MCC 1.

D5012 Low Tension Service & Dist.5:- View of one of the emergency transfer switches.

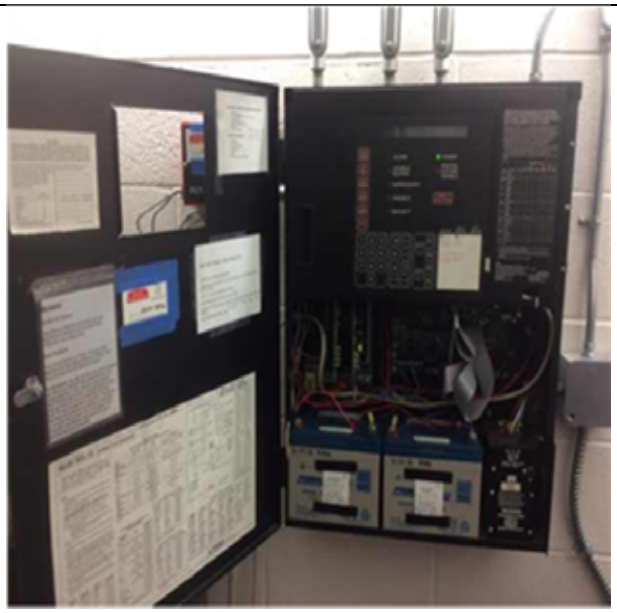
D5022 Lighting Equipment.1:- View of the 2' x 4' light fixtures.

D5022 Lighting Equipment.2:- View of the strip light fixtures.



D5022 Lighting Equipment.3:- View of the smaller 1' x 1' light fixtures at the exterior soffits.

D5022 Lighting Equipment.4:- View of the 2' x 2' light fixtures at the exterior soffits.



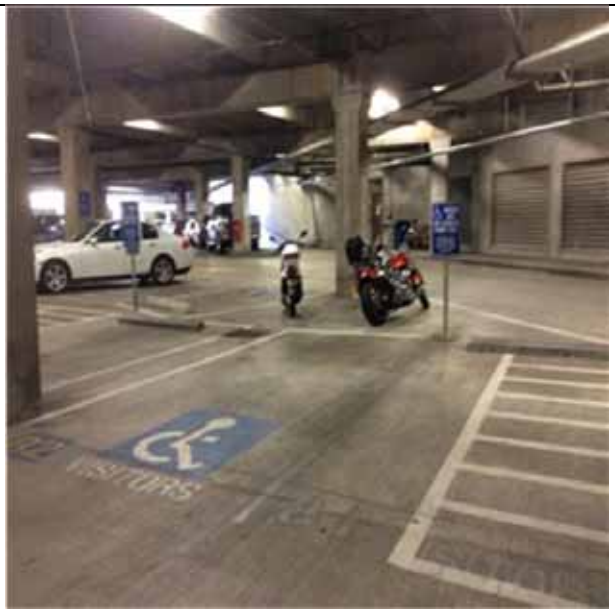
D5037 Fire Alarm Systems.1:- View of main FACP.

D5037 Fire Alarm Systems.2:- View of a fire alarm pull box device.

D5092 Emergency Light & Power Systems.1:- View of one of the emergency light fixtures.

D5092 Emergency Light & Power Systems.2:- View of a typical emergency exit light sign.

E2012 Fixed Casework.1:- View of typical floor mounted base cabinet with laminate counter top.



G2021 Bases and Sub-Bases.1:- View of typical parking garage striping.

G4092 Site Emergency Power Generation.1:- View of the emergency generator.

APPENDIX C:
DOCUMENT REVIEW AND WARRANTY INFORMATION

The following documents were reviewed as part of the facility condition assessment of the Revenue Building:

- AutoCAD conversion drawings were provided by the managing agency dated 05/08/2009.

APPENDIX D:
EQUIPMENT TABLES

Table D10 Summary of Elevators and Lifts

Equipment Type	Manufacturer	Model No.	Serial No.	Tag	Capacity (Pounds)	Speed (FPM)	No. Of Landings	Year of Install
Traction	US	Unknown	Unknown	01P	3,500	359	6	1981
Traction	US	Unknown	Unknown	02P	3,500	350	6	1981
Traction	US	Unknown	Unknown	03P	3,500	350	6	1981
Traction	US	Unknown	53708	04P	3,500	350	6	1981
Hydraulic	US	Unknown	Unknown	05P	Unknown	Unknown	6	1984

Table D20 Summary of Domestic Water Heating Equipment

Location	Equipment Type	Manufacturer	Model No.	Serial No.	Tag	Capacity/ Rating	Fuel Type	Year
Custodial Room	Distribution Pump	Grundfos	Unknown	Unknown	DOM-1	Unknown	Electric	2000
1st Floor Kitchen Area - Custodial Room	Domestic Water Heater	Bradford White	MII-120-30-3CF-63	HE14927698-31	DWH-02	Unknown	Electric	2000
2nd Floor - Custodial Room	Domestic Water Heater	Rheem	82V52-2	RH M421207918	DWH-04	Unknown	Electric	2012
4th Floor - Custodial Room	Domestic Water Heater	American Water Heater Company	Unknown	Unknown	DWH-05	Unknown	Electric	2001
2nd Floor - Custodial Room	Domestic Water Heater	A.O.Smith	ECT 52 210	1047J004096	DWH-03	Unknown	Electric	2010
Mechanical Area - Basement	Domestic Water Heater	Bradford White	MI20U6SS13	XE4224545	Unknown	Unknown	Electric	2006
Basement - Custodial Room	Domestic Water Heater	Bradford White	M250S6DS5	BC06003248	DWH-01	Unknown	Electric	2006
4th Floor - Custodial Room	Domestic Water Heater	American Water Heater Company	E61-50R-__D	003412__37	DWH-06	Unknown	Electric	2001
4th Floor Break Room	Point-of-Use Water Heater	Insinkerator	W-152-3	10039180385	DWH-04T	Unknown	Electric	2009
2nd Floor Break Room	Point-of-Use Water Heater	Insinkerator	W-152-1	06068673337	DWH-02T	Unknown	Electric	2009
5th Floor Break Room	Point-of-Use Water Heater	Ariston	GL25Ti	Unknown	DWH-05T	Unknown	Electric	2006
5th Floor Break Room	Point-of-Use Water Heater	Insinkerator	SST	10089325522	DWH-05T	Unknown	Electric	2013
3rd Floor Break Room	Point-of-Use Water Heater	Insinkerator	W-152-1	08128691549	DWH-03T	Unknown	Electric	2009
1st Floor Break Room	Point-of-Use Water Heater	Ariston	GL25Ti	Unknown	DWH-01T	Unknown	Electric	2009

Table D30 Summary of HVAC Equipment

Location	Equipment Type	Manufacturer	Model No.	Serial No.	Tag	Capacity/ Rating	Fuel Type	Year
Roof Level	Split-System (Full System)	Trane	TWA048C 400A3	N053ULKFF	BAC-01	4 Ton	Electric	1998
Basement	Boiler - Steam	Unilux	ZF400W	2261	01	4,000 MBH	Gas	1998
Data Room	Chilled Fan Coil Unit	Liebert	CF 91C-A00	107343A	CAC-06	3 Ton Assumed	Electric	2000
Data Room	Chilled Fan Coil Unit	Liebert	UH248C-AAM	356068-001	CAC-02	5 Ton Assumed	Electric	1998
Data Room	Chilled Fan Coil Unit	Liebert	MMD23C2 X0000	0812N164280	HFCU-027	5 Ton Assumed	Electric	2012
Data Room	Chilled Fan Coil Unit	Liebert	MMD23C2 X0000	0812N164279	HFCU-026	5 Ton Assumed	Electric	2012
Basement	Chilled Fan Coil Unit	PACE	A-18 AF SI	85-51129-01	ASU-13	5,400 CFM	Electric	1980
Data Room	Chilled Fan Coil Unit	Liebert	CF 91C-A00	107343B	CAC-07	3 Ton Assumed	Electric	1986
Basement	Chilled Fan Coil Unit	PACE	A-18 AF SI	85-51129-01	ASU-13	5,400 CFM	Electric	1980
Basement	Chilled Fan Coil Unit	PACE	B-15FC	79-36534-06	ASU-11A	10,000 CFM Assumed	Electric	1980
Basement	Chilled Water Circulation Pump/Motor	Baldor/Taco	Unknown	Unknown	CWP-02	30 HP/1100 GPM	Electric	2014
Basement	Chilled Water Circulation Pump/Motor	Unknown	Unknown	Unknown	CWP-10	Unknown	Electric	2000
Basement	Chilled Water Circulation Pump/Motor	Unknown	Unknown	Unknown	CCWP-02	1/2 HP Assumed	Electric	2000
Basement	Chilled Water Circulation Pump/Motor	Baldor	Unknown	Unknown	CWP-06	1/2 HP	Electric	2006
Basement	Chilled Water Circulation Pump/Motor	Baldor/Taco	Unknown	Unknown	CWP-08	1/2 HP Assumed	Electric	2000
Basement	Chilled Water Circulation Pump/Motor	Unknown	Unknown	Unknown	CWP-09A	Unknown	Electric	2000
Basement	Chilled Water Circulation Pump/Motor	Reliance	Unknown	Unknown	CWP-03A	1/2 HP	Electric	2000
Basement	Chilled Water Circulation Pump/Motor	Unknown	Unknown	Unknown	CWP-09	1.5 HP Assumed	Electric	2000
Basement	Chilled Water Circulation Pump/Motor	Baldor/Taco	Unknown	Unknown	CWP-01	30 HP/1100 GPM	Electric	2014
Basement	Chilled Water Circulation Pump/Motor	Baldor/Taco	Unknown	Unknown	CWP-08	20 HP/1000 GPM	Electric	2014

Basement	Chilled Water Circulation Pump/Motor	Unknown	Unknown	Unknown	CWP-08A	Unknown	Electric	2000
Basement	Chilled Water Circulation Pump/Motor	Unknown	Unknown	Unknown	CWP-05	1/2 HP Assumed	Electric	2000
Basement	Chilled Water Circulation Pump/Motor	Baldor/Taco	Unknown	Unknown	CWP-07	20 HP/1000 GPM	Electric	2014
Basement	Chilled Water Circulation Pump/Motor	Century	Unknown	Unknown	CWP-04	1.5 HP	Electric	2000
Data Room	Chilled Water Circulation Pump/Motor	Armstrong	Unknown	Unknown	CCWP-03	1/4HP	Electric	2008
Basement	Chiller	Multistack	MS050XC2H2H2AAC-R410A	Varies	CH-02	200 Ton (Combined)	Electric	2014
Basement	Chiller	Multistack	MS0292FC1M2W2H1CC77FM-R134A	AC 10-060	CH-01	290 Ton	Electric	2014
Data Room	Computer Room AC	Liebert	BU036E-CSM	369774-001	CAC-08	3 Ton	Electric	1999
Mechanical Room	Condensate Circulation Pump/Motor	Baldor/Taco	Unknown	Unknown	CDP-1	25 HP/750 GPM	Electric	2014
Mechanical Room	Condensate Circulation Pump/Motor	Baldor/Taco	Unknown	Unknown	CDP-2	25 HP/750 GPM	Electric	2014
Roof Level	Cooling Tower	Evapco	AT8612B	987831W	CT-02	150 Ton Assumed	Electric	2004
Roof Level	Cooling Tower	Evapco	AT8612B	987833W	CT-03	150 Ton Assumed	Electric	2004
Roof Level	Cooling Tower	Evapco	AT8612B	987832W	CT-01	150 Ton Assumed	Electric	2004
Basement	Exhaust Fan	PACE	Unknown	Unknown	EF-02	40,000 CFM Assumed	Electric	1981
Basement	Exhaust Fan	PACE	Unknown	Unknown	EF-01	40,000 CFM Assumed	Electric	1981
Basement	Exhaust Fan	Unknown	Unknown	Unknown	EF-09A	300 CFM Assumed	Electric	1981
Basement	Exhaust Fan	Unknown	Unknown	Unknown	DRAFT-IND-FAN-01	5,000 CFM Assumed	Electric	1998
Roof Level	Exhaust Fan	PACE	U-13B	81-41845-01	EF-16	4,000 CFM Assumed	Electric	1998
Roof Level	Exhaust Fan	PACE	CRE-16F	79-36527-04	EF-05	5,000 CFM Assumed	Electric	1998
Roof Level	Exhaust Fan	PACE	CRE-36	84-48646-03	EF-12	13,350 CFM	Electric	1998
Roof Level	Exhaust Fan	PACE	CRE-36	84-48646-08	EF-13	13,350 CFM	Electric	1998
Basement	Exhaust Fan	Unknown	Unknown	Unknown	RF-06	350 CFM Assumed	Electric	1981
Roof Level	Exhaust Fan	Unknown	Unknown	Unknown	EF-07	5,000 CFM Assumed	Electric	2000
Roof Level	Exhaust Fan	PACE	CRE-9	84-48646-01	EF-10	875 CFM	Electric	1998

Roof Level	Exhaust Fan	Unknown	Unknown	Unknown	EF-04	5,000 CFM Assumed	Electric	2000
Basement	Exhaust Fan	Unknown	Unknown	Unknown	EF-09B	300 CFM Assumed	Electric	1981
Roof Level	Exhaust Fan	PACE	CRE-38	84-48646-02	EF-11	3,170 CFM	Electric	1998
Roof Level	Exhaust Fan	Unknown	Unknown	Unknown	EF-03	5,000 CFM Assumed	Electric	2000
Roof Level	Exhaust Fan	Unknown	Unknown	Unknown	EF-17	4,000 CFM Assumed	Electric	2000
Roof Level	Exhaust Fan	PACE	CRE-6F	79-36527-06	EF-08	1,000 CFM Assumed	Electric	1998
Roof Level	Exhaust Fan	PACE	CRE-36	84-48646-08	EF-14	13,350 CFM	Electric	1998
Roof Level	Exhaust Fan	PACE	CRE-16F	79-36527-04	EF-06	5,000 CFM Assumed	Electric	1998
Roof Level	Exhaust Fan		Unknown	Unknown	EF-15	900 CFM	Electric	2000
Basement	Heat Exchanger	Paco	PF0408B1 DB45B1-D10	371842	HX-1	Unknown	Electric	2014
Mechanical Room	Hot Water Circulation Pump/Motor	Super-E/Paco	Unknown	Unknown	HWP-05	7.5 HP/194 GPM	Electric	1995
Mechanical Room	Hot Water Circulation Pump/Motor	Super-E/Paco	Unknown	Unknown	HWP-03	3 HP/280 GPM	Electric	1995
Mechanical Room	Hot Water Circulation Pump/Motor	Baldor/Pacific Plumbing Co	Unknown	Unknown	HWP-02	7.5 HP/194 GPM	Electric	2007
Mechanical Room	Hot Water Circulation Pump/Motor	Century/Pacific Plumbing Co	Unknown	Unknown	HWP-01	7.5 HP/194 GPM	Electric	2011
Mechanical Room	Hot Water Circulation Pump/Motor	Baldor/Taco	Unknown	Unknown	HWP-04	7.5 HP/400 GPM	Electric	2014
Basement	Return Fan	PACE	A-12FC	79-36534-02	RF-04	10,000 CFM Assumed	Electric	1981
Basement	Return Fan	Joy Manufacturing Company	60-26-870-CP	SE 48417	RF-01	48,000 CFM Assumed	Electric	1981
Basement	Return Fan	PACE	A-30	79-36534-01	RF-03	10,000 CFM Assumed	Electric	1981
Basement	Return Fan	PACE	A30A	84-48647-01	RF-08	14,500 CFM Assumed	Electric	1981
Basement	Return Fan	Joy Manufacturing Company	60-26-870	SF53418	RF-07	58,000 CFM	Electric	1981
Basement	Return Fan	PACE	A22AF	79-36534-03	RF-05	10,000 CFM Assumed	Electric	1981
Basement	Return Fan	Joy Manufacturing Company	60-26-870CP	SE 43418	RF-02	54,000 CFM	Electric	1981
Basement	Supply Fan	Joy Manufacturing Co	48-26-1170	SF-53417	SF-03	60,000 CFM	Electric	1981
Roof Level	Supply Fan	Unknown	Unknown	Unknown	SF-05	15,000 CFM Assumed	Electric	1981

Basement	Supply Fan	Joy Manufacturing Company	48-26-1170CP	SF45416	SF-02	56,000 CFM	Electric	1981
Roof Level	Supply Fan	Unknown	Unknown	Unknown	SF-04	15,000 CFM Assumed	Electric	1981
Basement	Supply Fan	Joy Manufacturing Company	48-26-1170 CF	SF-19415	SF-01	48,000 CFM	Electric	1981
Basement	Unit Heater	Modine	HS 108S 01	05011898-6585	Unknown	Unknown	Heating Water	1981
Roof Level	Unit Heater	Emerson	MUH 03-4	09-79-1792	Unknown	Unknown	Electric	1981
Throughout Building	VAV Terminal Units (445 no.)	Unknown	Unknown	Unknown	Unknown	Various	Electric	1981
Basement	VAV Air Handler Unit	PACE	A22AF	78-36534-03	ASU-03	15,000 CFM Assumed	Electric	1981
Basement	VAV Air Handler Unit	PACE	A-12FC	79-36534-02	ASU-02	15,000 CFM Assumed	Electric	1981
Basement	VAV Air Handler Unit	PACE	A-30	78-36534-01	ASU-01	15,000 CFM Assumed	Electric	1981
Basement	VAV Air Handler Unit	PACE	A30A	84-48647-01	ASU-03	16,500 CFM	Electric	1981

Table G40 Summary of Site Emergency Power Generation

Location	Equipment Type	Manufacturer	Model No.	Serial No.	Tag	Capacity/ Rating	Voltage	Year
Basement	Generator - Diesel	Caterpillar	SR-4	6AA01557	Unknown	1,500 kW	Unknown	2000

APPENDIX E:
GLOSSARY OF TERMS

Acronyms & Glossary of Terms

CMU	Concrete Masonry Unit
BUR	Built-Up Roof
EIFS	Exterior Insulation and Finish System
EPDM	Ethylene Propylene Diene Monomer
SC	Solid Core Doors
HM	Hollow Metal Doors
MH	Man Holes
ABC	Aggregate Base Course
EMT	Electrical Metallic Conduit
EUL	Estimated Useful Life
RUL	Recommended Useful Life
EOL	End of Life
FCI	Facility Condition Index
CRV	Current Replacement Value
DM	Deferred Maintenance
SF	Square Foot
SY	Square Yards
PSF	Pounds-Per-Square-Foot
PSI	Pounds-Per-Square-Inch
GPF	Gallons Per Flush
NFPA	National Fire Protection Association
FACP	Fire Alarm Control Panel
NAC	Notification Appliance Circuit
FCC	Fire Command Center
HVAC	Heating Ventilating and Air conditioning
VAV	Variable Air Volume
AHU	Main Air Handling Units
FCU	Fan Coil Unit
EF	Exhaust Fan
VFD	Variable Frequency Drives
HP	Horse Power
FSS	Fuel Supply System
MDP	Main Distribution Panel
SES	Service Entrance Switchboard's
NEMA	National Electrical Manufactures Association
HID	Intensity Discharge
EMT	Electrical Metallic Tubing
KVA	kilovolt-ampere
RO	Reverse Osmosis
BTU/HR	British Thermal Units per Hour
kW	Kilowatt
FPM	Feet per Minute (Elevator Speed)
AMP	Amperage

Acronyms & Glossary of Terms

BTU – British Thermal Unit; the energy required to raise the temperature of one pound of water by one degree.

Building Envelope - The enclosure of the building that protects the building's interior from the outside elements, namely the exterior walls, roof and soffit areas.

Building Systems – Interacting or independent components or assemblies, which from single integrated units, that comprise a building and its site work, such as, pavement and flatwork, structural frame, roofing, exterior walls, plumbing, HVAC, electrical, etc.

Caulking – Soft, putty-like material used to fill joints, seams, and cracks.

Codes – See building codes.

Component – A fully functional portion of a building system, piece of equipment, or building element.

Deferred Maintenance – Physical deficiencies that cannot be remedied with routine maintenance, normal operating maintenance, etc., excluding de minimis conditions that generally do not present a material physical deficiency to the subject property.

Expected Useful Life (EUL) – The average amount of time in years that an item, component or system is estimated to function when installed new and assuming routine maintenance is practiced.

Facility – All or any portion of buildings, structures, site improvements, complexes, equipment, roads, walks, passageways, parking lots, or other real or personal property located on site.

Flashing – A thin, impervious sheet of material placed in construction to prevent water penetration or to direct the flow of water. Flashing is used especially at roof hips and valleys, roof penetrations, joints between a roof and a vertical wall, and in masonry walls to direct the flow of water and moisture.

Remaining Useful Life (RUL) – A subjective estimate based upon observations, or average estimates of similar items, components, or systems, or a combination thereof, of a number of remaining years that an item, component, or system is established to be able to function in accordance with its intended purpose before warranting replacement. Such period of time is affected by the initial quality of an item, component, or system, the quality of the initial installation, the quality and amount of preventative maintenance exercised, climatic conditions, extent of use, etc.

Thermal Resistance (R) – A unit used to measure a material's resistance to heat transfer. The formula for thermal resistance is: R = Thickness(in inches)/K

Structural Frame – The components or building systems that support the building's non-variable forces or weights (dead loads) and variable forces or weights (live loads).

Warranty – Legally enforceable assurance of quality or performance of a product or work, or of the duration of satisfactory performance. Warranty guarantee and guaranty are substantially identical in meaning; nevertheless, confusion frequently arises from supposed distinctions attributed to guarantee (or guaranty) being exclusively indicative of duration of satisfactory performance or of a legally enforceable assurance furnished by a manufacturer or other third party. The uniform commercial code provisions on sales (effective in all states except Louisiana) use warranty but recognize the continuation of the use of guarantee and guaranty.