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38. S&S Construction Services and American
Commercial Group Technical Proposal for the
Enhanced-use Lease Real Estate Advisory
Service contract (Nov 1, 2004)

Department of Veterans Affairs
Solicitation RFP-101-32-04

Volume 1: Technical



Submitted by:

A Joint Venture between

S&S Construction Services

&

American Commercial Group
("S&S/ACG")

Wednesday, December 8, 2004

December 8, 2004

Mr. D.R. Maloney, CPCM
Supervisory Contracting Officer
Department of Veterans Affairs
Mail Code 049A3H
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Washington, DC 20420

Submitted via CD and e-mail to: [REDACTED]@mail.va.gov and [REDACTED]@mail.va.gov

Dear Mr. Maloney:

The S&S/ACG Team is pleased to respond to your Solicitation Number RFP 101-32-04 for Enhanced-Use Lease services. S&S/ACG has positioned the right people, with the right skills, in the right places, and provides those people with the right incentives to work in alignment with VA's objectives. Our proposed team from S&S Construction Services (SDVOSB), American Commercial Group (SDVOSB), AES Environmental (SDVOSB), Ames Corporation (SDVOSB), Jones Lang LaSalle, Tetra Tech and Pruitt Beach Attorneys, LLP, hereinafter called the S&S/ACG Team, is comprised of proven finance, construction and development services specialists. Each Team member uses state-of-the-art cost control/accounting, record management, and real estate development procedures which will maximize the financial return to The VA and provide comprehensive data in which critical strategies and decisions can be implemented.

Our team has been structured to provide the VA with all the required services on a nationwide basis. The S&S/ACG joint venture has been entered-into as a Mentor/Protégé relationship with Jones Lang LaSalle that will allow the VA to accomplish both of the apparent goals of the solicitation. By partnering two SDVO small businesses in a joint venture, the two firms, S&S Construction Services and American Commercial Group, bring a broad real estate services expertise in construction and transactions. The joint venture has entered-into a Mentor/Protégé sub-contracting agreement with Jones Lang LaSalle to ensure a national presence that no small business could accomplish, and a mentoring partner to help the joint venture learn and grow their business. The Presidents of S&S and ACG, Israel Cuyler and Jim Tully, and the President of Jones Lang LaSalle's Public Institutions Group, Herman Bulls, will provide continuous corporate oversight and review of contract operations. They will be the corporate management advocates for purposes of this contract.

The joint venture has also sub-contracted with other SDVO small businesses to guarantee that over 51% of the contracted work is done by SDVO small businesses, and to provide strategic and specific resources to VA as this program evolves.

In the accompanying technical and price volumes of the proposal, we respond to the requirements of your Request for Proposal. If you have any questions or require further information, please call Israel "Ike" Cuyler of S&S at [REDACTED] or James Tully at ACG at [REDACTED]. Our proposal shall remain valid for a period of ninety days from the date of this letter.

Very truly yours,

The S&S/ACG Team

Israel Cuyler, Partner/Principal
James Tully, Partner/Principal

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VOLUME 2: PRICE

Department of Veterans Affairs
Enhanced Use Lease Proposal
Executive Summary



The salient aspects of our proposal will include:

S&S/ACG joint venture has been entered-into as a Mentor/Protégé relationship with Jones Lang LaSalle, one of the nations leading real estate consulting firms, giving us the requisite resources and expertise that will allow the VA to accomplish both of the apparent goals of the solicitation. By partnering two SDVO small businesses in a joint venture, the two firms, S&S Construction Services and American Commercial Group bring a broad real estate services expertise in construction and transactions.

The joint venture has also sub-contracted with other SDVO small businesses to guarantee that well over 51% of the contracted work is done by SDVO small businesses, and to provide strategic and specific resources to the Veterans Affairs.

Our Team "S&S/ACG" has been structured to provide the VA with all the required services on a "nationwide basis". We have also engaged the services of several additional SDVOB companies to provide strategic and specific resources to our team as this program evolves.

Through the integration of expert software and process methodologies, as well as a multi-tiered structure governed by knowledge sharing and targeted process-based refinements, the Team will integrate a metrics plan that clearly demonstrates how we, as a firm, will internally measure our progress and performance, while simultaneously identifying key factors that can be easily monitored by the government. The Team has the unique ability to leverage quality assurance programs from past privatization projects (most notably from the Army RCI and Air Force housing privatization programs) when developing a tailored approach for VA EUL projects.

The Team strongly believes that the judicious use of appropriate technology is essential to ensure a consistently high level of quality in data collection, analysis and business communication. To this end, the Team plans to utilize the ReCAPP[®] software and process developed by Physical Planning Technologies (PPT) a recognized industry leader in the asset capital-planning field. PPT's wealth of experience and expertise will ensure that data quality, consistency and relevancy remain at the highest possible levels.

As part of its "valued added" approach to legal engagements, S&S/ACG lawyers have already approached one of the largest investment banking firms in the country regarding the possibility of creating a financing program that would eliminate financial risk to the VA with respect to individual Enhanced Use Lease projects while creating a liquidity market for developers who are on the other side of the transactions.

Factor 1. Understanding the Requirement / Approach

Our Understanding of the Requirement: The Department of Veterans Affairs, the second largest of the fourteen cabinet level agencies, holds a substantial inventory of real property and facilities throughout the country. A majority of these buildings and property support the Veterans Health Administration (VHA), which is charged with providing health care to America's military veterans. The VA has issued a request for proposals from Service Disabled Veteran Owned Service Business (SDVOSB), which it intends to award multiple enhanced use leases on a nationwide basis.

Our Team "S&S/ACG" has been structured to provide the VA with all the required services on a nationwide basis. We have also engaged the services of several additional SDVOB companies to provide strategic and specific resources to our team as this program evolves.

The VA's capital infrastructure, like that of many other federal agencies, is aging and in need of capital infusion, repair, renovation, and replacement. Many authorities in the facilities management environment consider the useful life of a building to be forty to fifty years. Yet roughly fifty percent of all construction on VA's medical campuses occurred in the first half of the last century, including almost 200 buildings constructed before 1900. During the next twenty years, experts conservatively predict that most of VHA's health care buildings will approach or pass their normal useful life expectancy.

Faced with an extensive portfolio of under performing properties and increasing budgetary constraints, the VA explored ways to leverage its capital assets in order to generate revenues, achieve operating cost reductions, and/or obtain private investment in the VA programs, facilities or services. In 1991, with congressional authorization, the VA developed the enhanced-use leasing option. It is the first redevelopment authority of its kind in the Federal Government. Although initially not widely used by VA property managers, this capital asset management tool has put underutilized VA property to more productive uses and allowed the VA to acquire otherwise unaffordable services or facilities without spending appropriated dollars.

The Enhanced-Use Leasing Concept: Under 38 USC Sec. 8162 *Enhanced Use of Real Property* the Secretary of Veterans Affairs may enter into leases with respect to real property that is under the jurisdiction or control of the Secretary. In order to enter into an enhanced-use lease the Secretary must determine that at least part of the property subject to the lease (1) will provide space for an activity contributing to the mission of the Department, (2) the lease will not be inconsistent with or adversely affect the mission of the Department, and (3) the lease will enhance the use of the property.

The enhanced-use leasing concept encourages public/private partnerships and thereby enables VA to maximize the value of its underutilized capital assets. It has been described as "an aggressive asset management program that is unique among federal agencies." The most salient features of the program are as follows:

- ◆ The Secretary of Veteran Affairs may lease real property to a public or private entity for up to seventy-five years, and may do so notwithstanding other explicit statutory disposal and leasing provisions or any other provision of law except those relating to environmental and historic preservation.
- ◆ The site to be leased must be under the jurisdiction or control of VA.

- ◆ The Secretary is not required to follow federal acquisition rules when selecting the enhanced-use lessee, but must establish procedures that ensure selection process integrity.
- ◆ In return for the long-term lease, the VA must obtain fair consideration. The consideration may be completely in-kind or any combination of monetary and in-kind consideration.

Funds received by the VA as consideration for an enhanced-use lease need not be returned to the Treasury, but may be kept by the agency to pay for VA programs and expenses incurred in connection with the enhanced-use lease.

This enhancement to the VA's conventional leasing authority has attracted private sector investment in VA property and facilities and provided an alternative to the traditional appropriation process used for obtaining project funding. The enhanced-use lease provides the lessee the property interest necessary to secure financing through the capital markets, and, because of the extended lease, the lessee is able to amortize any capital investment made in the property or facility. The lessee may also negotiate the sale of services to the VA as an in-kind consideration for the lease.

At the same time, this new leasing authority has encouraged VA property managers to view underutilized properties as potential revenue centers and enabled them to enter into partnerships with the private sector. Moreover, it has provided the VA with the flexibility to address a broad range of market conditions and tailor transactions to specific local project requirements. Most important, the VA has been able to undertake these transactions independent of the more restrictive federal procurement and property disposal laws. Providing the VA with an exceptionally flexible capital asset management tool was the primary objective behind the enhanced-use leasing statute. It is this flexibility, provided for in every section of the law that has enabled VA to conclude a succession of groundbreaking lease transactions.

The VA uses "a competitive negotiation, in which proposals are evaluated on the qualifications, experience, and financial responsibility of the proponent along with the proposed development plan and financial benefits/costs plan." Moreover, each project solicitation or request for proposal will be advertised in national as well as local publications and trade journals to stimulate interest and competition.

Based on the VA's successful application of the enhanced-use lease statute in a variety of projects, Congress authorized a seventy-five year-lease term. Increasing this flexibility were Congressional exemptions to a number of traditional federal statutes. It is noted that Congress retained protections of federal environmental laws, such as the National Environmental Policy Act, which requires an analysis of the environmental impact of a major federal action, and the National Historic Preservation Act, which mandates the protection and preservation of historic properties and resources. These statutes must continue to be observed by the enhanced use lease program.

The VA has completed a variety of projects since the enactment of the enhanced-use leasing statute in 1991, including office buildings, parking facilities, child development centers, a community nursing home, a homeless shelter, low-cost senior housing, a golf course, and a co-generation plant.

Several of the transactions have been structured to provide completely in-kind consideration while others have generated both revenue (cash) and in-kind benefits to VA. These projects demonstrate how the VA has employed its enhanced-use leasing authority to achieve a number of diverse objectives. In Vancouver, it was used to support the VA's homeless program, whereas in Houston, it was used as a reduced cost acquisition tool. In Atlanta, the authority was used to obtain discounted office and parking rental rates, while in Tennessee, it was used to obtain the VA's first privately financed and operated power plant. Out

team has the experience and resources to replicate these types of facilities as well as bringing innovative new development strategies to support the intent of the program and the mission of the VA.

Process for Entering into an Enhanced-Use Lease: To initiate a EUL project, a VA medical center director or other property manager will identify a specific local program requirement (e.g., office space, child-care center, parking garage, nursing home, outpatient clinic) and survey the market for potential interest. The property manager then prepares a business plan outlining the project concept that is reviewed at VA's headquarters. If the Secretary of Veteran Affairs (hereafter referred to as "the Secretary") has determined that a property should be considered for lease to another party through the EUL process, the Secretary selects the leasing party/entity through procedures (determined by the Secretary) that ensure the integrity of the selection process. The governing statute requires that before the agency enters into a EUL, the Secretary must conclude that:

- (1) at least part of the use of the Property under the lease will provide space for an activity contributing to the VA's mission;
- (2) the development is consistent with and will not adversely affect the VA's mission; and
- (3) the lease will enhance the use of the property, or the Secretary must find that the proposed consideration will result in a demonstrable improvement in services to veterans in the same geographic area as the leased property.

If the Secretary proposes to designate property for a EUL, he or she is required to conduct a public hearing. The hearing must be convened in the community where the property is located and all interested parties and potential stakeholders are invited to attend and express their views. The hearings address issues including the possible effects of the EUL on the local commerce and community and the impact of the EUL on services administered by VA.

The S&S/ACG team understands a EUL initiative can have a significant impact on the local community. Accordingly, the public hearing with the local community is essential to the project's proper integration into the local planning process and ultimate acceptance by local leaders. Moreover, because the governing statute does not relieve the VA of its federal environmental or historic preservation obligations, the hearing provides an appropriate forum to address these issues. Close coordination with the local community also promotes frank discussion about development costs and tax consequences that could affect the project. It is in the VA's best interest to work with key local stakeholders to examine and resolve these matters.

Once the public hearings have been completed, OMB must approve the initial EUL concept plans. If the agency plans to proceed with the EUL, the Secretary must notify the congressional Veterans' Affairs Committees of the proposed EUL and publish a notice of this intention in the Federal Register. *The congressional notice must include the following information:*

- (1) identification of the property involved;
- (2) economic factors in support of the proposed lease;
- (3) a summary of the views expressed at the public hearing along with the
- (4) Secretary's evaluation of those views;
- (5) a general description of the proposed lease;
- (6) an explanation of how the lease would contribute in a cost effective way to the mission of VA, and would not be inconsistent with or adversely affect that mission; and
- (7) an explanation of how the lease would affect services to veterans.

Once the first congressional notification is made, the VA may proceed with its process to select the lessee. The VA solicits Requests for Proposals (RFPs), which are assessed against evaluation factors

established by the agency. After the VA partners with a developer, the newly formed team negotiates the terms of the enhanced-use lease agreement. After financing is secured for the project, the lease is executed.

For almost ten years, the Department of Veterans Affairs has successfully applied the EUL authority to maximize the value of public-private partnerships for under-utilized VA assets and secure investment in needed facilities or generate revenues for the benefit of veteran services.

Proposed Approach to Specific VA Objectives:

Factor 1, Objective 1: Under-Utilized Assets/ Potential Enhanced-Use Leasing Identification

The discussion below summarizes the manner by which the S&S/ACG team will evaluate the viability of a EUL project on a particular site, pending the goals of the VISN and VA and the suitability of the site itself.

Stakeholder Need(s)

Veterans -The S&S/ACG team recognizes that the veterans and service organizations are a critical element of the S&S/ACG team in implementing a successful EUL project. Therefore, the S&S/ACG team will conduct outreach sessions throughout the local veteran community to ensure that the EUL project provides opportunities for feedback from the local community and remains apprised of potential issues.

Department of Veterans Affairs - The S&S/ACG team appreciates the unique function of the Veterans Integrated Services Networks (VISNs). The role of the VISNs in the execution of a EUL includes identifying potential EUL opportunities, project planning, and collecting input from important stakeholders. The S&S/ACG EUL implementation strategy will depend on the significant contributions of the VISNs for project success.

Community (ideas and support) - Soliciting input and feedback from the local area and veteran community is an integral component of the VA EUL program. Local community organizations may include elected officials, residents, healthcare providers, academic institutions, federal, state and local agencies, service organizations, financial institutions, and local and national commercial real estate market participants. The process for soliciting input from these important groups is included in "Objective 3" of this proposal.

Taxpayers - It is important for the S&S/ACG team to understand the monetary policy challenges and opportunities presented in the area in which the Property is located. Local taxpayers and tax regulation entities will be contacted especially if special bonds, Tax Increment Financing (TIF), or other special tax vehicles are proposed as part of the EUL.

Developers - Local, regional, and national developers will be key stakeholders and participants in the EUL process. The S&S/ACG team plans to leverage databases used by the VA, Department of Defense (DOD), Department of Energy (DOE), and General Services Administration (GSA) from previous similar EUL and build-to-suit projects and operating lease agreements.

Estimations and Projections

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|---|
| (1) Under-Utilized Assets/Potential EUL Identification |
| a) <u>Stakeholder need(s)</u> |
| i) <i>Veterans</i> |
| ii) <i>Department of Veterans Affairs</i> |
| iii) <i>Community (ideas and support)</i> |
| iv) <i>Taxpayers</i> |
| v) <i>Developer</i> |
| b) <u>Estimations and projections (Cash and/or in-kind services to be provided as fair consideration)</u> |
| c) <u>Market analysis/economic/ feasibility (community ideas and support) study</u> |
| d) <u>Describe/propose a project for approval</u> |

1. Review projected Federal space needs from VA local portfolio plans or equivalent studies/reports, to determine current and projected demand for various product types. The study will acknowledge and further assess federal demand in the sub-region, including the greater metropolitan area.
2. Survey of the real estate development community in terms of receptivity to the proposed project structure, with special focus on the ground lease term and potential for Federal leaseback (under OMB guidelines).
3. Construction of detailed pro forma models for project site(s) with sensitivity analyses developed on differing assumptions for multiple independent variables, including construction costs and appropriate building types, ground rental amounts, space rental rates, equity return rates, and cost of debt capital.
 - The S&S/ACG Team members will bring their collective experience to assess all of the necessary development, operational and financing costs and carefully determining the probable value ranges for all inputs. Numerous sensitivity analyses will be conducted on multiple incremental changes in input values to develop various "what if" scenarios for differing deal structures which will enable the S&S/ACG team to craft a comprehensive picture of what key threshold values encourage success or failure for the project.

Market Analysis/Economic/Feasibility Study

The project team will conduct market research with respect to demand for uses suitable for the Property to determine the optimal development products that will maximize property value.

Assessment of current market conditions in terms of real estate rental rates, vacancy and lease-up periods, private-sector supply and demand for various space product types, construction costs, and returns requirements for capital (debt and equity).

- The uses to be evaluated will likely include office, industrial, mixed-use development, research/technology and retail. An assessment of the strength of each market segment will allow the S&S/ACG Team to accurately determine or confirm the most viable development opportunities. Additionally, market research will include a review of product mix, land availability, historical land/product absorption, proposed projects general supply/demand characteristics regional demographics, an inventory of competing properties, and identification of potential lessees and private end-users.

To evaluate potentially feasible development alternatives, we will carefully study site-specific characteristics such as:

- Title, survey, easements and encumbrances;
- Existing infrastructure such as roads, water, sewer, electric, gas, fiber optics (location, capacity, etc.);
- Building inventory and suitability assessment;
- Potential environmental problems and remediation strategies;
- Current site configuration;
- Traffic / transportation / access;
- Soils suitability;
- Floodplains;
- Storm water management/ drainage;
- Review of any conceptual development plans prepared for the Property;
- Nature and impact of adjacent and surrounding uses, and
- Impact of security setback requirements and ingress/egress security control needs for Federal tenants on the remainder of the VA site, as well as for any Federal tenant end-users under the space leaseback; and
- Community services (fire protection, security/ police patrol, refuse removal, etc.).

The S&S/ACG Team will also investigate and incorporate legal and regulatory issues that might impact the leasehold conveyance or development potential of the Property. Issues that will be investigated include, among others:

- Tax impacts / structures affecting the Property;
- Federal, State and Local real estate transfer requirements (EA, EIS, etc.);
- Current and potential zoning and the County / City Master Plan;
- FAR / permitted densities;
- Clarification of the zoning and development approval process and timing;
- Any permanent encumbrances;
- Development incentives;
- Impact fees;
- Analysis of the impact of public interest groups and adjacent property owners;
- A review of matters affecting title to the properties, including easements and other title exceptions (if any); and
- All statutes, ordinances and regulations applicable to the Property

Describe/Propose a Project for Approval

- Examination of entitlements and development constraints specifically focused on the portion of the site envisioned for the EUL project.
- Compatibility with local land use plans and redevelopment strategies, historic preservation and traffic constraints.

Conceptual Development Plan

Based upon all data collected from the earlier phases, the S&S/ACG team will prepare one or more conceptual development plan(s) for the Property that best meet VA's objectives for a below market Federal leaseback and the most economically advantageous but market-realistic use for the balance of the parcel(s). This plan will define the parameters, timeline and economic potential for the proposed development.

In order to calculate the value of the VA site parcel(s) and the ground lease value, the S&S/ACG Team will utilize two techniques: the Market Comparable Approach and the Land Residual Model Approach:

- (1) The **Market Comparable Approach** involves researching recent real estate transactions in the area of the subject property, comparing the characteristics of the sites to the subject property and determining appropriate values. This methodology is most effective when many recent sales have occurred in the immediate market and there are clear similarities among properties.
- (2) The **Land Residual Model Approach** provides a value perspective within the context of a particular development plan. Given various concept plans for a property, this approach determines how much a developer can afford to pay for the land or ground lease. The following outline sets forth the steps involved in calculating a land residual value based upon a conceptual development plan.
 - Based on the conceptual development plan for the property, prepare a comprehensive development budget inclusive of all hard and soft costs including horizontal infrastructure development and project marketing costs.
 - Generate a financial pro forma for the conceptual plan which, given the interaction of all development parameters, including a developer's return requirement, yields a net present value of the Property.
 - Based on the net present value of the Property, determine an estimated value of a ground lease for the conceptual plan.

Utilizing both the Market Comparable and Land Residual Model approaches will enable the S&S/ACG Team to determine with confidence a value range for the Property and, consequently, a reasonable ground rental value. Against this backdrop, the S&S/ACG team will select the most reasonable and realistic assumptions from the value range, which will enable the model to produce a trustworthy measure of project financial feasibility. While the model will enable the production of a "most probable" outcome, our analysis will also provide a "confidence interval" for drawing conclusions along a range of probable values for key variables. This will be a critical input when assessing the feasibility of the proposed enhanced use lease project.

Factor 1, Objective 2: Enhanced-Use Lease Formulation

The discussion below summarizes the manner by which the S&S/ACG team will prepare project documents and approach internal and external approvals.

Project documents for internal VA review/approval

- *Concept plans* – To develop a EUL concept package, the S&S/ACG team will perform each of the steps outlined below to create a sound feasibility analysis, which will examine the best use for the proposed EUL site.
- Develop detailed EUL strategies based on results of highest and best use analysis
- Meet with City officials responsible for zoning and development to identify and obtain local planning requirements and practices to ascertain local political perspectives and issues
- Monitor real estate entitlement issues and processes effecting success of enhanced use project. At a minimum, these include general land use plans, zoning initiatives, commercial market dynamics and development and construction trends
- Meet with other VA contractors to understand project development issues including legal, historical preservation and environmental concerns and issues.
- Obtain information on local, state and federal requirements pertaining to enhanced use leasing
- Review the EUL project with key VA officials to discuss current VA enhanced use procedures and requirements
- Obtain information on local commercial real estate markets, key participants and private financing sources and requirements
- Participate in weekly teleconferences and meetings with VA officials to review progress and identify new issues
- Identify technical information needed by VA to effectively market and solicit interest in the property
- Produce a coordinated enhanced use project development schedule showing major milestones and critical path activities
- Develop a marketing strategy for VA approval
- Develop a sub-strategy outlining likely form and timing of consideration to VA
- Design and manage a project website to broadcast and maximize competition

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| (2) Enhanced-Use Lease Formulation |
| a) <u>Project documents for internal VA review/approval</u> |
| i) <u>Concept plans</u> |
| b) <u>Appraisal to determine market value</u> |
| c) <u>Project and development cost estimates</u> |
| d) <u>Environmental and/or historical assessments to meet regulatory requirements (See citations for requirements)</u> |
| e) <u>VA Project Approval/Notification Documents</u> |
| i) <u>Public Hearing package</u> |
| ii) <u>Notice of Intent to Enter into an Enhanced-Use Lease</u> |
| iii) <u>Environmental Analysis and Historical Assessments (NEPA and NHPA Compliance)</u> |
| f) <u>Public hearing</u> |

- Provide assistance in developing a communication plan including advertisement, selection of media, etc.
- Review the results of the Phase I Environmental Assessment and the impact of the assessment on potential bidders. Assure that findings of the EA are made available to appropriate bidders.

This detailed approach will ensure that the S&S/ACG team will be able offer conclusions and recommendations to VA for each EUL designated site prior to proposal solicitation.

Appraisal/Valuation

As discussed above (in Objective 1) our limited scope approach to calculate the market value of a VA site or campus will utilize two techniques: the Market Comparable Approach and the Land Residual Model Approach described above. It is the intent of the S&S/ACG Team to use local market appraisers, (including SDVO businesses where possible) to gain the maximum market insight to projects. These appraisers will either be part of the Jones Lang LaSalle nationwide network as described in Factor 2 below (see map), or will be solicited through a competitive bidding process.

Environmental and Historical Approach

The AES Team has a wealth of experience in providing consulting services to evaluate environmental effects of Federal projects. They have performed three environmental assessments (EAs) in the last year (Calendar Year 2004) to determine if actions proposed by the United States Air Force (USAF) would significantly affect the environment. Similarly to the USAF, the S&S/ACG team will develop three levels of analysis that will examine if actions proposed under the VA EUL program will substantially influence the environment. These three levels include: assessment of the proposed action; preparation of environmental assessments to determine impacts, if applicable; preparation of a Finding Of No Significant Impact (FONSI) for the appropriate VISN or VA signatory, if required and appropriate; and development of an Environmental Impact Statement (EIS), if necessary.

As prescribed by 42 U.S.C 4321, when an EA is required, the S&S/ACG team will prepare a written assessment (in accordance with Section 1508.9 of the Environmental Council's NEPA regulations) to determine whether or not the intended VA action would significantly affect the environment.

In the event that the EA determines that the environmental consequence of the VA's intended action may be significant, an Environmental Impact Statement (EIS) will be prepared. The EIS is a more detailed and substantive evaluation of the proposed action and alternatives developed within the EA. The S&S/ACG team will actively interface with VA management staff to develop a solid program for appropriately involving the public, community leaders, local veteran interests, and, other federal agencies, if required. The EIS prepared by the S&S/ACG team will be developed in full compliance with Part 1502 of the Environmental Protection Agency (EPA) and National Environmental Policy Act (NEPA) regulations and in full consultation with the appropriate EPA regional staff. As required, the EA and EIS process will be coordinated with the governing EPA Region, particularly with respect to Section 309 of the Clean Air Act.

Public comment periods are mandated in the NEPA process, which are especially important during the scoping or definition of the issues addressed in an EIS. Public input is collected in meetings or hearings, which require public notice. These discussions will be convened by the VA's designated officer. All public comments and comments by all parties of interest are scrupulously integrated into the record for consideration within the EIS process. The S&S/ACG team will coordinate and provide all technical assistance to fully comply with the letter and spirit of these regulatory requirements.

Based upon the public and agency input, the S&S/ACG team will develop a draft EIS for review and approval by the VA staff and provides access to the document for subsequent review by the public, and state and federal agencies who have been involved in the various public meetings to develop the EIS. Upon completion of the review of the draft EIS, appropriate input will be integrated into the final EIS. With approval and endorsement from the VA, the S&S/ACG team will prepare a public record of the final EIS document that will outline the decisions of the reviewing authorities the findings of the EIS, including consideration of the various alternatives incorporated into the final decision. Once the final EIS is recorded, the VA will be able to proceed with the intended action, as prescribed by the protocols established by the EIS.

Our primary level of review will evaluate if the proposed VA undertaking may be categorically excluded from a detailed environmental analysis, if it meets previously prescribed criteria. We will investigate if the VA has listed the proposed action with the EPA which would normally categorically exclude the EUL project from environmental evaluation under NEPA regulations. In this case, no further action will be taken. The S&S/ACG team will prepare a FONSI, which may address the actions that the VA will take to reduce or mitigate any potentially significant impacts.

Historical and Architectural Assistance - National Register Assessments

The AES Team has managed the National Register Assessments of over twenty-seven parcels of land and the built structures on these parcels. Our experience would indicate that it is always better to retain locally recognized subject matter experts that are familiar with the local environs, the State and local Historical Commissions and local tribal leaders, if necessary.

We fully understand the mechanics of the Criteria for Evaluation, with respect to the quality of significance in American history, architecture, archeology, engineering, and culture that may be present in districts, sites, buildings, structures, and objects that possess integrity of location, design, setting, materials, workmanship, feeling and association. There are always historical elements associated with the proud service provided to service men and women by the VA. As a Service Connected Disabled Veteran-Owned (SDVO) small business, we clearly understand the potential historical importance of facility named after a historic military figure that has distinguished himself in service to his country.

Local input is always critical in evaluating the historical or archeological value of buildings or facilities. While AES is quite familiar with the process for evaluating facilities of significant historical, architectural or archeological value for alternative reuse, we acknowledge that local experts always fair better in achieving public consensus. Any facilities that are recognized on the National Register will require highly qualified locally respected subject matter experts. We have worked with two nationally recognized historical and archeological firms: The Public Archeological Lab (based in Rhode Island); and, R. Christopher Goodwin and Associates (based in Maryland). Both firms have a broad base of local experts and have been very successful in assisting public and private clients in maneuvering through the municipal, state and federal bureaucracy when historical and archeological matters are involved.

VA Project Approvals/Notification Documents

The S&S ACG team will assist the VA in the development and negotiation of internal and external approval documents. Our team will work with the local, VISN, and Central Office staffs to coordinate and obtain approvals on these important documents. This process will include the following documents and support of hearings:

- Concept plan
- Public hearing package, minutes, and response (if necessary)
- Supporting Documents for Solicitation and Selection of Developer/Lessee

- Congressional Notification (60 days)
- Notice of Intent to Award (30 days)
- OMB Review Materials including:
 - Executive Summary
 - General Description
 - Enhanced Use Lease Term
 - Lessee/Developer Rights and Obligations
 - VA Rights/Obligations
 - Cost/Budget Estimates
 - Lifecycle Cost Analysis
 - Notices
 - Operating Lease Analysis
- Documents in Support of Award of Enhanced-Use Lease, including legal and business documents, as necessary

Factor 1, Objective 3: Enhanced-Use Lease Opportunity Marketing

The S&S/ACG team recognizes the importance of marketing to national, regional, and local real estate participants to encourage market interest in VA EUL opportunities.

This section discusses the marketing tools and techniques that the S&S/ACG team will apply to attract potential development partners and lending institutions.

Solicitation Documents and Marketing

The S&S/ACG team will aid the VA in the marketing, solicitation and throughout the EUL selection process. To accomplish this task, the S&S/ACG team proposes three key approaches:

- Engage in pre-solicitation activities that will assess the private sector's interest in leasing opportunities with VA. The S&S/ACG team will work with VA to establish selection criteria for lessors/developers.
- Assist in solicitation of potential lessors/developers to submit responses to the RFP or RFQs, attend the VA industry conference, site visits – prepared and organized by the S&S/ACG team.
- Work with VA in the evaluation and selection of preferred lessee(s) and will help VA navigate the closing process.

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| (3) Enhanced-Use Lease Opportunity Marketing – To provide assistance only as necessary in carrying out the Department's Enhanced Use Lease Opportunities |
| a) <u>Solicitation Documents and Marketing</u> |
| i) <i>Request for Proposals (RFP); or</i> |
| ii) <i>Request for Qualifications (RFQ)</i> |
| b) <u>VA industry conference</u> |
| c) <u>Site visits</u> |
| d) <u>VA evaluation and selection of preferred lessee (s)</u> |

Our team has carefully reviewed the tasks outlined by VA and has mapped out how our approach will be used to address each task. Prior to development of a full-scale solicitation program, the S&S/ACG team will perform an informal "test marketing" or "pre-marketing" program. Without obligating the VA to the selection of those interviewed, the S&S/ACG team will assess the level of interest the private sector demonstrates in both the leasing and redevelopment of the identified EUL sites. We will validate the profile of interested lessors and commercial developers and confirm the requirements/expectations of the development community.

Request for Proposals (RFP) and Request for Qualification (RFQ) - Once the evaluation criteria have been established, the S&S/ACG team will assist the VA in developing an Request for Information (RFI), RFP or RFQ to match a qualified lessor(s)/developer(s) with the capacity and

experience to achieve the VA's objectives. The S&S/ACG team will provide expertise in preparing the solicitation documents required to enable prospective respondents to submit quality bid responses that will deliver the desired results. The S&S/ACG team will work to ensure that the procurement process encourages "best-in-class" participation and instills a spirit of competition to obtain the best possible lessor(s)/developer(s) for the projects.

- Prior to finalizing any procurement documents, the S&S/ACG team will work with the VA to develop and define the terms and conditions appropriate for entering into a development agreement, ground lease or building lease arrangement to facilitate the development structure. Upon determination of the recommended terms and conditions, the S&S/ACG team will develop a marketing strategy that capitalizes on the strengths of each developed transaction.

VA industry conference - The S&S/ACG team will work with the VA to develop and execute an Industry Forum. This could include any (or all) of the following approaches:

- List of Attendees – The S&S/ACG team will use its extensive lists of private-sector real estate and construction contacts to craft a list for review by VA management. In addition, the S&S/ACG team will use names of individuals and organizations collected for prior federal Industry Forums for DoD, and work with VA and the local VISNs to identify other interested parties.
- Produce Email & Ground Mail "Save the Date" Notices and Invitations– The S&S/ACG team will craft email notifications and design a "save the date" announcement that provides the attendees with information concerning the Industry Forum. Also, the S&S/ACG team will provide VA personnel with hard copies of the announcements to distribute to all other interested parties. We will coordinate the design of the announcements with VA personnel.
- Prepare Agenda, Handouts, and Other Aspects for the Project – The S&S/ACG team will provide all relevant agenda, handouts, nametags, and appropriate information about the EUL solicitation process for the Industry Forum. The S&S/ACG team will use existing VA materials from previous EULs as a starting point to provide VA with all relevant handout materials for the Industry Forum as well as helpful "take-away" materials. We envision providing a binder of materials to be distributed to all attendees, containing information on the overview of the project, local economic development update, overview of the solicitation process, and presentations by VA, the S&S/ACG team and other presenters on the goals of the project. The information contained in this binder will also be posted on the project website.
- Facilitate and Moderate Discussions – The S&S/ACG team will facilitate and moderate the Industry Forum discussions. Also, the S&S/ACG team will support VA personnel in identifying appropriate presenters and assisting them, as necessary, in the presentation of their topics.
- Oversee and Manage Registration – The S&S/ACG team will develop an on-line registration database that industry forum participants will be able to access from the Internet. Participants will be able to submit their contact information and any additional requested information and on-line. As on-line registration forms are received and processed, a confirmation form will automatically be emailed to each registrant. In addition, the S&S/ACG team will conduct on-site registration the day of the industry forum.
- Questions During Industry Forum – The S&S/ACG team will document and research all questions presented during the Industry Forum. the S&S/ACG team will review these questions and answers with personnel from VA to determine the appropriate answer. Once finalized, the S&S/ACG team will post these questions and answers on the project website.

- Assist in Selection of Advertising Media – The S&S/ACG team will work with the personnel from VA in selecting the advertising media. We envision advertising in local media sources (i.e. base newspaper, local business journals, etc.), specialized real estate development sources, and finally some national publications.

VA Evaluation and Selection Criteria

As part of the procurement process, the S&S/ACG team will review and prioritize the selection criteria to reflect the needs and desires of the VA. Potential selection criteria may include:

- Leasing/development experience and capabilities in planning, financing, and managing large-scale, urban, mixed-use projects, including demonstrated ability to perform within budget and on schedule.
- Consideration offered to the VA including kind, amount, timing, and source of monetary consideration;
- Economic feasibility and financial capability;
- Preliminary financing strategy and financing/lender commitment letter
- If new development - conceptual development plan, including quality of master plan and building design, proposed use, and responsive to the VA's development goals;
- Impacts of the proposed new development on land uses, density, setbacks, massing, open space, and traffic as well as compatibility with the site's geometry, environmental baseline and future impacts, existing surrounding land uses, and local master plans and development controls;

Pre-proposal Conference

- To provide potential respondents with a better understanding of the VA, its unique requirements and this opportunity, the S&S/ACG team will facilitate and the VA will host an industry pre-proposal conference. The conference will include a presentation of the VA's objectives for this initiative, a question and answer period, and a tour of the existing facilities.

VA evaluation and selection of preferred lessee(s)

Upon receipt of proposals from developers, the team will assist VA in evaluating the offers and selecting the most qualified developer based on the feasibility and innovation of the proposed execution structure. The proposal review and developer selection will follow three steps: analysis of responses through initial screening, conduct of respondent interviews and presentations, and detailed evaluation and selection.

Analyze Responses – Provide Initial Screening

Upon receipt of the written responses to the Request for Proposals, the team will investigate and qualify bidders on their responsiveness to the selection criteria stated above and their overall ability to execute the contemplated development structure. The bidders' ability to outline and support a financing strategy will be an important consideration, as will the developers' past performances and client references.

Using a matrix that integrates the evaluation criteria with the required information from the RFP, the team will provide VA with an initial evaluation of the relative strengths and weaknesses of each proposal. Additionally, the team will identify those areas requiring further clarification for the purposes of evaluation.

Conduct Respondent Interviews and Presentations

Based upon the initial screening process, the team will work with the VA to coordinate a series of oral presentations by finalist firms. Questions will be prepared in advance, and tailored to address specific areas on a respondent's proposal requiring clarification. The questions will be tailored to solicit general operating experience, examples of teaming efforts, past development projects, team culture and compatibility. If appropriate, follow-on presentations will be scheduled to address clarifying questions or to further differentiate between bidders.

Detailed Evaluation and Developer Selection

Following the completion of the developer presentations, the team will refine the evaluation matrix to include all information documented by the developers. The team will prepare a detailed evaluation of each developer and will provide a summary of the strengths and weaknesses of each, as well as an assessment of the relative risk associated with each proposal. Upon completion of the evaluation, the team and VA will conduct a review of the evaluation results.

Factor 1, Objective 4: Enhanced-Use Lease Execution

Our team will provide assistance as necessary in carrying out the Department's Enhanced Use Lease opportunities. The enhanced use lease legislation stipulates the key guidelines for entering into legal agreements with the private sector.

Participating in our team is a group of experienced real estate legal advisors who will ensure that all contractual agreements and supporting documentation are in full compliance with the VA EUL legislation; that such agreements maximize the financial (cash or in-kind) benefit to VA; and that the agreements provide acceptable risk protection to the Department. We will assist VA in negotiating and executing these agreements and upon closing of the transaction we are able to oversee contract compliance as necessary as follows:

- (4) Enhanced-Use Lease Execution – To provide assistance only as necessary in carrying out the Department's Enhanced Use Lease opportunities
- a) Legal transaction and documents (subject to VA legal dissection, review and approval)
 - i) Memorandum of Understanding (MOU);
 - ii) Memorandum of Agreement (MOA); or
 - iii) Lease
 - b) Financial transaction and accounting treatment
 - c) Notice of Intent to Award, with supporting documentation for internal and external review
 - d) Facility design and/or construction management

- Prepare and distribute the Preliminary Letter of Intent and Memorandum of Agreement
- Identify and provide pertinent EU lease terms, consideration of alternatives, and associated benefits analyses.
- Coordinate and assist in preparation of draft and final VA Capital Investment Board Application.
- Provide support services in preparation and negotiation of final EUL
- Perform planning and technical studies, including site and environmental assessments, legal reviews, title searches, credit analyses, and other supporting technical studies as approved by VA as needed to complete the due diligence process

The sections that follow describe in further detail the areas of support and key considerations that will be addressed by our team to ensure successful execution of the VA enhanced use lease program.

Legal Transaction and Documents

As outlined in the statement of objectives, there are three major documents which define the execution of an enhanced use lease – the Memorandum of Understanding, the Memorandum of Agreement, and the Lease. Our approach to developing these components is described below.

The team will investigate and incorporate legal and regulatory issues that may impact the conveyance or development potential of the Property. Issues that would be investigated may include, among others:

- Tax impacts / structures affecting the Property;
- Federal; State and Local real estate transfer requirements (EA, EIS, etc.);
- Current and potential zoning and the County / City Master Plan;
- FAR / permitted densities;
- Clarify the zoning and development approval process and timing;
- Any permanent encumbrances;
- Development incentives;
- Impact fees;
- Analyze the impact of public interest groups and adjacent property owners;
- A review of matters affecting title to the properties, including ground leases, easements and other title exceptions (if any); and
- All statutes, ordinances and regulations applicable to the Property.

These tasks will be accomplished through discussions with local governing officials, research of regulations, review of existing condition data and analysis of prior studies.

The Memorandum of Understanding (MOU) serves as evidence of the agreements reached on all business terms of the arrangement (such as fees, proposed financial compensation, in-kind consideration, etc.). This document also provides an outline the roles and responsibilities of the Lessee as well as each other party involved in the transaction. Our team will assist in validating the proposed overall project schedule and key milestones and that this information is incorporated in the MOU, including the expected date for finalizing and closing the transaction. Additionally, we will ensure that the MOU addresses financing sources and contains a target date by which the parties will conclude negotiations on all aspects of the financing. Our multi-disciplinary team will also provide resources to VA to assess the redevelopment plans including the outline of how facilities will be constructed, operated, maintained. After the MOU has been executed we will support VA in ongoing negotiations with the lessee to finalize terms and conditions of a lease that successfully incorporates the Department's site-specific requirements into the final development proposal from the lessee.

The term of an enhanced-use lease may not exceed 75 years. Each enhanced-use lease must be for fair consideration, as determined by the Secretary. Consideration under such a lease may be provided in whole or in part through consideration in-kind. Consideration in-kind may include provision of goods or services of benefit to the Department, including construction, repair, remodeling, or other physical improvements of Department facilities, maintenance of Department facilities, or the provision of office, storage, or other usable space. The terms of an enhanced-use lease may provide for the Secretary to – obtain facilities, space, or services on the leased property; and use minor construction funds for capital contribution payments.

The Notice of Intent to Award, with Supporting Documentation for Internal and External Review will follow standardized VA procedures for award of enhanced use leases. Notices will be coordinated and cleared with departmental general counsel prior to issuance.

Pruitt Beach LLP anticipates working with the VA's legal staff to evaluate, develop and draft programmatic legal documents that will serve as templates for all types of legal documents needed for the Enhanced Use Lease initiative and referenced in the RFP (i.e., all definitive and operative lease documents as well as transitional or "bridging" documents such as MOU's and MOA's). Lead Pruitt Beach LLP attorneys would expect to meet with the VA to establish working parameters, and to determine the level of supervision by and coordination with the VA. Pruitt Beach LLP would be comfortable with either a broad mandate to craft documents following consultation leading to the VA's review and approval, or working through a close, interactive relationship with the VA with respect to the development of document templates and subsequent reviews and approval, or at some intermediate point on the continuum of VA involvement. Underlying our strategic approach to the engagements would be an understanding and appreciation of the value of document standardization to enhance administrative ease in managing a large and far flung program. In our view, developing documentation that would need modification only to the extent necessary to reflect the unique nature of each individual project in its respective locale ultimately will result in a simplified, cost effective legal component for the Enhanced Use Lease initiative. Such an approach will also benefit the VA by providing it with the maximum control over the Enhanced Use Lease initiative and insure that the agency's needs are recognized and adhered to by all parties, internal and private developers alike. Given the nature of the legal task and in an effort to optimize the likelihood of success, Pruitt Beach LLP strongly recommends the appointment of a single legal provider to undertake the legal effort in order to insure that the proposed goals can be achieved. Alternatively, if the VA prefers to engage more than one legal provider, Pruitt Beach LLP would recommend the appointment of a single "National Enhanced Use Lease Counsel" who would be responsible for strategic planning and implementation, template drafting and overall development and management of the legal effort, but who would also involve other legal providers selected by the VA or by Pruitt Beach LLP in consultation with the VA, for specific projects around the country. The major benefits of either approach are that the VA will not expend the time, energy, and resources, monetary and otherwise, of its personnel to manage and interact with more than one legal service provider. Both approaches also minimize learning curve issues not only for the VA staff attorneys (who will spend their time working with, educating and reviewing the work products of just one set of lawyers) but also for the disparate group of lawyers around the country that might be engaged on an ad hoc basis for individual projects. With one law firm tasked with the responsibility for all legal affairs, the VA would also become the beneficiary of an unmatched accountability mechanism. In summary, either of the two recommend approaches are designed to maximize economies of accountability, service and scale while minimizing costs, learning curves and the possibility of programmatic inconsistencies, all the while being managed by a service disabled veteran owned law firm.

Financial transaction and accounting treatment

The lessee will be required to provide financial information to the Department, so as to enable a determination of financial sufficiency. We will support this determination through internal Department strategic capital planning process. We will assist ensuring the application contains the necessary information to enable the Department to evaluate budget-related decisions pertaining to the acquisition, management or disposal of its capital assets or facilities. We will accomplish this by ensuring the following key priority areas are considered:

- The Team will review pertinent generally accepted accounting principles (GAAP) for Federal agencies to determine the appropriate standards and methodology for accounting and reporting. This review will encompass FASB Statements Nos. 13 and 98, "Accounting for Leases," and the related Statements Nos. 26, 27 and 28; FASAB's SFFAS #5 "Accounting for Liabilities of the Federal Government," SFFAS, #7, "Accounting for Revenue and Other Financing Sources," and Exposure

Draft "Accounting for Fiduciary Activities;" OMB Circular A-11; and the Treasury Financial Manual.

- Based on its review of these materials and on its knowledge and experience of trust accounting and of Federal accounting and reporting requirements, the Team will develop and provide a written report that documents the recommended accounting treatment for the Enhanced Use Lease in the Federal sector. This report will include references to relevant accounting standards, interpretations, and guidance that support this determination.
- Based on this review, the Team will assist VA in determining, on a case-by-case basis, the appropriate methodology for accounting and reporting the transaction. This review will consider the potential for the lease to be reported in VA's financial reports.

Facility Design and/or Construction Management will include assisting VA in developing cost projections that define the expenditures that will be required by the VA and the developer based on the recommended Enhanced Use Lease Contract terms and conditions, and or providing any construction management oversight that may be required by the VA as a project moves into construction. The cost projections will provide flexibility to modify the conditions and terms as appropriate to ultimately establish a final agreement between the two parties. The team will work closely with the VA to determine and define the key, critical, variable elements that will influence the costs. We will update the pro forma financing assumptions and will review development and infrastructure cost projections to understand the impact on the implementation plan, and assist the VA in assessing future fluctuating cost changes that will impact rates and budgetary planning.

One of Pruitt Beach LLP's specialties is in the area of finance. Pruitt Beach LLP attorneys have been involved in more that \$90 billion of taxable and tax-exempt financings undertaken by Fortune 500 corporations, state and local governments and authorities, and investment partnerships, manufacturing companies, emerging businesses, and non-profit organizations and its attorneys have worked extensively with the broad spectrum of financial entities, including investment banks, commercial banks and insurance companies.

Pruitt Beach LLP attorneys have a special expertise in health care finance matters. This expertise includes experience with capital financing for private hospitals, nursing homes, primary care facilities, facilities for the mentally and physically disabled and other long term care facilities as well as for state-owned health care facilities involving, taxable and tax-exempt capital and operating lease structures, fixed and variable rate structures, and synthetic fixed rate financings using long term swaps. In addition, Pruitt Beach LLP attorneys have extensive familiarity with and understanding of HUD and the FHA-insured health care financing program (under Sections 242 and 232 of the National Housing Act) and have rendered opinions on more that 50 FHA-insured financings. In many instances, Pruitt Beach LLP attorneys have played a primary role in structuring such transactions, are particularly experienced with legal issues related to security for such transactions and have assisted in developing new security sources for existing programs.

Pruitt Beach LLP attorneys have increasingly become involved in reviewing swap proposals and documentation relating to fixed rate bonds synthetically divided into lower floaters and residual interest pieces, synthetic fixed rate new money and refunding bonds (involving the issuance of auction rate or VRDBs that are swapped to a fixed rate to maturity), synthetic put bond new money and refunding bonds (involving the issuance of fixed rate bonds with a "springing" variable rate swap that begins at the first optional call date), hedges and caps, and swaptions. Pruitt Beach LLP attorneys have extensive experience with floating rate debt, zero coupon debt, mini-bonds, taxable debt, concurrent, multiple series of bonds with different structural characteristics, insurance flips, and combinations of all of the foregoing. In addition, Pruitt Beach LLP attorneys possess an intimate working knowledge of financings that benefit from letters of credit, standby bond purchase agreements and bond insurance for credit enhancement and

liquidity purposes and are well versed in the technical mechanics associated with multi-modal variable rate bond structures as well as securities law disclosure considerations.

As part of its "valued added" approach to legal engagements, Pruitt Beach LLP lawyers have already approached one of the largest investment banking firms in the country regarding the possibility of creating a financing program that would eliminate financial risk to the VA with respect to individual Enhanced Use Lease projects while creating a liquidity market for developers who are on the other side of the transaction. We believe that this type of pro-active approach to legal services sets Pruitt Beach LLP apart from most of the legal service providers that the VA will evaluate during the course of its RFP review.

Factor 1, Objective 5: Enhanced-Use Lease Management

Lease administration and compliance testing ensures that all parties adhere to the requirements established in the transaction documents – including applicable ground lease, use agreement, operating agreement, third-party and government loan documents, lockbox agreement, management agreement, and development and construction agreements. The transaction documents outline in great detail the activities that must be carried out to ensure project success.

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| (5) Enhanced-Use Lease Management |
| a) Lease administration |
| b) Lease compliance inspections |
| c) Contract renewals |
| d) Other services as determined in support of Enhanced-Use Leasing |

If these activities are neglected or not fully adhered to, then the success of the project and the interests of the VA will be jeopardized. While it is the fiduciary duty of each party to follow the requirements in the legal documents, compliance-testing serves as a means of ensuring these activities are taking place as prescribed. The outcome of this testing will determine whether contracts or leases will be renewed (contract renewals), and the pricing of these contracts or rents.

The compliance testing process is facilitated by use of the compliance checklist—a tool that identifies legal requirements, policies or procedures to ensure task completion, tasks required to confirm compliance, the responsible party, the verifying party/parties, and potential risk levels (Red, Amber, and Green) to each item based on the severity and immediacy of the impact on the project. These risk levels and implications include:

- Items that could have a serious and immediate negative impact on the state of the project;
- Items that could have a serious impact on the state of the project, yet without the urgency of a red item. Items that will have a minimal impact on the state of the project, and require monitoring on a less frequent basis; and
- Potential compliance items which may impact the projects' NOI are of particular concern as a large share of the development budget for many projects is funded by project cash flows. Additional implications include potential environmental liabilities as a result of noncompliance with ground lease environmental provisions.

The Ground Lease compliance inspection is administered by VA and serves as the vehicle for enforcing the VA's obligations and responsibilities as set out in the lease. The lease establishes a legal relationship between the VA and the developer. Lease non-compliance issues must be corrected through the remedies and procedures set out in the Ground Lease. All of these types of compliance monitoring approaches are done at the same time to reduce costs, increase knowledge sharing, and create a more efficient program.

Key points of Compliance Testing:

- (1) Compliance testing ensures that adherence to transaction documents are incorporated into the day-to-day business practices at the project, assesses the health of the project, and protects the rights of the VA.
- (2) Classification of risk levels and identification of implications help to increase focus on the key areas of compliance.
- (3) Policy and process analysis ensures greater understanding of project management processes which ensure business and legal verification tasks are completed.
- (4) Involvement of multiple parties is required so that each party is responsible for compliance in its area of expertise.
- (5) Compliance testing increases compliance thereby reducing financial risks to the VA, such as loan default, and improper cash management.
- (6) Compliance testing incorporates and builds upon processes currently in place at the project.

Compliance Testing Deliverables - The following deliverables are part of the Compliance Testing process. Each is described in greater detail in the sections that follow:

- Project Compliance Reporting (Part of Quarterly Project Report submission)
- Portfolio Compliance Report
- Ground Lease Inspection Report

The compliance testing process is meant to be as efficient as possible. To this end, the compliance testing process is designed to ensure compliance through processes that currently exist at each project. While there are areas of responsibility at the portfolio level, the majority of the responsibility occurs at the project level. An overview of the compliance testing process follows:

- Within six months of project closing, the Developer and VA will agree on the compliance checklist requirements to be used for oversight of the transaction.
- On an ongoing basis, parties execute their required activities as outlined in the legal documents and administer supporting documentation.
- Approximately two weeks before the close of each quarter, parties review their areas of responsibility under "Conduct Requirement" and identify / prepare supporting documentation confirming their compliance. This can be in the form of documentation that is produced by the installation as part of ongoing operational policies and processes, for example it may include weekly or monthly cash management reports, and weekly or monthly reports outlining the partner's performance.
- On a quarterly basis (minimum), the responsible parties for verification tasks meet with the conduct requirements parties to review compliance following these general steps:
 - Verification party reviews each compliance item with conduct requirement party.
 - Conduct Requirement party reviews with verification party the business policy or process which ensures each verification task is achieved.

Verification party indicates their assessment of whether the specific item and policy/process is in compliance.

Non-compliant items are forwarded to Asset Manager Any items of non-compliance are flagged for follow-up and identified as part of the Quarterly Project Report.

- A case may arise in which an item is partially non-compliant. For example, if the project has chosen not to pay certain bills due to a dispute with a service provider, then the item relating to timely bill payment would be non-compliant, although with justifiable reason. In such cases, supporting explanation should be given, and the item should be flagged for follow up during the next reporting period.
- Asset Manager forwards the Quarterly Project Report providing non-compliant items including any necessary explanation for these items.
- The PM consolidates reports from all installations into the Portfolio Compliance Report with an analysis of non-compliance trends, risks, and issues occurring across the portfolio. This information may be used to provide the project teams with feedback on process or procedure enhancements to improve project compliance.
- On an ongoing basis the Asset Manager follows up on non-compliant items and spot checks supporting documentation in files. Verification of documentation may occur at the Annual Site Visit.

Portfolio Level - The role of the Portfolio Manager in the compliance testing process occurs in two phases. Following the transition of each project, the Portfolio Manager creates the compliance checklist and then encourages dialogue between the Developer and Asset Management teams on how to incorporate the requirements and tasks outlined into their business practices. The on-going responsibility

of the Portfolio Manager is to analyze the results of compliance testing at each project, assess the state of compliance across the portfolio, monitor compliance trends, and support the project teams in resolving issues of non-compliance.

Portfolio Compliance Report - On an annual basis, the portfolio manager consolidates the project level non-compliant items and incorporates them into the Portfolio Report with a discussion of any non-compliance trends occurring across the portfolio. The report is not meant to be a report card, but rather a way to address issues and improve future compliance. This information report will also serve as a resource for teams negotiating deal structures in the future. In producing the report, the portfolio manager should carry out the following steps:

- Consolidate project level compliance results to reflect non-compliance across the portfolio.
- Identify and comment on any major non-compliant items.
- Identify and seek to resolve any non-compliance trends or issues across multiple projects in the portfolio.
- The discussion includes the following sections:
 - Executive Summary - Describes the compliance testing process and suggestions for improvement.
 - Trends - Addresses trends of non-compliance across the portfolio and recommendations on how the trends may be reversed.
 - Risks - Identifies implications of non-compliance.
 - Recommendations - Describes how installations should assess a non-compliant item.
 - Lessons Learned - Includes ideas for changes to future deal structures based on current compliance issues.
 - Project Status - Includes summary description of compliance status at each installation

Project Level - The majority of the actual compliance testing occurs at the project level given the need for day-to-day interaction and oversight of the activities of the project team. Compliance testing is facilitated through the use of a compliance checklist that contains compliance items from key transaction documents, as well as the priority of the item, the frequency with which compliance testing will be performed, tasks that the installation uses to verify compliance and responsible parties, and the management policy/process which ensures task completion. Additionally determination of the performance incentive fee is being treated as a compliance item.

A significant benefit of the checklist is defining roles and responsibilities for compliance items to the parties with the most expertise for efficiently monitoring compliance, addressing non-compliance, and reducing monitoring redundancy. Up to three parties may be involved in executing or verifying each compliance item. One party is identified to perform the actual legal requirement, and another party verifies that the compliance item has been carried out. Each responsible party will monitor their compliance items, indicate the status and document relevant explanation for non-compliant items as required.

As part of ensuring compliance with the legal requirements the verification party must review the management policy/process that details how the task is achieved. Detailing the policy/process allows the asset manager to better understand the management controls in place to measure, track, and ensure project compliance. This approach serves to institutionalize the legal requirements into the day-to-day business practices of the project team. Effective controls require measurement of performance on task items, evaluation of that performance, analysis of deviation between planned and actual performance, and communication of that performance to the required parties. As an example: a legal requirement is that the property manager keeps the owner informed of any anticipated deviations from receipts or disbursements from the approved budget. The policy/process is a monthly statement from the project manager comparing actual to budget as well as a variance report explaining such deviations from budget.

The verification task is to review financial statements to see if there are any variations from the approved budget and to ensure this information is provided to the owner.

Project Level Compliance Reporting - On a quarterly basis, the Asset Manager is responsible for identifying non-compliant items in the Quarterly Project Report. To ensure a thorough review of compliance items, the Asset Manager should carry out the following steps:

- (1) Review compliance checklist to ensure that compliance requirements are being carried out and adhered to
- (2) Work with project staff to ensure compliance with each requirement
- (3) Describe significant non-compliance items where indicated on the Project Overview worksheet of the quarterly report. This narrative should provide clarification of non-compliant items as well as any action being taken by the project to address the non-compliance. Additionally, the narrative should include a discussion of the risks and project implications of any such items.

Contract renewals

The S&S/ACG team will work with VA to determine the appropriate level of compliance in order for contracts or leases to become eligible for renewal. Please see Factor 4 – Quality Assurance for further discussion of this task.

Other services

The S&S/ACG team is prepared to assist the VA in all services in support of enhanced use leasing. As shown in the resumes and past performance sections, the S&S/ACG team is prepared to support services including real estate services, program and construction management, financial analysis, community planning, investment banking, and a wide range of support services in order for VA to achieve successful program implementation.

Factor 1, Objective 6: CARES General Property Reuse Study

A highest and best use analysis is attained through the synthesis of 1.) property due diligence work which identifies what is physically and legally feasible, and 2.) thorough market research which identifies what is economically feasible, given market supply and demand dynamics. Property due diligence is discussed in section 6.a. above and 7.a below. Market analysis, discussed below, is particularly focused—for this purpose—on local demand for uses suitable for the site, to determine the optimal development products that will maximize property value. And as part of the market study, we also review surrounding uses and competitive area developments. Moreover, we assess the strength of each market segment to determine or confirm the most viable development opportunities for the site.

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| (6) CARES General Property Reuse Study |
| a) <u>Real property baseline (Property identification, evaluation and condition assessments)</u> |
| b) <u>Environmental baseline (NEPA, CERCLA, RCRA, ASTM, etc.)</u> |
| c) <u>Highest and Best Use Analysis</u> |
| d) <u>Appraisal/Valuation</u> |
| e) General property reuse plan |

Market research activities for highest and best use analyses would include:

- Identifying general supply/demand characteristics and trends by product type and class;
- Reviewing regional demographics;
- Assessing surrounding uses;
- Inventorying the competing properties; and
- Identifying potential lessees and end users/tenants.

Once the real property baseline (due diligence study) and market analysis are complete, the process of arriving at highest and best use determinations involves an iterative testing of various development scenarios by product type or mix of product type, through the use of a customized pro forma financial model which generates a net present value for each scenario. Comparing these results identifies the optimal development products and configuration that will maximize property value.

Environmental Considerations

As discussed above, the S&S/ACG Team has a wealth of experience in providing consulting services in evaluating environmental effects of a federal undertaking including their alternative. We have performed three environmental assessments in the last year to determine if actions proposed by the United States Air Force could significantly affect the environment. In order to assist the Department of Veterans Affairs, we will develop three levels of analysis that will determine whether or not actions proposed to be undertaken will significantly affect the environment. These three levels include: assessment as to whether the proposed action would be categorically excluded by NEPA; where appropriate and required, we will prepare environmental assessments to determine impacts; where no significant impact can be determined, we will prepare a Finding Of No Significant Impact (FONSI) for the appropriate VISN or VA signatory; where necessary and required, we will prepare an Environmental Impact Statement (EIS).

Our primary level of review will evaluate if the proposed VA undertaking may be categorically excluded from a detailed environmental analysis, if it meets prescribed criteria which the VA has previously determined as having no significant environmental impact. We will ascertain if the VA has the proposed action listed with the EPA as an action which is normally categorically excluded from environmental evaluation under NEPA regulations. In this case no further action will be taken.

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As prescribed by 42 U.S.C 4321, when an Environmental Assessment is required, the S&S/ACG Team will prepare a written assessment (in accordance with Section 1508.9 of the Environmental Council's NEPA regulations) to determine whether or not the intended VA action would significantly affect the environment. If it is determined that there is no significant impact, we will prepare a finding of no significant impact (FONSI), which may address the actions that the VA will take to reduce or mitigate any potentially significant impacts.

In the event that the EA determines that the environmental consequence of the VA's intended action may be significant, an Environmental Impact Statement (EIS) will be prepared. The EIS is a more detailed and substantive evaluation of the proposed action and alternatives developed within the EA. S&S/ACG will actively interface with VA management staff to develop a solid program for appropriately involving the public; community leaders; local veteran interests; and, other federal agencies, as may be required. Any EIS undertaken by the S&S/ACG Team will be developed in full compliance with Part 1502 of the EPA NEPA regulations and in full consultation with the appropriate EPA Regional staff. The entire process will be coordinated with the governing EPA Region, particularly with respect to Section 309 of the Clean Air Act.

By law, the public has an important role in the NEPA process. This is especially true during the scoping or definition of the issues which will be addressed in an EIS. Public input is ascertained in meetings or hearings, which require public notice. These meetings or hearings will be convened by the VA's designated officer. S&S/ACG will fully coordinate and provide all technical assistance which will be required. All public comments and comments by all parties of interest need to be scrupulously integrated into the record for consideration within the EIS process. Public comment periods are also mandated by EPA NEPA policy. S&S/ACG will attend to all of these matters and fully comply with the letter and spirit of these regulatory requirements.

Based upon the scoping and public and agency input, S&S/ACG will develop a Draft EIS that fully evaluates environmental impacts for review and approval by the VA staff and will provide access to the document for subsequent review by the public, State agencies, federal agencies who have been involved in the various public meetings to develop the EIS. Upon completion of the review of the Draft EIS, appropriate input will be integrated into the Final EIS. Upon completion of the Final EIS, with approval and endorsement from the VA, S&S/ACG will prepare a public record of the document that will outline the final decision of the reviewing authorities and how the findings of the EIS, including consideration of the various alternatives were incorporated into the final decision.

Once the Final EIS is recorded that VA will be able to proceed with the intended action, as prescribed by the protocols established by the EIS.

Historical and Architectural Assistance, National Register Assessments - The S&S/ACG Team has managed the National Register Assessments of over twenty-seven parcels of land and the built structures on these parcels. Our experience would indicate that it is always better to retain locally recognized subject matter experts that are familiar with the local environs, the State and local Historical Commissions and where necessary local tribal leaders.

We fully understand the mechanics of the Criteria for Evaluation, with respect to the quality of significance in American history, architecture, archeology, engineering, and culture that may be present in districts, sites, buildings, structures, and objects that possess integrity of location, design, setting, materials, workmanship, feeling and association. As a Service Connected Disabled Veteran-Owned Small Business, we clearly understand the potential importance of association from an historical perspective, where a facility may be named after a historic military figure who has distinguished himself

in service to his country. There are always historical elements associated with the proud service provided to service men and women by the VA.

Local input is always critical in evaluating the Historical or archeological value of buildings or facilities. Any facilities that are designated on the National Register will require highly qualified locally respected subject matter experts. While S&S/ACG is quite familiar with the process for evaluating facilities of significant historical, architectural or archeological value for alternative reuse, we acknowledge that local experts always fair better in achieving public consensus. We have worked with two nationally recognized historical and archeological firms: The Public Archeological Lab (based in Rhode Island); and, R. Christopher Goodwin and Associates (based in Maryland). Both firms have a very broad base of local experts and have been very successful in assisting public and private clients in maneuvering through the municipal, state and federal bureaucracy where historical and archeological matters are concerned.

Appraisal/Valuation

In order to distinguish between the highest and best use analysis required under a "General" vs. a "Comprehensive" Property Reuse Plan, we assume a more limited scope valuation exercise under the "General Property Reuse Plan." [If there is no distinction, then please see the discussion under Objective 7.d. below.] Our limited scope approach to calculate the market value of a VA site or campus will utilize two techniques: the Market Comparable Approach and the Land Residual Model Approach described under Objective 1 above.

Factor 1, Objective 7: CARES Comprehensive Property Reuse Plan

S&S/ACG team member Jones Lang LaSalle has developed a comprehensive evaluation methodology for assessing a site's physical development potential. One of the first steps entails conducting a thorough property "due diligence study." This study entails a review of all existing property information and the gathering of additional data, as necessary, to ensure a complete capture of the site's physical characteristics, as well as entitlements and regulatory restrictions. Property documentation to be assembled and analyzed typically includes, among others:

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|---|
| (7) CARES Comprehensive Property Reuse Plan |
| a) <u>Real Property Baseline survey</u> |
| b) <u>Environmental Baseline Survey and Audit</u> |
| c) <u>Highest and Best Use Study</u> |
| d) <u>Appraisal/Valuation Analysis</u> |
| e) <u>Industry Forum/Expression of Interest</u> |
| f) <u>Reuse master or land use concept plan</u> |

- Title, survey, easements and encumbrances;
- Existing infrastructure such as roads, water, sewer, electric, gas, fiber optics (location, capacity, etc.);
- Complete building inventory (age, size, use type) and physical condition assessment;
- Current site configuration;
- Traffic / transportation / access assessment;
- Phase 1 Environmental study— and specific identification of potential environmental problems and remediation strategies
- Soils suitability;
- Floodplains;
- Storm water management/ drainage;
- Review of any conceptual development plans prepared for the Property;
- Nature and impact of adjacent and surrounding uses; and
- Community services (fire protection, security/ police patrol, refuse removal, etc.).
 - Tax impacts / structures affecting the Property;
 - Historic property designations and preservation requirements
 - Federal, State and Local real estate transfer requirements (EA, EIS, etc.);
 - Current and potential zoning and the County / City Master Plan;
 - FAR/ permitted densities, and
 - Zoning and development approval process and timing.

This information will be compiled, organized, reviewed, and documented in a comprehensive Real Property Baseline Report which both summarizes current conditions and uses, and identifies untapped development capacity/potential available as a matter of right, on the site.

The analysis is a comprehensive assessment of the opportunities for marketing potential EUL properties for private sector reuse, bounded by any legal, environmental, economic or other constraints. Our suggested approach to this analysis will include:

Assess property and site conditions.

- Meet with VA officials to determine existing property and site conditions
- Review existing real estate master plans, studies, budgets, etc.
- Determine site constraints (access, security, ATRP, etc.)
- Determine historic impacts and related considerations
- Gather/review existing environmental documents for adequacy in preliminary environmental analysis
- Conduct physical condition assessment
- Estimate construction/ renovation, demolition, and environmental remediation cost

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A local market analysis is used to identify the opportunities for private sector utilization of the property(ies). The Team will use market information obtained from proprietary databases to facilitate this analysis. The approach to this analysis will include:

- Identify range of potential reuse categories, including residential; commercial; retail; other.
- For each category of reuse, determine relevant sources of market demand data, such as published reports; interviews with knowledgeable local market participants; proprietary market and demographic databases, and gather data.
- For each category of reuse, determine appropriate sources of supply data, such as municipal and regional planning documents; interviews with knowledgeable local market participants; inspection of projects underway in the area, and gather data.
- Analyze demand and supply data to determine market support for identified uses.
- Prepare a written report, indicating the reuse categories that are most appropriate, based on market demand vs. market supply.

Issues to be aware of for this task include the higher costs of redeveloping any historic properties on the site can entail; the need to coordinate with multiple levels of entities of government involved with historic properties; and the lack of pertinent market data available in some areas, especially rural areas. The Team's experience with involving multiple stakeholders in assessments of historic properties, and working with multiple agencies, will help speed the process.

Environmental Considerations - (Please see discussion in Factor 1, Objective 6 above.)

Appraisal/ Valuation analysis.

Our team is prepared to conduct market comparable and land residual valuation studies for VA properties, as discussed under the more limited General Property Reuse Study objective above, but if a full three-approach to value appraisal (cost, income and market comparable) is required, we intend to contract with local appraisers for these services. Judicious hiring of local appraisers—carefully vetted through a check on relevant experience, references, and sample work product—enables the best capture of local market knowledge. Since local market dynamics (vacancy, absorption, prevalent use, presence of competitors, understanding of “players,” etc.) contributes positively to realistic market value determinations, as well as highest and best assessments, we feel well served by relying upon local appraisers for full scope appraisals. (Please also see discussion of appraisal process under Factor 1, Objective 2 above.)

Review of Real Estate Holdings

A review of real estate holdings will be conducted to determine whether properties are appropriate for private sector lease, or to review property use in relation to leasing of specified functions. This review will generally be conducted in parallel with a market study, and will depend on collecting complete data from the Army. The approach to this review will include:

- Review existing properties and develop a baseline analysis. This phase includes property condition assessment and data collection.
- Develop space utilization metrics and point out space inefficiencies by building.
- Develop a base line operating cost identifying precisely when, where, and how much the VA spends on operating the “in-play” properties (properties included in the analysis).
- Analyze data and identify properties most favorable for privatization.

- Draft a current state report summarizing all findings from properties inspection and data collection and identify necessary action steps.

Formulation of a Reuse Concept Plan

The Team proposes the following approach for identifying possible private sector uses for each potential or proposed EUL property:

- Assess physical suitability for highest and best use including size, frontage, topography, soil/subsoil conditions or availability of utilities.
- Ensure that proposed uses are legally permissible. Zoning, building codes and environmental restrictions must be examined to ensure feasibility of highest and best use.
- Test financial feasibility and maximum productivity of highest and best use. The Team will ensure that any suggested development is financially feasible and satisfies criteria of providing the maximum return to the land.
- Assess the highest and best use of all subject properties considering each site, as it currently exists. Ultimately, the use that maximizes the property's net income is considered to be the highest and best use.

Particular attention will be paid to legal restrictions or physical characteristics that may limit a site's highest and best use. The Team will assess the VA's options based on an understanding of how the asset's geographical location may affect market opportunities, as well as any investment required to bring the facility to code or to facilitate reuse. The Team will summarize and present to VA observations and recommendations in a concept plan.

Business Planning - The Team proposes the following approach for evaluating opportunities and potential returns on making properties available for reuse:

- Develop a portfolio cost benefit analysis approach/template.
- Develop a risk analysis approach/template.
- Craft a road map detailing feasibility of implementation from a capabilities / requisite skills perspective for individual properties.

The Team has existing financial models we can employ to determine costs/benefits, which will accelerate the process. We will also address such issues as whether initial investments are required, issues associated with joint ventures or other management structures that might be utilized for such a project, and any restrictions or limitations on shared use of a "campus" type property.

Industry Forum

(Please see discussion of Industry Forum in Factor 1, Objective 3 – Enhanced Use Lease Marketing, above.)

Summary - In summary, our approach to the production of both General and Comprehensive Property Reuse Plans entails the systematic collation of property due diligence information, including environmental baseline data, sifted with real estate market analysis, to produce sound; realistic and feasible re-use strategies which seek to leverage the VA's real estate to achieve highest economic returns.

Factor 2. Personnel Background and Resumes

S&S/ACG has positioned the right people, with the right skills, in the right places, and provides those people with the right incentives to work in alignment with VA's objectives. Our proposed team from S&S Construction Services (SDVOSB), American Commercial Group (SDVOSB), ABS Environmental (SDVOSB), Ames Corporation (SDVOSB), Jones Lang LaSalle, Tetra Tech and Pruitt Beach Attorneys, LLP, hereinafter called the S&S/ACG Team, is comprised of proven finance, construction and development services specialists. Each Team member uses state-of-the-art cost control/accounting, record management, and real estate development procedures which will maximize the financial return to The VA and provide comprehensive data in which critical strategies and decisions can be implemented.

Our team, S&S/ACG, has been structured to provide the VA with all the required services on a nationwide basis. The S&S/ACG joint venture has been entered-into as a Mentor/Protégé relationship with Jones Lang LaSalle that will allow the VA to accomplish both of the apparent goals of the solicitation. By partnering two SDVO small businesses in a joint venture, the two firms, S&S Construction Services and American Commercial Group bring a broad real estate services expertise in construction and transactions. The joint venture has entered-into a Mentor/Protégé sub-contracting agreement with Jones Lang LaSalle to ensure a national presence that no small business could accomplish, and a mentoring partner to help the joint venture learn and grow their business. The Presidents of S&S and ACG, Israel Cuyler and Jim Tully, and the President of Jones Lang LaSalle's Public Institutions Group, Herman Bulls, will provide continuous corporate oversight and review of contract operations. They will be the corporate management advocates for purposes of this contract.

To the extent that the Veterans Administration seeks to maximize the involvement of service disabled veteran owned businesses (SDVOB) in the Enhanced Use Lease initiative that is the subject of the RFP, the legal work to be tasked to the Pruitt Group on behalf of the Veterans Administration will be undertaken by a newly formed legal partnership known as Pruitt Beach LLP. Perhaps unmatched by any other law firm, Pruitt Beach LLP, which is the combination of lawyers affiliated with the Pruitt Group and the 180 attorney New York State general corporate law firm of Pruitt Beach LLP, will qualify under all applicable regulations as an SDVOB. Accordingly, the VA will be presented with the opportunity with regard to the provision of legal services, a significant component of the global project, to utilize a single source that is a highly qualified SDVOB. Heading up Pruitt Beach LLP (with majority ownership and exercising day-to-day control) is Michael Pruitt, Esq., a service disabled veteran and highly skilled transactional lawyer formerly associated with Hall, Render, Killian, Heath & Lyman, one of the largest and most sophisticated niche healthcare law firms in the nation. Mr. Pruitt has led teams and been responsible for the documentation of projects of all sizes, varieties, scope and scale for a variety of clients, including the largest non profit healthcare system in the country (Ascension Health, formerly Daughters of Charity National Health System). Also contributing specialized expertise in the areas of commercial real estate development and finance, health care, tax-exempt and taxable finance, construction and surety, bankruptcy, and environmental law are attorneys of Pruitt Beach LLP. Given its depth of legal experience and staffing capabilities, Pruitt Beach LLP, as an SDVOB, is in the unique position of being able to offer "one stop shopping" for all of the VA's legal needs under the RFP.

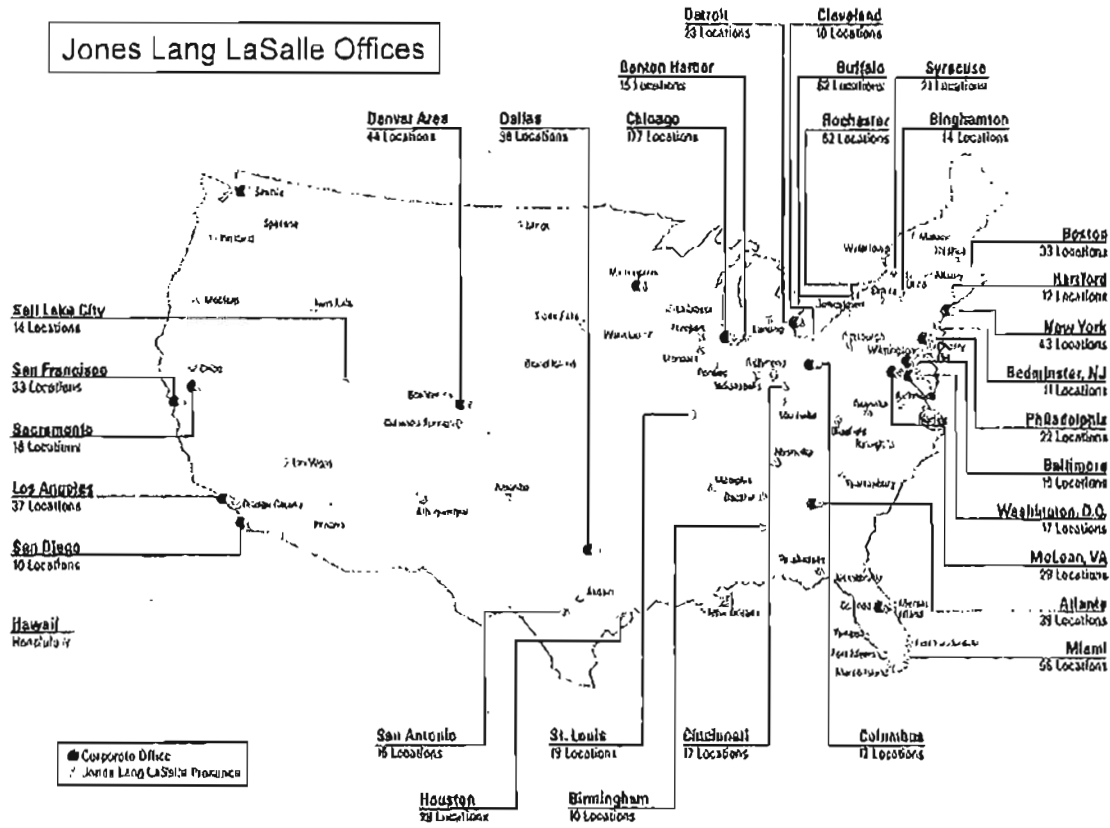
The joint venture has also sub-contracted with other SDVO small businesses to guarantee that over 51% of the contracted work is done by SDVO small businesses, and to provide strategic and specific resources to VA as this program evolves.

Corporate Commitment – The Presidents of S&S and ACG, Israel Cuyler and Jim Tully, and the President of Jones Lang LaSalle's Public Institutions Group, Herman Bulls, will provide continuous corporate oversight and review of contract operations. They will be the corporate management advocates for purposes of this contract.

National Operations Center – includes all dedicated project staff based in Washington DC. Our *Project Managers*, Tom Laboon and Kim Burke, will be responsible and accountable for management of every facet of the contract nationwide. They are the right people for this role. Mr. Laboon brings over 33 years of experience in leadership positions and is a graduate of the U.S. Naval Academy. Ms. Burke brings 17 years of federal agency and federal asset management experience managing nationwide contracts for major federal clients. She is thoroughly familiar with our "front-line" resources for contract performance—the S&S/ACG team, Jones Lang LaSalle regional offices, and personnel nationwide. Their collective goal will be to make sure that VA's goals are exceeded with S&S/ACG's performance contract-wide. That means that they must also make sure that VISNs are highly satisfied upon execution of the enhanced use leases acquired through our services. On a daily basis, these responsibilities entail communicating with the VA Procuring Contracting Officer, national program managers, and VISNs, identifying and resolving potential problems, overseeing contract-wide task order performance, and timely reporting.

Nationwide Coverage – S&S/ACG will provide nationwide coverage by performing task orders from our coast-to-coast wholly-owned, 38 existing company offices, each already staffed by full-time S&S/ACG, Jones Lang LaSalle, or subcontracted salaried employees. Wholly-owned offices give the team and VA maximum centralized control versus "affiliated networks" or franchises. We have set up an S&S/ACG regional office corresponding to each VA regional office and having the same normal business hours as the VA counterpart. Each task order will be assigned to a specific regional office. We will make use of all of our corporate offices and small business partner offices as needed in performing task orders, by that means maximizing local market knowledge in lease transactions and, further, minimizing response time to VA or tenant agency requests. The full list of existing offices is appended at the end of this subsection, including a map showing the addresses of the 11 S&S/ACG regional offices.

Each S&S/ACG regional office is under the management of a Regional Manager, a full-time Jones Lang LaSalle professional with expertise in leasing transactions for national brokerage clients. Every S&S/ACG regional office has its own staff of Transaction Specialists and Post-Award Services Specialists. Regional Managers will assign a specific Enhanced Use Leasing Transaction Specialist to serve as the task order manager for any task order performed in that regional office; this Leasing Transaction Specialist will carry out transaction activities and take responsibility from start to finish for daily activities on the task order, pre-award and post-award.



Communications and Coordination with VA Personnel: A large number of our key personnel are based in the Washington DC area already. They will be reachable 24 hours a day, seven days a week, by cell phone and will carry BlackBerry wireless e-mail devices. They will be available to meet personally with the VA whenever requested. They will stagger their office hours to ensure they are available to cover regional normal workdays (8am - 5pm, Monday - Friday) across the four continental time zones.

Our project organizational structure parallels VA's organization; our points of contact for VA are therefore clear and direct, facilitating communications and coordination. Our Project Managers will be the primary point of contact for the VA. Our Project Manager and Operations Manager will meet personally with the VA on a regular basis once every two weeks over the duration of the contract. In addition, they will also meet with the contracting personnel whenever needed. The purpose of the regular bi-weekly meetings will be to review contract status and resolve potential problems early. We envision daily phone and e-mail communications between and among our offices. All of our project staff nationwide—as well as all VA headquarters and regional personnel—will have 24/7 access to our web-based tracking system to check and update the status of the task orders assigned to S&S/ACG.

The S&S/ACG team plans to institute a “conflict wall” intended to ensure that procurement integrity requirements are not violated and the interests of the Government and offerors on lease acquisitions are safeguarded. Key elements of the “conflict wall” are the following. (1) “Flowing down” all organizational conflict of interest requirements from the S&S/ACG prime contract to subcontractors as a condition of award. (2) Immediately notifying the Contracting Officer of any potential conflict of interests that come to light. (3) Offering to forego, or withdraw from, any task order if VA is wary of the potential for conflicts of interest to emerge in that task order.

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Firm Overviews and Statement of Personnel Qualifications: The S&S Construction Services and American Commercial Group (S&S/ACG) offers the Veterans Affairs Enhanced Use Lease Program a nationwide-base of SDVOSB's organization that has in place a solid execution strategy, a commitment to benchmarking and a performance based metrics plan, and vast successful experience in providing real estate consulting, development and program management services to public agencies throughout the nation.

Selecting the call to action, "***Working Together to Rebuild the VA,***" this Team of accomplished professionals seeks to assist the VA to formulate, evaluate, manage and execute the Veterans Affairs enhanced use lease program, fully understanding that our services will be the catalyst for dramatic, sustained economic change at VA facilities nationwide.


As aged medical facilities are renovated or replaced and medical campus's built with surrounding neighborhoods and campus's revitalized, the S&S/ACG Team will ensure that the VA's mission of providing quality care to Veterans is maximized while underutilized assets are evaluated for the highest and best use/return to the VA. In fact, the S&S/ACG Team will attract new opportunities to fund leading-edge developments, utilizing state of the art financing structures and other real estate development initiatives and programs.

Our EUL services approach incorporates an innovative plan to place priority attention to numerous SDVOSB's with ongoing and continuous involvement throughout the life of the program.

Collectively, the S&S/ACG's team presence represents unparalleled benefits to this program, including extensive experience with tax-exempt financing and other financial structures involving public private partnerships, keen knowledge of the Department of Veterans affairs policies and mission, and a track record of similar development for public and private medical centers nationwide.

Team Management Process: The S&S/ACG Team will manage the execution of all tasks associated with this contract through the appointment of an overall Team Lead for the project, and a Technical Project Manager project phase. These leaders will ensure full, seamless integration of all tasks across work disciplines and organizational lines. Utilizing sound project management techniques, they will 1) establish a work plan and schedule with sufficient detail to ensure that the roles and responsibilities of all team members are carefully described and documented, 2) conduct periodic progress and process meetings to ensure diligent and successful pursuit of project goals; interceding when necessary to deploy additional resources or problem-solve as the case may require; and 3) establish a quality control review process that ensures all significant project determinations and formal deliverables are carefully and thoroughly reviewed by the Technical Project Manager, the Team Lead, and at least one quality assurance reviewer. These reviews ensure that sound methodologies are employed, that research is thorough and factual, that analysis work is free from error and omission, and that conclusions are appropriate and fully supported by the research and analysis.

SDVO Joint Venture Partners

<p>S&S Construction Services (SDVO, Hubzone, SDB) A Division of Sheen and Shine</p>	<p> We founded Sheen and Shine, Inc. in Rochester, New York in 1979 to provide Facilities Management, Janitorial Services, Demolition, Interiors Contracting and Environmental Remediation services. Our company has grown to over 120 professionals and diversified through our subsidiary, S&S Construction Services, and our forthcoming merger/acquisition of Ross Wilson & Associates to become a provider of real estate development and construction services for significant capital projects and programs. Our timeline of being in business reflects our steady growth earned by consistently exceeding customer expectations.</p> <p>Today we have the capability to provide a 'Total Technology' approach to provide a wide variety of Construction and Project Management, Real Estate Development, General Contracting, Facility Management, Plant Maintenance & Engineering and Environmental services from our offices located in Rochester, Syracuse, Buffalo, and Waterville, New York.</p> <p>We guarantee your continued satisfaction and will continue to stand behind our work, as we have for the past 25 years, with great pride and dedication.</p> <p>S&S companies carry and maintain the appropriate regulatory licenses and certifications necessary to conduct business and to perform work in accord with all local, county, state and federal regulations.</p>
<p>American Commercial Group, Inc (SDVO)</p>	<p>American Commercial Group, Inc. (ACG) and its administrative and management team, ISI Professional Services, are unique in offering objective, full-service consulting and project management services for complex and mission-critical projects. The ACG team provides our clients with financial benefits, and has a proven track record for adherence to budget and schedule requirements. The ACG team provides a full range of services in the following categories: project management, due diligence, real estate, leasing, facilities management, building audit, design services, construction consulting and management, security services, cable plant infrastructure, information technology, financing, relocation.</p> <p>The ACG team provides the appropriate staffing resources, project management tools, advice, structure, and organization required to achieve cost-effective project success.</p>

SDVOSB Subconsultants

<p>AES Environmental</p>	<p>Advanced Environmental Solutions, Inc. (AES) is a solutions-oriented environmental consulting company with expertise in providing service to Federal agencies. Our senior level staff affords our clients many years of experience in environmental consulting, engineering design, and remedial construction. For projects where our clients prefer a complete turnkey approach, we are also able to provide a total design/build service. As a Service Connected Disabled Veteran Owned (SCDV) and HUBZone certified firm, ABS is in the unique position to assist all Federal agencies including: the Department of Defense (U.S. Air Force, U.S. Navy, U.S. Army Corps of Engineers), the National Aeronautical and Space Administration; and the Department of Transportation in meeting set-aside goals for Federal procurement. AES is also prepared to assist major prime contractors for these agencies in meeting their set-aside goals. Additionally, we are qualified and experienced in providing complete environmental solution to private clients</p>
<p>Ames Corporation</p>	<p>Founded in 1994, AMES is an 8(A) Program Participant and Certified HUBZ-one with the United States Small Business Administration (USSBA) and Service-connected Disabled Veteran Business Enterprise (SDVB). With its Corporate Offices in St. Petersburg, Florida and Branch Office locations in Fortson, Georgia, Biloxi, Mississippi and San Juan, Puerto Rico, AMES has established itself as a worldwide provider of O&M, construction, and program management services for government facilities worldwide. With our established management infrastructure and highly qualified staff of facility management and construction professionals, AMES believes that our ability to meet and exceed the expectations of our clients for contracts has been proven by our prior performance record in the execution of similar contracts.</p>
<p>Pruitt Beach LLP</p>	<p>Pruitt Beach LLP, a service disabled veteran owned business (SDVOB), consists of seasoned attorneys with expertise in all aspects of commercial real estate development and finance, health care transactions and other related matters, tax-exempt and taxable finance, construction and surety, bankruptcy, and environmental law. Pruitt Beach LLP, which will subcontract all legal services under the prime contract, envisions a strategic, unified approach to help the VA manage multiple projects concurrently throughout the nation. Pruitt Beach LLP lawyers will have the professional ability and capacity to cover the scale and scope of projects envisioned along a full geographic spectrum.</p>

Mentor Firms and Additional Sub-Consultants

Jones Lang LaSalle	<p>Jones Lang LaSalle is a leading global provider of integrated real estate and money management services. We serve clients locally, regionally and globally from offices in more than 100 markets on five continents. Approximately 17,300 employees stand ready to provide each client with comprehensive investment, transaction and management services.</p> <p>We deliver the highest quality service to healthcare clients in an extremely dynamic and challenging environment. Our healthcare real estate professionals develop strategies to meet the needs of investors, hospitals and physicians, offering strategic insight into the doctor/hospital relationship and healthcare delivery systems. Access to capital from varied sources enables us to develop financial solutions for a wide range of healthcare facilities.</p>
Tetra Tech	<p>Tetra Tech inc. is committed to making a difference in the critical areas of infrastructure, communications and resource management. Founded in 1966, Tetra Tech has over 9,000 employees and is recognized for expertise in many scientific and technical areas ranging from innovative building design to wireless communications networks and watershed management. As one of the largest design firms in the U.S., Tetra Tech provides full service architectural and engineering capabilities for all types of buildings and incorporates the latest technologies to enhance communications.</p>

Individual Resume Highlights

1. Partner/Principals – SDVO Leadership

S&S Construction Services, LLC (SDVO)	Name & Title: Israel Cuyler, President, S&S Construction Services, LLC (SDVO)
	Project Assignment: Principal
	Years Experience with this firm: 25 With other firms: 0
	Education (Degree/Year/Specialization): Dartmouth College, Amos Tuck School of Business Administration
	Active Registration (Year First Registered/Discipline): 1991 – Asbestos Supervisor/Contractor Handlers License
	Other Experience and Qualifications relevant to the proposed project: Mr. Cuyler is a service disabled Vietnam veteran with extensive experience in contract/bid services, handling of sales, procurement of supplies and equipment. In addition to the asbestos/lead abatement certificate, Mr. Cuyler also holds a certificate in mold/fungi abatement and facilities management since 1991. Mr. Cuyler's supervisory skills combined with his professional staff ensure the success of all contracts from bid to completion. Mr. Cuyler's company has grown from 2 people to over 200. Mr. Cuyler's entrepreneurial spirit and business acumen guarantee continued growth of his company's capacity. He is currently an authorized representative of UNICOR 290 Signs Systems for Federal Agencies in NYS; a member of Veteran of Foreign War(VFW) Pennington – Moye VFW Post #9251; Rotary for 12 years; Private Industrial Council Rochester, New York, and Executive Director of the NYS Association of Service Disabled Veterans.

American Commercial Group (ACG)	Name & Title: James M. Tully, President, American Commercial Group (SDVO)
	Project Assignment: Project Principal
	Years Experience with this firm: 22 With other firms: 10
	Education (Degree/Year/Specialization): Iona College, BBA; U.S. Navy Flight School; United States International University, MBA
	Active Registration (Year First Registered/Discipline): N/A
	Other Experience and Qualifications relevant to the proposed project: James Tully is a 100% disabled veteran, wounded in Korea and Vietnam, while rising from Private to Lt. Colonel in the United States Marine Corp. His leadership reached its peak as an Infantry Battalion commander in combat. Mr. Tully managed the assignments of 170,000 marine personnel and recruiting program for the western 2/3 of the United States. Mr. Tully was nominated and was the runner-up "Leader of the Year" for those efforts. After leaving the Marine Corps, he founded a company involved in international trade. As a Chinese linguist, he was the only civilian to accompany Richard Nixon to China. In 1982, Mr. Tully started a real estate business in the Washington Metropolitan Area. As a registered real estate broker, he negotiated over a million square feet of commercial office space. Mr. Tully was the Founding Director of the Tyson's Corner Transportation Committee, de facto governing body in the development of Tyson's Corner. Mr. Tully is currently involved in an Enhanced Use Lease transaction on Picatinny Arsenal.

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2. Corporate Mentoring Committee

Jones Lang LaSalle	Name & Title: Herman E. Bullis, President, Jones Lang LaSalle
	Project Assignment: Transaction Specialist
	Years Experience with this firm: 13 With other firms: 12
	Education (Degree/Year/Specialization): Bachelor of Science degree in engineering from the United States Military Academy at West Point and a MBA in finance from Harvard Business School
	Active Registration (Year First Registered/Discipline):
	Other Experience and Qualifications relevant to the proposed project: As President of the Public Institutions Practice, Mr. Bullis is responsible for overseeing business development efforts, managing client relationships, and coordinating service delivery by project teams to ensure appropriate resources are devoted to meeting client requirements. The practice focuses on delivering real estate solutions to government entities, nonprofit organizations, transportation facilities, and higher education institutions. In this capacity, he oversaw the VA Enhanced Use Lease in Atlanta (DeKalb), GA. He has also served as Executive Vice President and Chief Operating Officer for a \$3.7 billion Fannie Mae Delegated Underwriting and Servicing multi-family lender. He has been helping government agencies and universities reach their goals with practical real estate solutions for the past 15 years. Prior to joining Jones Lang LaSalle, he completed almost 12 years of active duty service with U.S. Army.

Jones Lang LaSalle	Name & Title: Kevin R. Wayer, Managing Director, Jones Lang LaSalle
	Project Assignment: Senior Real Estate Specialist
	Years Experience with this firm: 12 With other firms: 0
	Education (Degree/Year/Specialization): MBA with a concentration in Finance, DePaul University and a B.S. in Accounting from the University of Illinois.
	Active Registration (Year First Registered/Discipline):
	Other Experience and Qualifications relevant to the proposed project: In addition to the military privatization program, Mr. Wayer also serves as client relationship manager to Johns Hopkins University, overseeing the firm's development advisory work for the client. Mr. Wayer also has experience with numerous public sector clients. Mr. Wayer served as Project Manager for the City of Chicago, analyzing development alternatives for approximately 1,500 acres of collateral land at O'Hare International Airport. He marketed surplus airport assets, negotiated with tenants and conducted market research for potential development sites. Mr. Wayer provided oversight for financial analysis activities, such as land residual pro formas, fiscal impact analysis and economic impact analysis. For Amtrak Corporation, Mr. Wayer led a Jones Lang LaSalle team through the due diligence and valuation of five land assets in downtown Chicago. The valuations included reviewing and financial modeling ground leases for over four million square feet of commercial office space.

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3. Executive Director (SDVO)

S&S Construction Services, LLC (SDVO)	Name & Title: Thomas Laboon, Manager, S&S Construction Services, LLC (SDVO)
	Project Assignment: Project Manager
	Years Experience with this firm: 1 With other firms: 33
	Education (Degree/Year/Specialization): M.S., Sanitary Engineering, Georgia Institute of Technology, 1974 B.S., Civil Engineering, Georgia Institute of Technology, 1973 B.S., Mechanical Engineering, U.S. Naval Academy, 1971
	Active Registration (Year First Registered/Discipline): Licensed Engineer; Virginia, Maryland, Pennsylvania
	Other Experience and Qualifications relevant to the proposed project: Thirty-Three years of challenging experiences in management and operational leadership positions for both the public and private sectors. Twenty years in the U.S. Navy's Civil Engineer Corps managing facilities of all types; directing variety of contracts for facility construction, maintenance and repair; developing strategic plans; independently managing organizations with worldwide responsibilities; and working at the highest levels of the US government as the White House civil engineer for four years. Five years in the private sector environmental consulting business successfully satisfying client requirements. Five years as Property Manager for two private estates, one in New York and one in Pennsylvania. Senior V.P. for Operations with EarthWalk Communications, Inc., a wireless computers company ranked #1 in Deloitte & Touche Fast Fifty for 2001. Chief Operating Officer, American Military Housing Services and Housing Futures of South Carolina. Class Trustee (1971) for U.S. Naval Academy.

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4. Project Managers

Jones Lang LaSalle	Name & Title: Kim Burke, Managing Director, Jones Lang LaSalle
	Project Assignment: Senior Real Estate Specialist
	Years Experience with this firm: 0.3 With other firms: 18
	Education (Degree/Year/Specialization): Bachelor of Arts degree from the University of Virginia, and a Master of Business Administration from the University of Texas at Austin.
	Active Registration (Year First Registered/Discipline): Association of Government Accountants, American Association of Budget and Program Analysts, National Association of Installation Developers
	Other Experience and Qualifications relevant to the proposed project: Prior to joining Jones Lang LaSalle, Ms. Burke served as a Principal in the Real Estate Advisory Services group at Ernst & Young where she advised multiple agencies in real estate strategy, privatization, and budgetary scoring, including: VA, and DoD in support of Enhanced Use Leasing (EUL) including creating and evaluating alternatives for redevelopment, analysis of market demand, project vision and feasibility, budget and regulatory clearances, industry forums, creation of RFQ solicitations, evaluation of developer proposals, and development of the business and leasing plans during the Army's preparation and negotiation with a private sector developer. This included work on VA EUL trust accounting, and the Cleveland EUL Concept Plan. Prior to E&Y, Ms. Burke served for 7 years at OMB coordinating federal credit policy and budgetary scoring (A-11); and 2 years at CBO in the Budget Analysis Division.

S&S Construction Services, LLC (SDVO)	Name & Title: Terence LoConte, Director of Operations, S&S Construction Services, LLC (SDVO)
	Project Assignment:
	Years Experience with this firm: 1 With other firms: 19
	Education (Degree/Year/Specialization): Utica College of Syracuse University; B.S. in Construction Management
	Active Registration (Year First Registered/Discipline):
	Other Experience and Qualifications relevant to the proposed project: Terence LoConte presents a thorough knowledge of construction management procedures derived from his extensive experience performing for both public and private sector projects in New York State. He has had overall responsibility for delivery of all construction phases of many diverse and challenging projects. He has performed the duties of an estimator, value engineer, scheduler, preconstruction manager, MIS specialist, project manager, and principal in charge. His expertise in construction control, project controls, value engineering and team building have been utilized on successful projects such as: courthouses, justice facilities, educational facilities, municipal buildings, office buildings, corporate clients and warehouses. Specific project experience includes: Fulton City Schools, Herkimer County Courthouse, Herkimer County community college, Oneida County Correctional Facility.

American Commercial Group (ACG) (SDVO)	Name & Title: Daniel V. Marshall, Senior Vice President, American Commercial Group (SDVO)
	Project Assignment: Project Manager
	Years Experience with this firm: 22 With other firms: 12
	Education (Degree/Year/Specialization): Randolph-Macon College National Institute of Real Estate
	Active Registration (Year First Registered/Discipline): N/A
	Other Experience and Qualifications relevant to the proposed project: Mr. Marshall manages over 100 professionals supporting federal agencies with strategic planning, transaction services, construction management, information technology and relocation management, to meet their missions as related to real estate. In the last three years, Mr. Marshall has overseen numerous complicated federal requirements as the Government struggles to modernize its facilities for the 21st century, while meeting new security requirements. Projects include:
	Private Public Partnership/Army Enhanced Use Lease: Picatinny Arsenal, New Jersey Mr. Marshall is the Managing Director of Forge Technology. Forge Technology LLC, in collaboration with the US Army at Picatinny, have formulated an Enhanced Use Leasing initiative under USC 2667 to develop/lease land in a 120-acre development site and renovate/lease 100,000 square feet of non-access facility space at Picatinny.
	Department of Veteran Affairs (Multiple Projects) 27,000 RSF of Office Space, 5 years firm term w/one 5-year renewal option in Atlanta, Georgia: This space was designed to house the Health Eligibility Center. This group of VA had a very complex computer requirement. Additionally this was the first time this agency changed locations in over fifteen years. Thus requiring a detailed program of requirements, and expansion space. 85,000 RSF of Warehouse Space, 15 year firm term w/ one 5 year renewal option in Tucson, Arizona: This leasing requirement is a build-to-suit warehouse that will house VA's Consolidated mail-out Pharmacy. The space once completed will be fully air-conditioned; temperature controlled, and will be in operation twenty-four hours a day with a state of the art computer system. 80,000 RSF of Warehouse Space, 15 year firm term w/ one 5 year renewal option in Bedford, Massachusetts: This leasing requirement is a build-to-suit warehouse that will house VA's Consolidated mail-out Pharmacy. The space once completed will be fully air-conditioned; temperature controlled, and will be in operation twenty-four hours a day with a state of the art computer system.
	Office of the Special Trustee; Bureau of Indian Affairs; Albuquerque, NM The programming, lease, design, construction management, furniture, telecommunication and relocation for a new 140,000 SF "build-to-suit" headquarter.
	The National Business Center; Reston, VA The programming, lease, construction management and relocation of a data center into an 80,000 SF office facility.

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AES Group, Inc., Parker CO (SDVO)	Name & Title: James M. "Mike" Summers, PE, AES Group (SDVO)
	Project Assignment: Project Manager, President
	Years Experience with this firm: 16 With other firms: 33
	Education (Degree/Year/Specialization): BS / Civil Engineering; MS / Civil Engineering; Command and General Staff Officer Course Signal Officer Basic and Advanced Courses
	Active Registration (Year First Registered/Discipline): CO / Professional Engineer – Civil/Structural; KS / Professional Engineer – Civil/Structural MO / Professional Engineer – Civil/Structural
	Other Experience and Qualifications relevant to the proposed project: As the AES Group President, Mr. Summers is responsible for engineering activities from the initial concept through final client acceptance. His expertise encompasses design, analysis and coordination of major projects. Projects include finite element computer modeling, dynamic analysis of nuclear and fossil power plants, civil/structural design, master drainage plans, utility rate studies, ultrasonic testing and expert testimony. Experience includes overall project manager to design engineer for commercial steel and concrete structural designs, timber frame buildings, structural analyses of steel communications towers, municipal drainage, roadway design; project funding, construction, evaluation, rehabilitation, system planning and mapping; water well rehabilitation, water treatment facilities design and startup, iron removal filter systems designs, water system testing, site development; prepared structural design reports, reviews and testimony in the area of wood, steel and concrete for commercial, industrial, residential design and in specialized areas such as log construction and elevated tramways. He provides expertise for UBC structural compliance reviews and evaluation of multi-story commercial buildings along with preparing snow load requirements for UBC county amendments and design criteria for dipping bedrock. As a CO PUC engineer (1980-1988), he performed utility COS, economic cost/benefit studies, scheduling and network load analysis, utility rate analysis and design plus expert testimony for water, electric, gas and telephone systems. A retired military member, LTC Summers worked with DOD & Corps of Engineers requirements for military facility designs, operations and maintenance programs and logistical support.

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Pruitt Beach LLP	Name & Title: Doron Bar-Levav, Esq., Pruitt Beach, LLP	
	Project Assignment: Partner	
	Years Experience with this firm:	5.5 With other firms: 20
	Education (Degree/Year/Specialization): BA Political Science, Reed College; JD University of Texas	
	Active Registration (Year First Registered/Discipline): Admitted to the New York Bar, First Department, 1980	
	Other Experience and Qualifications relevant to the proposed project:	

For more 25 years, Mr. Bar-Levav has served as bond counsel and underwriters' counsel in connection with the issuance and refundings of general obligation bonds, revenue bonds and certificates of participation for health care, housing, educational facilities, transportation, infrastructure, industrial development, municipal water, sewer and solid waste, public power, local furnishing of electricity and gas. Mr. Bar-Levav has rendered opinions in more than 1,350 transactions, involving in excess of \$75 billion aggregate principal amount of tax-exempt and taxable obligations.

Issuers for whom Mr. Bar-Levav has served as bond counsel or on whose financings he has served as underwriters' counsel include the State of New York, the New York State Housing Authority, the State of New York Mortgage Agency, the Dormitory Authority of the State of New York, the New York State Energy Research and Development Authority, the New York State Urban Development Corporation, the Power Authority of the State of New York, the New York Local Government Assistance Corporation, the Metropolitan Transportation Authority, the Triborough Bridge and Tunnel Authority, the New York State Environmental Facilities Corporation, the Battery Park City Authority, the New York State Thruway Authority, the Port Authority of New York and New Jersey, The City of New York, the New York City Health and Hospitals Corporation, the New York City Housing Development Corporation, the New York City Transit Authority, the New York City Industrial Development Agency, the Nassau County Industrial Development Agency, the Westchester County Industrial Development Agency, the State of Connecticut, the Connecticut Housing Finance Authority, the Connecticut Health and Educational Finance Authority, and the City of New Haven, Connecticut.

Mr. Bar-Levav has been involved in more than 250 health care financings totalling in excess of \$18 billion. Specific health care project experience includes: Roswell Park Cancer Institute, Albany Medical Center, Maimonides Medical Center, Montefiore Medical Center, New York Hospital, Columbia-Presbyterian Hospital, Beth Israel Hospital, Staten Island University Hospital, all 10 of the hospitals designated by New York State as "distressed" as well as new money and refunding financings for the extensive State-owned facilities administered by the New York State Office of Mental Health, the New York State Office of Mental Retardation and Developmental Disabilities, and the New York State Office of Alcoholism and Substance Abuse Services. In addition, Mr. Bar-Levav helped The City of New York to create the new Health System Bonds financing structure for the New York City Health and Hospitals Corporation and drafted all of the new financing documentation for the new financing structure.

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5. SDVO Team Members

S&S Construction Services, LLC (SDVO)	Name & Title: Brian Dalton, S&S Construction Services, LLC (SDVO)
	Project Assignment: Project Manager
	Years Experience with this firm: 1 With other firms: 18
	Education (Degree/Year/Specialization): BS Civil Engineering, Worcester Polytech Institute
	Active Registration (Year First Registered/Discipline):
	Other Experience and Qualifications relevant to the proposed project: Brian Dalton has been involved with every facet of the construction business. He spent several years as a superintendent on major facilities. He was the regional chief financial analyst for a nationally ranked contractor, responsible for cost control, scheduling, utilizing Primavera Sure Trak, and reporting on multiple projects ranging from \$5 million to \$150 million. He has also performed project management roles and has extensive experience planning the phasing of complex multi-million dollar education and health care projects. His experience reflects a total constructed value in excess of \$500 million dollars off high profile public sector construction projects in New York State alone. He is familiar with the requirements of public bidding, Project Labor Agreements. Specific project experience includes: Roswell Park Cancer Institute, North Syracuse Central School District, Binghamton Psychiatric Center, Fulton City School District, Albany Medical Center.

S&S Construction Services, LLC (SDVO)	Name & Title: Ronald Molina, Field Project Manager, S&S Construction Services, LLC (SDVO)
	Project Assignment: Mechanical Project Manager
	Years Experience with this firm: 1 With other firms: 25
	Education (Degree/Year/Specialization): Rochester Institute of Technology; Bachelor of Technology – Civil Engineering Technology; SUNY Alfred; Associate in Applied Science – Construction Technology
	Active Registration (Year First Registered/Discipline):
	Other Experience and Qualifications relevant to the proposed project: Ronald Molina has had progressive experience in multiple aspects of the construction business. His experience ranges from QA/QC responsibilities to Mechanical, General Construction and Construction Management. He has performed a variety of tasks which include: estimating, supervision, inspection, management and coordination. He has completed the OSHA approved 8-hour construction safety-training course. He is also familiar with specialized software such as: Primavera and Microsoft Project scheduling software, Prolog Manager management software and MC2 estimating software. Specific project experience includes: Erie County Courthouse, Rural Metro Medical Services, Central Square School District, Roswell Park Cancer Institute, Leroy Central School District, Fulton City School District, Corning, Inc. Sullivan Park Phase II, NYNEX Accounts Collection Center, Niagara Cogeneration Facility, New York State Electric and Gas Energy control Center and Pilot Baseball Field.

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S&S Construction Services, LLC (SDVO)	Name & Title: Michael P. Bingham, LSP, LEP, CPG, AES (SDVO)
	Project Assignment:
	Years Experience with this firm: 1 With other firms: 20
	Education (Degree/Year/Specialization): M.S., Geology, University of Maine, 1981; B.S., Geology, Northeastern University, 1977
	Active Registration (Year First Registered/Discipline): Certified Professional Geologist, Maine, #71; Licensed Site Professional, Massachusetts #4141; Licensed Environmental Professional, Connecticut #215
	Other Experience and Qualifications relevant to the proposed project: Mr. Bingham has over twenty years of professional experience including eleven years of environmental consulting experience and four and a half years of regulatory experience with MADEP. Mr. Bingham has conducted environmental site assessments and remedial investigations at Superfund sites, hazardous and municipal waste landfills, commercial and industrial real estate, and various government facilities. These assessments have included sites impacted with metals, solvents, PCBs and petroleum hydrocarbons. He has completed Comprehensive Site Assessment Reports, Phase I and Phase II Reports, installed monitoring wells, conducted vapor extraction tests and performed emergency response tasks at large petroleum terminals. He has also designed and installed soil vapor extraction, air sparge, and pump and treat remediation systems, as well as provided expert witness in a legal action involving complex geology, hydrogeology, and migration of contaminants. He has managed projects and completed reports in all Phases of Massachusetts Contingency Plan.

S&S Construction Services, LLC (SDVO)	Name & Title: Barbara A. Nadel, FAIA, S&S Construction Services, LLC (SDVO)
	Project Assignment: Planner
	Years Experience with this firm: 1 With other firms: 25
	Education (Degree/Year/Specialization): Rhode Island School of Design, Bachelor of Architecture Rhode Island School of Design, Bachelor of Fine Arts State University of NY at Binghamton, Bachelor of Arts, Pre-Architecture Cornell University, Architecture; Hofstra University, Physics University of Rhode Island, Management; Alliance Francaise, French
	Active Registration (Year First Registered/Discipline): Architecture, New York, 1983 National Council of Architecture Registration Boards (NCARB) Woman Owned Business, New York State and New York City, 1993.
	Other Experience and Qualifications relevant to the proposed project: Barbara A. Nadel, FAIA, Principal of Barbara Nadel Architecture, has over 25 years professional experience in programming, planning and design of health care, criminal justice, psychiatric, and institutional facilities. Before establishing her practice in 1992, Ms Nadel worked for several national architectural and engineering firms in New York, Boston and Providence, RI. Ms. Nadel has consulted and worked on many building types, including prisons, jails and special needs facilities, medical centers, psychiatric and community hospitals, and laboratories. She has served as an expert witness in the US and Puerto Rico, and is a frequent speaker at national events.

S&S Construction Services, LLC (SDVO)	Name & Title: Elizabeth A. Purcell, S&S Construction Services, LLC (SDVO)
	Project Assignment: Technical writer
	Years Experience with this firm: 1 With other firms: 25
	Education (Degree/Year/Specialization): Bachelor of Arts, University of Missouri
	Active Registration (Year First Registered/Discipline):
Other Experience and Qualifications relevant to the proposed project: Elizabeth Purcell, Marketing Director, S&S Construction Services, has over 25 years experience in community based development and planning. For 11 years Elizabeth was Principal of The Purcell Group established in 1989, to provide organization and community development consultation and training to over 50 St. Louis region and national organizations. Client organizations included health care systems, social service agencies, schools, fire departments, cultural arts centers, neighborhood associations and the U.S. Department of Housing and Urban Development. Noteworthy results for client organizations included; Blue Ribbon School designation by the Federal Department of Education, a model program now a standard for linking voluntary health organizations with urban medical centers to provide seamless cost effective care, and construction of a \$20 million cultural arts center.	

S&S Construction Services, LLC (SDVO)	Name & Title: Robert H. Docherty, General Counsel, S&S Construction Services, LLC (SDVO)
	Project Assignment: General Counsel
	Years Experience with this firm: 1 With other firms: 35
	Education (Degree/Year/Specialization): Doctorate of Law, University of Buffalo, 1965
	Active Registration (Year First Registered/Discipline): Member New York State Bar Association since 1965
Other Experience and Qualifications relevant to the proposed project: Fourteen years experience in Construction and Real Estate Development and related Law.	

S&S Construction Services, LLC (SDVO)	Name & Title: Frederick Marx III, Manager, S&S Construction Services, LLC (SDVO)
	Project Assignment: Project Manager/ Estimator
	Years Experience with this firm: 1 With other firms: 30
	Education (Degree/Year/Specialization):
	Active Registration (Year First Registered/Discipline):
	Associated General Contractors of America Certifications: Estimating, Management/Supervision
	Other Experience and Qualifications relevant to the proposed project: Frederick Marx is an experienced results oriented professional in both project supervision and management. He has over 30 years experience in commercial construction and related trades which includes extensive GC builds in government, state and public projects including; hospital/medical, institutional, and public schools. Frederick's expertise includes overall project coordinating, estimating, contracts and negotiations, scheduling, combined with the technical understanding of foundations, walls and technical work, general site layout, elevations drawings and specifications.

S&S Construction Services, LLC (SDVO)	Name & Title: Earl Shepherd, Cost Estimator, S&S Construction Services, LLC (SDVO)
	Project Assignment: Project Controls, Cost Estimator
	Years Experience with this firm: 1 With other firms: 35
	Education (Degree/Year/Specialization):
	Active Registration (Year First Registered/Discipline):
	Associated General Contractors of America Certifications: Estimating, Management/Supervision
	Other Experience and Qualifications relevant to the proposed project: As project controls engineer for a major manufacturing company, was instrumental in developing project schedule and costs controls programs which were a featured part of reducing the planned costs of \$37.5 million to \$29 million. As cost engineer for a major chemicals manufacturer, prepared and executed cost control programs which were successful in helping achieve cost under runs in five capital expansions turnarounds and one capital project. Developed a controls plan for a manufacturing project that helped reduce project cost over runs by \$2.7 million. This effort was accomplished after joining the project team at the sixty percent project completion point.

American Commercial Group (ACG) (SDVO)	Name & Title: John J. Friel, American Commercial Group (SDVO)
	Project Assignment: Project Manager
	Years Experience with this firm: 2 With other firms: 24
	Education (Degree/Year/Specialization): College of the Holy Cross Worcester, MA Major: History
	Active Registration (Year First Registered/Discipline): N/A
	Other Experience and Qualifications relevant to the proposed project: Mr. Friel manages ACG's leasing and real estate services group. Representing both federal clients and providing private sector consultation on government leasing transactions. Mr. Friel spent 13 years as a real estate contracting officer for the Federal Government. During this time he developed major agreements for the renovation and use of multiple buildings owned by the Navy. He completed agreements with the DVA for the use of space at one of the facilities in Durham, NC. He developed an enhanced use lease agreement for 120 acres at Picatinny Arsenal, NJ. He has leasing experience that ranges from small office spaces to complex build-to-suit project.

American Commercial Group (ACG) (SDVO)	Name & Title: Christine Y. Braswell, American Commercial Group (SDVO)
	Project Assignment: Project Manager
	Years Experience with this firm: 2 With other firms: 13
	Education (Degree/Year/Specialization): Graduate of Morgan State University School of Architecture and Planning Masters of City & Regional Planning, 1991; Baltimore, Maryland Graduate of Virginia State University, School of Public Administration Bachelor of Science, 1989; Petersburg, Virginia
	Active Registration (Year First Registered/Discipline): N/A
	Other Experience and Qualifications relevant to the proposed project: Since joining ACG from a long career in federal leasing, Ms. Braswell has negotiated over 240,000 SF of office and warehouse space lease contracts in her first year. Developed and expanded client relationships to include more services provided to ACG's federal clients. Took part in the development of new partnership agreements with Jones Lang LaSalle.

American Commercial Group (ACG) (SDVO)	Name & Title: Darian A. LeBlanc, American Commercial Group (SDVO)	
	Project Assignment: Project Manager	
	Years Experience with this firm: 2	With other firms: 8
	Education (Degree/Year/Specialization): California State Polytechnic University Pomona, CA Bachelor of Arts, Sociology, 1994	
	Active Registration (Year First Registered/Discipline): N/A	
	Other Experience and Qualifications relevant to the proposed project: Currently, Mr. LeBlanc directs all real estate activities on behalf of the National Institutes of Health (NIH). Mr. LeBlanc is responsible for the day to day management of the ACG/NIH real estate team, consisting of 10 experienced real estate professionals, who oversee and administer a growing space inventory of 89+ leases with over 2.5 million square feet of office, laboratory, and support space. Other responsibilities include overseeing portfolio assessment, acquisition strategy development, annual fiscal planning, real estate transaction management, construction oversight, and lease administration. Mr. LeBlanc directly advises senior NIH management on a majority of real estate matters and on several occasions, has provided advice to the Assistant Secretary for Health and Human Services on real estate matters. Mr. LeBlanc fills a quality assurance role in which he reviews real estate strategies and communications, to ensure soundness, full compliance with established federal leasing regulations, and adherence to Department of Health and Human Services real estate policies. Additional responsibilities include developing and implementing strategies for prospective federal clients and identifying strategic business partners to achieve a broader range of services for ACG clients.	

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American Commercial Group (ACG) (SDVO)	Name & Title: Pamela Collins, American Commercial Group (SDVO)
	Project Assignment: Project Manager
	Years Experience with this firm: 1 With other firms: 15
	Education (Degree/Year/Specialization): 1995-1997 St. Mary's College, Bachelor of Arts in Management; Moraga, CA 1990-1995 Contra Costa College, Associate of Arts; Berkeley, CA
	Active Registration (Year First Registered/Discipline): N/A
	Other Experience and Qualifications relevant to the proposed project:
	<p>Ms. Collins recently joined ACG after 15 years of experience with General Services Administration (GSA). As Contracting Officer/Realty Specialist at GSA: Managed five employees' work-flow and 4,132,534 sq. ft. of office space in Arizona, California, Nevada and Washington, DC Metro area. Distribution of this space includes 10 owned buildings and 56 leased buildings. Successfully constructed federal buildings, DEA labs, and detention facilities for Customs. Federal customers include IRS, SSA and USDA.</p> <p>Developed housing strategies that included; searching the market for the best locations, appraisal of local real estate market, soliciting offers and negotiating contracts with the private market and analyzing technical and profitability reports on contracts buildings. Writing, signing and administering contracts for an unlimited dollar amount within the government's regulation.</p> <p>Property Management responsibilities include long and short term planning, repair and alteration projects, design and construction projects, relocation, construction management, and telecommunication contracts.</p>

Department of Veterans Affairs: Solicitation RFP-101-32-04

Advanced Environmental Solutions, Inc. (SDVO)	Name & Title: William R. Picard, AICP, AES (SDVO)
	Project Assignment:
	Years Experience with this firm: 3 With other firms: 18
	Education (Degree/Year/Specialization): M.C.P., Environmental Planning, University of Rhode Island, 1986; B.A., Community Planning, University of Massachusetts, 1984
	Active Registration (Year First Registered/Discipline):
	Other Experience and Qualifications relevant to the proposed project: Mr. William R. Picard, a Land Use and Environmental Planner, is President and majority owner of Advanced Environmental Solutions, Inc. (AES). He has over eighteen years of land use and environmental planning experience. Prior to starting AES in October 2001, he served as the Vice President/Chief Operating Officer of another consulting firm, and served as the Firm's Program Manager for a National Guard Bureau (NGB) Contract to perform site investigation and assessments, remedial engineering and design at contaminated NGB properties throughout the Northeast. Mr. Picard also founded and served as President and CEO of Lightning Environmental Recovery Systems, Inc. Lightning is a P-2 firm that served the needs of over twenty hospitals in developing environmental compliance and waste management. He coordinated on behalf of Fallon Healthcare System, one of the largest Brownfields projects in MA, the Worcester Medical Center. The site encompassed twenty-seven acres in downtown Worcester, and the project was comprised of thirty-seven parcels of land with structures built. The \$9.7 million site clean-up budget for the project had a three-year time limit. The project was completed several months ahead of schedule at a total cost of \$7.2 million. The site currently hosts the Worcester Medical Center, a \$250+ million hospital and medical office building.

AES Group, Inc., Parker CO (SDVO)	Name & Title: Russell J. Ostler, AES Group (SDVO)
	Project Assignment: Principal-in-Charge/Quality Assurance
	Years Experience with this firm: 2 With other firms: 24
	Education (Degree/Year/Specialization): BS / Electrical Engineering
	Active Registration (Year First Registered/Discipline): Engineer-in-Training
	Other Experience and Qualifications relevant to the proposed project: Over the last 25 years, Mr. Ostler has performed project duties with increasing responsibilities, including design, field trouble shooting, inspecting field installation, checkout and commissioning of commercial and large industrial facilities, including training personnel in the proper operation of equipment. He has also worked in maintenance, as a construction engineer, and project management for a variety of projects. Mr. Ostler worked for VECO for 15 years. For VECO, previously Rapley Engineering, Mr. Ostler held the positions of Manager of Engineering, Director of Regulatory Compliance and Vice President. He was in charge of the government business division.

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AES Group, Inc., Parker CO (SDVO)	Name & Title: Cade L. Benson, PE, AES Group (SDVO)
	Project Assignment: Structural Engineer
	Years Experience with this firm: 12 With other firms: 40
	Education (Degree/Year/Specialization): BS/Civil Engineering MS/Civil Engineering
	Active Registration (Year First Registered/Discipline): CO / Professional Engineer – Civil/Structural MT / Professional Engineer – Civil/Structural WY / Professional Engineer – Civil/Structural AZ / Professional Engineer – Civil/Structural
	Other Experience and Qualifications relevant to the proposed project: Mr. Benson has over 30 years of highway and bridge engineering and project experience. His duties include personnel assignments, project scheduling, budgeting, design, analysis and specifications. Mr. Benson's major projects include Interstate Highway I-70 over Vail Pass, 6 bridges in Glenwood Canyon, 35 th Avenue Bridge in Phoenix, Windy Gap Project, water pipeline suspension bridge over the Colorado River, Interstate Highway I-90 steel plate girder bridge over the Yellowstone River and the Tehran-Bandar-E-Shapur Motorway in Iran. Mr. Benson has worked on many engineering projects for municipalities, both as a project manager and designer.

AES Group, Inc., Parker CO (SDVO)	Name & Title: C.J. Bienwenga, PLS, AES Group (SDVO)
	Project Assignment: Land Surveyor
	Years Experience with this firm: 4 With other firms: 21
	Education (Degree/Year/Specialization): BS / Land Surveying
	Active Registration (Year First Registered/Discipline): CO / Professional Land Surveyor
	Other Experience and Qualifications relevant to the proposed project: Mr. Bienwenga has over 25 years of experience with a variety of engineering and survey projects. Responsibilities include the supervision and production of various products required for all phases of engineering and land development projects. Engineering experience includes site layout; drainage studies; utility plans (water and sanitary sewer); storm sewer design (culverts, inlets and storm sewer); erosion control; grading; roadway and parking lot design. Survey experience includes subdivision, boundary, ALTA, right-of-way, control design, location, construction, and topographic surveys.

AES Group, Inc., Parker CO (SDVO)	Name & Title: Peter F. McDonald, PE
	Project Assignment: Mechanical Engineer – Lead
	Years Experience with this firm: 2 With other firms: 20
	Education (Degree/Year/Specialization): BS / Mechanical Engineering BS / Business Administration
	Active Registration (Year First Registered/Discipline): CO / Professional Engineer – Mechanical SD / Professional Engineer – Mechanical (inactive)
	Other Experience and Qualifications relevant to the proposed project:

AES Group, Inc., Parker CO (SDVO)	Name & Title: James F. Marine, PE, AES Group (SDVO)
	Project Assignment: Civil Engineer – Lead
	Years Experience with this firm: 3 With other firms: 10
	Education (Degree/Year/Specialization): BS / Civil Engineering
	Active Registration (Year First Registered/Discipline): CO / Professional Engineer – Civil/Structural
	Other Experience and Qualifications relevant to the proposed project:

AES Group, Inc., Parker CO (SDVO)	Name & Title: Marie E. Fitzpatrick, PE, AES Group (SDVO)
	Project Assignment: Electrical Engineer – Lead
	Years Experience with this firm: 2 With other firms: 27
	Education (Degree/Year/Specialization): BS / Electrical Engineering
	Active Registration (Year First Registered/Discipline): CO / Professional Engineer – Electrical
	Other Experience and Qualifications relevant to the proposed project:

AMES Corporation (SDA/O)	Name & Title: Gü Bakshi, AMES
	Project Assignment: Project Management
	Years Experience with this firm: 9 With other firms: 12
	Education (Degree/Year/Specialization): University of South Florida, Tampa, Florida College of Education, Master of Arts University of South Florida, Tampa, Florida College of Social and Behavioral Sciences Bachelor of Arts
	Active Registration (Year First Registered/Discipline): Certified Project Management Professional Project Management Institute- 1992 Certified Cost Engineer (Association for the Advancement of Cost Engineering) - 1993
	Other Experience and Qualifications relevant to the proposed project: Supervise and train all personnel Significant Experience in management and supervision Coordinate and manage facility maintenance operations, construction projects Medical Treatment Facility JACHO Inspection preparation assistance Ability to obtain certifications and accreditations from foreign governments Demonstrated problem solving skills/troubleshooting Develop training course curriculum in health and safety

AMES Corporation (SDVOSB)	Name & Title: Angel Menendez, AMES (SDVOSB)
	Project Assignment: Facility and Project Manager
	Years Experience with this firm: 9 With other firms: 12
	Education (Degree/Year/Specialization): Troy State University, Troy , Alabama B.S. Social Science/Criminal Justice Magna Cum Laude, 1978 Armed Forces Staff College, Norfolk VA, Mid-Level Management Course, 1985
	Active Registration (Year First Registered/Discipline):
	Other Experience and Qualifications relevant to the proposed project: Facility and Project Management Supervise and train all personnel Significant experience in management and supervision Coordinate and manage facility maintenance operations, construction medical treatment Facility JACHO Inspection preparation assistance

AMES Corporation (SDVOSB)	Name & Title: William Gerard Kesterson, AMES
	Project Assignment: Facility Maintenance Project Supervisor
	Years Experience with this firm: 2 With other firms: 21
	Education (Degree/Year/Specialization):
	Active Registration (Year First Registered/Discipline):
	Other Experience and Qualifications relevant to the proposed project: Superintendent Facilities Maintenance Heating, Ventilation, and Air Conditioning/Refrigeration Technician Over 20 years experience

AMES Corporation (SDVOSB)	Name & Title: Laura Schuler, AMES (SDVOSB)
	Project Assignment: Project Manager
	Years Experience with this firm: 2 ½ With other firms: 20
	Education (Degree/Year/Specialization): Parson's School of Design- Fashion Design 1974 New York University- Accounting 1986, New Your University Auto Cad/ 1999
	Active Registration (Year First Registered/Discipline):
	Other Experience and Qualifications relevant to the proposed project: Project oversight for more than \$15 million dollars of Government – Medical Facility Projects, including multiple Patient Ward design and renovation, Asbestos abatement, Laboratory design and renovation, MEP upgrades, Emergency generator installation, Elevator upgrade and rehabilitation, new building design planning and construction, multiple HVAC design/build installations, medical air installations, fire stopping projects, MRI facility design and installation, comprehensive interior design project, primary care clinic, family advocacy building. Provide cost estimates, proposals, financial management and reporting, schedules.

AMES Corporation	Name & Title: To-Chon Hong, AMES
	Project Assignment: Facility Engineer/Project Manager
	Years Experience with this firm: 2 ½ With other firms: 22
	Education (Degree/Year/Specialization): Kwag-Woon University, Electrical Engineering 1982
	Active Registration (Year First Registered/Discipline):
	Other Experience and Qualifications relevant to the proposed project: Medical Facility Manager Operation and Maintenance of Medical Facilities Trained Safety Manager

AMES Corporation	Name & Title: Karl Yamashiro, AMES
	Project Assignment:
	Years Experience with this firm: _____ With other firms: _____
	Education (Degree/Year/Specialization): Hawaii Community College, Mechanical Course 1974 Medical Facility Management, 1985 QAE Training Course
	Active Registration (Year First Registered/Discipline):
	Other Experience and Qualifications relevant to the proposed project: Experience in communication, grounds/fire safety, resource protection, security control, housekeeping, facility budget, and facility project (heating and ventilation and air conditioning)

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6. Team Members from Mentor Firms and Additional Subconsultants

Jones Lang LaSalle	Name & Title: Roger L. Smith, Senior Vice President, Jones Lang LaSalle
	Project Assignment: Property Manager
	Years Experience with this firm: 23 With other firms: 0
	Education (Degree/Year/Specialization): B.S. in corporate finance, cum laude, from Ohio State University.
	Active Registration (Year First Registered/Discipline): Certified Property Manager since 1980 and is a licensed real estate broker in Texas since 1986
	Other Experience and Qualifications relevant to the proposed project:
	In addition to current engagements at nine military housing privatization projects, Mr. Smith recently completed Capital One's Corporate Real Estate/Facilities Management Benchmarking. Previous relationships include Port of Oakland, University of Miami, AOL/Time Warner, First Chicago NBD Bank, Eli Lilly, American Electric Power, and the U.S. General Services Administration. Mr. Smith has also been responsible for coordination of property and facility management for a 22-million-square-foot territory in the Midwest. Mr. Smith was responsible for operations of the five-million-square-foot government services group and additional facility management accounts amounting to 4.2 million square feet.

Jones Lang LaSalle	Name & Title: Ronald Kendall, Senior Vice President, Jones Lang LaSalle
	Project Assignment: Senior Real Estate Specialist
	Years Experience with this firm: 0.5 With other firms: 20
	Education (Degree/Year/Specialization): Bachelor of Arts degree in English Literature from the University of Rochester, and a Masters in Public Administration from American University.
	Active Registration (Year First Registered/Discipline): Member of CoreNet Global, and Lambda Alpha.
	Other Experience and Qualifications relevant to the proposed project:
	Mr. Kendall has extensive experience in portfolio and asset management, and in negotiating large, complex real estate lease transactions on behalf of the government. He has served as Chief, Asset Management Branch, in GSA's National Capital Region (NCR) where he provided strategic guidance and plan review for the region's capital program, as a Chief of Leasing and Assignment in the NCR, where he directed acquisitions and managed the assignment of space for five cabinet level and numerous other Executive Branch agencies, as well as components of the Judicial and Legislative Branches.

Department of Veterans Affairs: Solicitation RFP-101-32-04

Jones Lang LaSalle	Name & Title: Jennifer J. Hill, Vice President
	Project Assignment: Transaction Specialist
	Years Experience with this firm: 7 With other firms: 0
	Education (Degree/Year/Specialization): B.A. in Mathematics from Dartmouth College.
	Active Registration (Year First Registered/Discipline):
	Other Experience and Qualifications relevant to the proposed project: Ms. Hill has worked for Jones Lang LaSalle in a variety of capacities over the past seven years, including project manager on the Army's military housing privatization initiative. Similar to VA EUL, Ms. Hill has served as financial advisor to DoD/Army Source Selection Authorities on financial capacity of development firms seeking ground lease arrangements from the federal government under the military housing privatization program. Ms. Hill joined the Public Institutions group from Jones Lang LaSalle's Tenant Representation Group. In that capacity, Ms. Hill provided strategic and transactional support to the real estate organizations of firms such as Bank One, Convergys Corporation, DeVry Institute of Technology, Ernst & Young, and U.S. Filter. Ms. Hill has previously worked in the firm's Chicago and Toronto corporate offices.

Jones Lang LaSalle	Name & Title: David Etemadi, Associate, Jones Lang LaSalle
	Project Assignment: Investment banking/Capital markets
	Years Experience with this firm: 2.5 With other firms: 2
	Education (Degree/Year/Specialization): University of Richmond with a double major in Accounting and Business Administration, with a concentration in Finance.
	Active Registration (Year First Registered/Discipline): Chartered Financial Analyst (CFA) charter in June 2004
	Other Experience and Qualifications relevant to the proposed project: Prior to his promotion with Jones Lang LaSalle, Mr. Etemadi was a Financial Analyst responsible for pro forma modeling, financial scenario and sensitivity analysis, debt competition analysis. Prior to joining Jones Lang LaSalle, Mr. Etemadi was an Investment Banking Analyst in the Real Estate and Financial Services group at Wachovia Securities. As an analyst in the Asset Securitization Division, Mr. Etemadi worked with sub-prime mortgage originators and Real Estate Investment Trusts (REITS) underwriting and selling sub-prime and jumbo mortgages in the form of Residential Mortgage Backed Securities (RMBS) to institutional investors. Mr. Etemadi also interned with PricewaterhouseCoopers in the Assurance and Business Advisory Services group.

Jones Lang LaSalle	Name & Title: Brian Kenner, Associate, Jones Lang LaSalle
	Project Assignment: Real Estate Specialist
	Years Experience with this firm: 0.1 With other firms: 7
	Education (Degree/Year/Specialization): Master in Public Policy from the Harvard University John F. Kennedy School of Government and a Bachelor of Arts in Biology for the University of Iowa
	Active Registration (Year First Registered/Discipline): Associate Member of ULI (2003-2004); Member of the NAID (2002-2004); Member of the NCPPP (2002-2004); Member AAREP (2003-2004); Member CoMPP (1998-2004)
	Other Experience and Qualifications relevant to the proposed project: Mr. Kenner has worked as a Project Manager for a DoD project leading team activities at two DoD military multi-family and single-family housing privatization projects and two DoD Enhanced Use Leasing projects resulting in over \$450 million in residential and office real estate development. Mr. Kenner has served as engagement manager for VA EUL engagements for generic EUL documents and VA Cleveland EUL Concept Plan. Analysis included market research, financial analysis and recommendations on potential EUL structures involving VA, municipality and private developers. He also has significant experience with OMB budget scoring solutions and OMB Circular A-11. He was previously a Presidential Management Intern (PMI) at FDIC and OMB.

Jones Lang LaSalle	Name & Title: Michael D. Nanney, Associate, Jones Lang LaSalle
	Project Assignment: Financial Analyst Senior
	Years Experience with this firm: 7 With other firms: 0
	Education (Degree/Year/Specialization): BS in Finance from George Mason University
	Active Registration (Year First Registered/Discipline): Candidate for the Chartered Financial Analyst professional designation. He is also a member of the American Real Estate and Urban Economics Association.
	Other Experience and Qualifications relevant to the proposed project: Mr. Nanney provides real estate advisory services to public sector clients including the Department of Defense, Washington Metropolitan Area Transit Authority (WMATA), the General Services Administration's (GSA) Public Building Service (PBS), and the U.S. Air Force. He is project manager for the Army's largest military housing privatization project. This includes services similar to VA EUL including financial analysis, development analysis, and project oversight. For the GSA, Mr. Nanney conducted a portfolio analysis of the national inventory of warehouse assets and recommended strategies for optimization of leasehold and ownership interests and realignment. For WMATA, he conducted site evaluations and developed joint-development and reuse recommendations. For the Air Force, Mr. Nanney supports Jones Lang LaSalle's role as the Air Force's portfolio manager for their inventory of five privatized installations.

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Jones Lang LaSalle	Name & Title: Soneyet Muhammad, Financial Analyst, Jones Lang LaSalle
	Project Assignment: Financial Analyst Junior
	Years Experience with this firm: 1 With other firms: 1.5
	Education (Degree/Year/Specialization): B.B.A from The George Washington University with a dual concentration in finance and economics and public policy.
	Active Registration (Year First Registered/Discipline): Member of the African American Real Estate Professionals Programs Committee.
	Other Experience and Qualifications relevant to the proposed project: Ms. Muhammed serves as a financial analyst to the Department of Defense on the Military Housing Privatization initiative. Like the VA EUL endeavor, this includes financial analysis and oversight of private developers who are participating in ground leases with the federal government. Prior to joining Jones Lang LaSalle, Ms. Muhammad served as a portfolio research analyst at Costar Group, Inc. Her responsibilities included managing millions of square feet, several thousand buildings, and hundreds of tenants in the Boston commercial real estate market by conducting regular interviews with real estate professionals. Ms. Muhammad's portfolio included top real estate companies such as HRPT Properties Trust, Equity Office Properties, Spaulding & Slye Colliers, Richards Barry Joyce & Partners, CB Richard Ellis, and NAI Hunneman Commercial Company.

Tetra Tech, Inc.	Name & Title: Scott Hughes, RLA Senior Principal, Tetra Tech, Inc.
	Project Assignment: Master Planner
	Years Experience with this firm: 25 With other firms: 0
	Education (Degree/Year/Specialization): BA/1979/ Landscape Architecture
	Active Registration (Year First Registered/Discipline): Registered Landscape Architect, 1987
	Other Experience and Qualifications relevant to the proposed project: Mr. Hughes, a Senior Principal, has been with our firm for 25 years, specializing in site/sports facilities design and master planning. Scott has designed and managed over 100 site master plans, 100 irrigation systems, 250 tennis courts, 100 all-weather tracks, 500 athletic fields, and 1000 parking/circulation modifications. Typical projects range from \$25,000 to \$50 million. Scott's main responsibilities include the development of site master plans allowing for the integration of new facilities into new or existing sites, in a way that complements the landscape while maximizing use. Our feeling is that this time spent planning is invaluable in establishing a long-range plan that incorporates physical, educational, athletic, circulation and parking needs into a logical, flexible plan for future development.

Tetra Tech, Inc.	Name & Title: Michael J. Ebertz AIA, Associate Principal, Tetra Tech, Inc.
	Project Assignment: Architect
	Years Experience with this firm: 3 With other firms: 8
	Education (Degree/Year/Specialization): B.A./1992/Environmental Design
	Active Registration (Year First Registered/Discipline): 1998/Registered Architect
	Other Experience and Qualifications relevant to the proposed project:
	<p>Mr. Ebertz, an Associate Principal, has 11 years of professional experience in various project types, including medical facilities, public school, residential, municipal, industrial, and commercial facilities. He has managed a wide range of projects that have incorporated his skills as a programmer, designer, manager, cost estimator and architect.</p> <p>Mike is also experienced managing fast-track projects. Recently he worked on the Syracuse City School District's Federal Grant Project which included the construction documentation, SED approvals, and contract signing for five buildings, as well as coordinating efforts of two other architectural teams within a very tight window of opportunity. Inception to contract signing of the \$6.9 million scope was performed in less than 14 weeks including SED approval.</p> <p>His commitment to client relationships and satisfaction has allowed him to manage multiple concurrent projects with the highest level of quality.</p>

Tetra Tech, Inc.	Name & Title: Brian C. Domke, ASLA, Tetra Tech, Inc.
	Project Assignment: Community Planner
	Years Experience with this firm: 7 With other firms: 0
	Education (Degree/Year/Specialization): B.S./1998/Landscape Architecture A.A.S./1995/Horticulture
	Active Registration (Year First Registered/Discipline): 1998/Registered Architect
	Other Experience and Qualifications relevant to the proposed project:
	<p>In his seven years with Tetra Tech, Inc., Mr. Domke has lead the site analysis, design and construction oversight on a variety of project types. Such design experience ranges from new postal facilities to new schools, school additions, courtyard design, athletic field complexes and pedestrian/vehicular circulation systems.</p> <p>Mr. Domke has previous design experience with the Harrisville Central School District and Tupper Lake Central School District, focusing on school facility additions which would experience high levels of non-student community use. These projects reflect the use of design strategies which focus on serving multiple types of use groups.</p> <p>An additional service provided by Mr. Domke includes pre-referendum planning, related to site and environmental aspects of a project. Mr. Domke is currently assisting the Pittsford Central School District with their pre-referendum planning for a district wide capital improvement project. His services include inventory/district wide site use analysis and environment impact assessment consultation for planning under the State Environmental Quality Review Act (SEQRA).</p>

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Department of Veterans Affairs: Solicitation RFP-101-32-04

Tetra Tech, Inc.	Name & Title: J. Michael Betteker, NREP, Vice President, Tetra Tech, Inc.
	Project Assignment: Environmental Engineering
	Years Experience with this firm: 9 With other firms: 20
	Education (Degree/Year/Specialization): M.S./1986/Environmental Science and Engineering B.S./1975/Biological Science
	Active Registration (Year First Registered/Discipline): 1995/Registered Environmental Professional, NREP-#5754
	Other Experience and Qualifications relevant to the proposed project: Mr. Betteker has more than 20 years of experience as a military officer with the USACE managing facilities construction and maintenance programs, as well as managing Army environmental programs at the installation and MACOM levels and with Tetra Tech for nine years. Mr. Betteker has worked in support of DODDS in Germany and Belgium, and has also worked with DoDEA school requirements associated with Military Family Housing Privatization (RCI) at Forts Bragg, Campbell, Stewart, Benning, Rucker, and Knox, as well as school requirements in Puerto Rico and other non-DoDEA installations. He currently serves as the Program Manager for the Jacksonville District H&H contract and the Norfolk District Environmental Planning Support Services contract, Deputy Program Manager on the Mobile Planning and Design Contracts.

Tetra Tech, Inc.	Name & Title: Vic Tomaselli, Principal
	Project Assignment: Architect
	Years Experience with this firm: 3 With other firms: 22
	Education (Degree/Year/Specialization): B.A./1979/Architecture
	Active Registration (Year First Registered/Discipline): 1984/Registered Architect
	Other Experience and Qualifications relevant to the proposed project: Mr. Tomaselli, a Principal at our firm, has 25 years of professional experience focusing on educational and healthcare projects. Vic's expertise in managing projects includes success in coordinating scope, schedule and budget considerations of his clients. Clients also benefit from Vic's collaborative design efforts, expert administration of A/E services, understanding of Owner needs, and know-how of professional contracts gained from his past as a University Staff Architect. Before joining our firm, Vic was the Sr. Manager for The University Partners Group, providing sole-source A/E services for the University of Rochester and Strong Memorial Hospital. Project types and sizes ranged from small \$50,000 renovations to multi-million dollar patient care facilities, research laboratories, high-tech labs and all academic buildings and project types. Vic's project experience also extends to the design and construction of office buildings, medical office buildings, and K-12 facilities, where he has worked as the Principal-in-Charge for several clients throughout Western New York State.

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Pruitt Beach LLP	Name & Title: Harri C. (Hal) Patrick, Esq., Pruitt Beach, LLP
	Project Assignment: Partner
	Years Experience with this firm: 1 With other firms: 24
	Education (Degree/Year/Specialization): BS, Rensselaer Polytechnic Institute JD, Albany Law School of Union University
	Active Registration (Year First Registered/Discipline): Admitted to the New York State Bar, 1973
	Other Experience and Qualifications relevant to the proposed project:
	<p>Mr. Patrick counsels financial institutions, municipal underwriters, health care and educational institutions, and other not-for-profit organizations in financing, corporate, regulatory and real estate matters. Mr. Patrick has extensive experience in a wide range of variable and fixed rate tax-exempt and taxable financing transactions involving state and local government, not-for-profit organizations, including hospitals, nursing homes and other health care entities, colleges and universities, and other charitable organizations. He has represented lenders and borrowers in financing transactions involving municipal bond insurance, letters of credit, standby bond purchase agreements, and ISDA swap transactions. Mr. Patrick's practice also includes serving as borrower's counsel in FHA Mortgage Insurance programs, and he is experienced with obligated group health care financing structures, secured lending, taxable and tax-exempt leasing structures, and not-for-profit corporate and real estate transactions.</p> <p>For more than 12 years, Mr. Patrick served as deputy general counsel for the Dormitory Authority of the State of New York where he handled a wide variety of financial transactions and related issues for health care and educational institutions. He also served as deputy general counsel for the New York State Office of Mental Retardation and Developmental Disabilities.</p>

Pruitt Beach LLP	Name & Title: Kenneth W. Arrington, Sr., Esq., Attorney at Law
	Project Assignment: Legal Administration
	Years Experience with this firm: 0 With other firms: 21
	Education (Degree/Year/Specialization): Drexel University, BS, Bus-AD, Cum Laude University of Pennsylvania Law School, Juris Doctorate
	Active Registration (Year First Registered/Discipline): Admitted to Pennsylvania Bar 1983
	Other Experience and Qualifications relevant to the proposed project:
	<p>Special Assistant to Commissioner, U.S. Department of Public Health; Director State Compensation and Assistance Division, U.S. Department of Justice; Program Manager; Office of Health Care Development, Washington D.C.; Deputy Managing Director, City of Philadelphia; LT. Colonel U.S. Army, 2 Tours Viet-nam, 1 Tour Persian Gulf.</p>

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Factor 3. Past Performance

S&S/ACG has positioned the right people, with the right skills, in the right places, and provides those people with the right incentives to work in alignment with VA's objectives. Our proposed team from S&S Construction Services (SDVOSB), American Commercial Group (SDVOSB), AES Environmental (SDVOSB), Ames Corporation (SDVOSB), Jones Lang LaSalle, Tetra Tech and Pruitt Beach Attorneys, LLP, hereinafter called the S&S/ACG Team, is comprised of proven finance, construction and development services specialists. Each Team member uses state-of-the-art cost control/accounting, record management, and real estate development procedures which will maximize the financial return to The VA and provide comprehensive data in which critical strategies and decisions can be implemented.

Our team, S&S/ACG, has been structured to provide the VA with all the required services on a nationwide basis. The S&S/ACG joint venture has been entered-into as a Mentor/Protégé relationship with Jones Lang LaSalle that will allow the VA to accomplish both of the apparent goals of the solicitation. By partnering two SDVO small businesses in a joint venture, the two firms, S&S Construction Services and American Commercial Group bring a broad real estate services expertise in construction and transactions. The joint venture has entered-into a Mentor/Protégé sub-contracting agreement with Jones Lang LaSalle to ensure a national presence that no small business could accomplish, and a mentoring partner to help the joint venture learn and grow their business. The Presidents of S&S and ACG, Israel Cuyler and Jim Tully, and the President of Jones Lang LaSalle's Public Institutions Group, Herman Bulls, will provide continuous corporate oversight and review of contract operations. They will be the corporate management advocates for purposes of this contract.

A key differentiator of the S&S/ACG Team is that we have extensive experience in all aspects of structuring *and executing* public-private real estate transactions on behalf of public sector clients. Our experience runs from headquarters level policy support for real estate privatization programs through numerous instances of deal structuring and execution, to post-transaction asset management support. This work, as exemplified in the case study summaries below, has been performed for clients including the Department of Defense; the US Army, the US Air Force, the US Department of State, the Washington Metropolitan Area Transit Authority, and other transit authorities around the country; multiple colleges and universities in the US and a multitude of city and county governments.

The financial expertise of the S&S/ACG Team is second to none. We have structured billions of dollars worth of debt and equity capital for public-private partnerships and have assisted federal agencies in the deployment of their own capital, utilizing legislative authorities granted them by Congress. We have built sophisticated pro forma financial models and then used them to perform a myriad of project feasibility, scenario and sensitivity analyses. Our team always works on behalf of the public sector, never on the development team, and relies upon our corporate expertise to negotiate favorable terms for our clients. The investment and transaction advice that we bring to public clients is based on the same processes and standards that we apply to our own \$23B real estate investment portfolio.

Our highly professional approach and complete commitment to working in each client's best interest sets us apart from our competition. Our compensation structure makes it possible for us to hold fast to this commitment. The S&S/ACG Team professionals focus on long-term client relationships rather than individual transactions.

The S&S/ACG Team is more than just a collection of real estate firms. We guide our clients through analysis and strategy. We look at their needs and objectives before recommending solutions. Our team approach starts with a relationship manager who understands the client's needs and assembles a customized team from a variety of disciplines. This approach has allowed us to build trust and forge long-term relationships with satisfied clients around the world.

Our research function lies at the heart of our business. We track and interpret the market forces and economic trends that affect our business to support our professionals as they provide the most informed solutions to meet our clients' needs.

I.2 TECHNICAL EXPERIENCE

Jones Lang LaSalle Past Performance (Mentor)

U.S. Department of the Army *Locations Throughout the U.S.*

Situation - Congress passed legislation in 1996 providing the Department of Defense with enhanced authorities for construction and operation of its military housing assets. This legislation is called the Military Housing Privatization Initiative ("MHPI").

The Army's approach to implementing MHPI is called the Residential Communities Initiative ("RCI") and involves the out-lease of land and conveyance of family housing assets to private sector developers and property managers who will enter into a partnership with the Army to revitalize its residential communities.

Jones Lang LaSalle was selected to support the implementation of RCI for the Army because of our ability to provide advice on the development, management, negotiation, and financing of large-scale residential and commercial real estate projects.

Initiatives - Jones Lang LaSalle has performed due diligence at 36 Army installations throughout the United States and has assisted in the development and implementation of marketing plans and forums to attract widespread and quality participation in the RCI projects. Jones Lang LaSalle has also assisted the Army in negotiations and business plan/agreement development at 17 installations (41,000 homes) that have transferred to RCI development partners, and we are in the process of assisting the Army to close deals at another 12 installations (20,000 more homes).

Results - Due to successes of the RCI program during its early stages, the Army has expanded the program to 35 projects consisting of 45 installations (over 84,000 houses, or 92% of Army's inventory in the United States). Jones Lang LaSalle is currently advising the Army at 12 installations and will advise on the balance of the RCI program.

Total cost avoidance/savings to the Army from RCI privatization is estimated at over to \$6 billion.

Contact - Donald Spigelmyer; RCI Executive Director, Headquarters, Department of the Army, Tel: 703-604-1446, Donald.Spigelmyer@hqda.army.mil

U.S. Department of Veterans Affairs *Atlanta, GA, Enhanced Use Lease.*

Situation - Jones Lang LaSalle was retained by the Asset and Enterprise Development office of the Department of Veterans Affairs ("VA") to provide development advisory services for the construction of a 150,000 SF regional VA headquarters facility located with an existing VA Medical Center.

The Department of Veterans Affairs owned a 6-acre plot of undeveloped land adjacent to the DeKalb County regional VA Medical Center. Under "Enhanced-Use Leasing", the VA has the authority to allow its property to be used for compatible non-VA uses. This "rent" can be in the form of cash payments, lower acquisition costs or below-market fees for the use of private facilities or services for VA programs, or other "in-kind" consideration which "enhances" a particular VA mission.

Initiatives - Through Enhanced-Use Leasing, the VA leased its 6-acre site to the DeKalb County Development Authority. Under Jones Lang LaSalle's advisement, DeKalb County in turn leased the site to a private developer who financed the construction of the VA regional headquarters in return for the ability to develop the remainder of the site in accordance with the mission of the VA.

Jones Lang LaSalle's activities encompassed three main areas: project definition, due diligence and developer selection. Jones Lang LaSalle's responsibilities included:

- Working with the VA and the DeKalb County Development Authority to establish project objectives
- Interviewing seven VA Executives to finalize the program elements for the project.
- Selecting a program architect
- Performing engineering and environmental studies
- Issuing Request for Proposals to a selected list of developers
- Selecting a developer and negotiating terms that met the approval of the VA.

Results - The developer was selected in a streamlined fashion and the project was completed within budget and on schedule. This process reduced costs and resulted in delivery of the project at least 18 months earlier than normal VA procedures.

Department of Defense

Development of Hayes, Eads and Fern Street Properties Arlington, VA

Situation - The U.S. Department of Defense (DoD) sought to capitalize on legislation allowing federal assets to be leased for development. They wanted to capture value from the private market development on some of the underutilized assets in their existing portfolio.

In order to make a fully informed decision on the leasing of these properties, DoD needed to understand the development value, marketability, and developer interest in three properties adjacent to the Pentagon reservation. Specifically, DoD sought to address the following areas:

Determine the potential interest for development of the properties by the private sector and outline potential development structures and strategies.

Identify any Government restrictions that could be imposed upon the developer and their impact on the development value and project viability.

Determine the income could the Government reasonably expect from the properties, the potential cost for development, and return on investment for the Government.

Initiatives - Jones Lang LaSalle was retained by DoD to provide real estate advisory services to support the analysis, underwriting, marketing and leasing of these three properties. Jones Lang LaSalle conducted a comprehensive assessment of the site characteristics, market potential and financial feasibility of development for each of the properties. This included the pro forma analysis of the most likely development scenarios, potential value enhancement through re-zoning opportunities, and the impacts of potential Government requirements and limitations on the development.

Based on this assessment, Jones Lang LaSalle prepared detailed development participation strategies and marketing programs highlighting preferred terms, conditions and implementation timeframes for the lease agreement.

Jones Lang LaSalle will facilitate discussions with private sector developers to create a comprehensive agreement outlining DoD participation and the developer's responsibilities to include master planning, financing, construction, and operating components.

Results - These results of this study encouraged DOD to move forward in marketing these properties to the private sector. The results of the enhanced use lease of these properties will provide the Pentagon with a revenue stream to support ongoing capital projects and spur economic development for the surrounding area.

Jones Lang LaSalle will continue to serve DOD with negotiation support with the developer as well as through the Environmental Assessment, Public Hearings, Additional Alternative Land Use Studies, and Formal Land Appraisals.

Contact - Phyllis Kaplan; Project Manager, DoD/WHS/RE&F, Engineering and Technical Services Division (ETSD), Facilities Engineering Branch (FEB), 1155 Defense Pentagon, Room 4A935, Washington, DC 20301-1155, Tel: [REDACTED]

United States Air Force
National

Situation - In 1996, Congress enacted legislation that provides the Department of Defense (DoD) with alternative authorities for construction and improvement of military housing facilities and operations. Quality of life is one of the Air Force's highest priorities. The current privatization initiative began with the realization that because DoD had such a severe housing problem, a non-traditional approach would be needed.

The main problems with Air Force family housing are age and quantity. The Air Force had over 60,000 family housing units in need of upgrade or replacement. Unfortunately, using traditional Military Family Housing construction methods, DoD lacked sufficient resources to meet Air Force renovation requirements in a timely manner.

Under the Military Housing Privatization Initiative, Air Force land and family housing assets are transferred to a private sector partner that serves as the developer and property manager of the communities. A key to the success of the Air Force's housing privatization initiative is timely advice from private sector experts experienced in planning, developing, managing and negotiating large-scale residential and commercial real estate projects, including structuring transactions with capital markets.

Initiatives - As a Privatization Support Contractor, Jones Lang LaSalle serves the United States Air Force by providing expertise in numerous real estate functions. These functions include project definition and development, financial analysis of project feasibility; project development and execution plan preparation, communications with the private sector, and all acquisition process and transaction support.

Results - Through August of 2004, Jones Lang LaSalle has assisted the Air Force in privatizing over 17,600 units of housing at 18 installations. Details about projects currently underway can be found at <http://www.jllpsc.com>. Jones Lang LaSalle also provides portfolio management services for privatized Air Force family housing nationwide.

Contact - Mr. Ian Smith, Chief; HQ AFCEE/HDP, 2735 Louis Bauer Drive, Brooks City Base, TX 78235-5133, Tel: [REDACTED]

Washington Area Metropolitan Transit Authority
Washington, D.C.

Situation - Washington Metropolitan Area Transit Authority (WMATA) sought a partner to act as real estate advisor for the Metro Station Joint Development Initiative.

WMATA's joint development opportunities needed to be addressed in terms of their ability to utilize smart growth development principles, attract new riders, create additional revenue sources to operate and maintain the transit system, and assist WMATA's local jurisdictions in expanding their property tax base. We were retained to assist in a portfolio analysis of 24 sites with varying degrees of redevelopment potential. Located throughout the Beltway, The sites are in four counties and the District of Columbia, and encompass +300 acres.

Initiatives - Jones Lang LaSalle conducted site visits, analyzed surrounding uses, investigated possible rezoning opportunities, and conducted interviews with local development professionals and public sector officials. This allowed us to gauge market interest in pursuing joint development opportunities for each site.

We assessed potential development value and marketability of each site by identifying opportunities and challenges, creating a strategic plan for approaching future joint development, and devising a marketing strategy.

Results - The Jones Lang LaSalle team evaluated joint-development proposals and suggested improvements that would increase revenue from the transaction by an estimated \$17M. Jones Lang LaSalle continues to serve WMATA with strategic advice and negotiation support through property valuation, developer proposal analysis, and marketing strategy advice.

We advised and assisted in joint development negotiations with developers and local public officials on projects representing over \$330mm in total development value.

We have provided market comparisons illustrating typical required rates of returns to real estate investors and developers in the Washington DC market area.

Contact - Mr. A. Daniel Hertz; Office of Property Development and Management, 600 Fifth St. N.W. Washington, DC 20001, Tel. [REDACTED]

City of Chicago - O'Hare International Airport
Chicago, IL

Situation - The City of Chicago - Department of Aviation needed to identify and implement a development strategy for approximately 1,500 acres of collateral land at O'Hare International Airport, which included a key 325-acre military-owned parcel.

Jones Lang LaSalle was retained by the City of Chicago to provide comprehensive market research, master planning, financial analysis, strategy development and implementation services regarding the excess land.

Initiatives - We assembled a team of consultants including land planners, construction specialists, architects and accountants specializing in tax and economic impact, to address the multitude of issues.

We conducted a cost/benefit analysis for various development scenarios including fiscal, economic and job creation projections.

We then defined the development opportunities for the land in keeping with the Federal Aviation Association's regulations and physical conditions and airport regulations. In addition, we prepared detailed development strategies and programs highlighting preferred transaction structures and implementation plans.

Results - Completed a comprehensive inventory and cataloging of all land parcels and assessed all physical characteristics. Performed market analysis for various uses ranging from air cargo to creative non-traditional land uses. Prepared alternative development scenarios and resulting financial impacts (land value, tax impact, jobs) for the military site to aid the City in their discussions/negotiations with the Air Force. Structured and negotiated a long-term ground lease for a 43 acre, 700,000 s.f. freight forwarding/warehouse development. Representing the City in the structuring and negotiation of a long-term ground lease for United Airlines new World Headquarters.

American Commercial Group Past Performance-SDVOSB(Protégé)
Gov Works; Minerals Management Service
NIH Division of Real Estate
Bethesda, MD

Situation - The National Institutes of Health (NIH) main campus, located on 320 acres in Bethesda, MD, currently houses the large majority of the 18,000 employees that populate NIH's 27 institutes. Within this campus environment, NIH has constructed 53 buildings providing approximately 10 million square feet of research, administrative and support spaces. This campus is approaching maximum capacity and can no longer provide the number of research facilities necessary to support the mission of NIH. In order to accommodate growth, NIH must look for alternatives to campus.

Initiatives - American Commercial Group has been providing real estate services to the NIH since 1997. The Real Estate Transactions Group was contracted by the NIH Division of Acquisitions to initiate a space search to identify a location close to the NIH campus with the necessary infrastructure to accommodate the development of 3 to 5 biomedical research build-to-suits and an administrative facility to provide administrative support spaces.

Results - After a competitive source selection, the team identified the Fishers Place Development as the best location to house these requirements. Fishers Place at Twinbrook Metro Park is a 715,200 square foot development located at the intersections of Twinbrook Parkway and Fishers Lane adjacent to the Twinbrook Metro station. The JBG Companies (JBG) is the developer of the project.

It is a two-phased development, with the first phase yielding 76,520 BOMA rentable square feet of laboratory space at 12735 Twinbrook Parkway, 153,385 BOMA rentable square feet of laboratory space at 5625 Fishers Lane and 197,000 gross square feet of office space at 5635 Fishers Lane. In addition, there will be a 1007 space parking deck that will serve the site. Phase II of Fishers Place includes the development of 5615 Fishers Lane, a 110,000 gross square foot laboratory building, 12709 Twinbrook Parkway, a 175,000 gross square foot laboratory building and a 360 space parking garage. Total contracting amount is \$1,448,580.72.

5625 Fishers Place Rockville, MD
Laboratory Facility
Firm 20 yr term, completed by team

38-72

Lease Commencement: January 1, 2004
National Institutes of Health Occupancy: 100%
Total Square Ft: 153,385 BOMA rentable square feet (rsf)
Rental Rate: \$35.20/rsf average over lease term
Average Annual Rent: \$5,398,860.04
Total Contract Rent: \$107,977,200.84
Lessor Concessions: \$13,081,751.66 or \$85.29 per rsf
Provisions for 263 Parking Spaces
Tenants: National Institutes of Health -
National Institutes of Alcohol Abuse and Alcoholism
National Human Genome Research Institute
National Eye Institute
National Institute of Neurological Disorders and Stroke

5635 Fishers Place Rockville, MD
Administrative Facility
Firm 10 yr Term, completed by team
Lease Commencement: January 1, 2004
National Institutes of Health Occupancy: 65%
Leased Square Ft: 111,762 BOMA rentable square feet (rsf)
Rental Rate: \$35.40/rsf average over lease term
Average Annual Rent: \$3,956,374.80
Total Contract Rent: \$39,563,748.00
Lessor Concessions: \$4,777,140.00 or \$42.74 per rsf
Tenant: National Institutes of Health -
National Institute of Alcohol and Alcohol Abuse
National Eye Institute
National Human Genome Research Institute
National Institute of Mental Health

12735 Twinbrook Parkway Rockville, MD
Laboratory Facility
Firm 20 yr Term, completed by team
Lease Commencement: January 1, 2004
National Institutes of Health Occupancy: 100%
Total Square Ft: 76,520 BOMA rentable square feet (rsf)
Rental Rate: \$29.12/rsf average over lease term
Average Annual Rent: \$2,228,253.52
Contract Rent: \$44,565,070.37
Provisions for 123 Parking Spaces
Tenant: National Institutes of Health -
National Institute of Allergies and Infectious Diseases

Contact - James McKay; Gov Works; Minerals Management Service, NIH Division of Real Estate, Bethesda, MD, Tel: [REDACTED]

Department of Veterans Affairs (DVA)
Real Estate Services / Facilities Support
Washington, DC

Department of Veterans Affairs: Solicitation RFP-101-32-04

Situation - American Commercial Group was awarded an 8(a) IDIQ contract to provide real estate services that allows for payment through a real estate commission paid by the Landlord, as outlined in the contract:

"With respect to a transaction in which commissions are customarily paid by a third party, the Government, at the sole discretion of the Contracting Officer and/or other senior government official, may allow the team to as its real estate contractor to seek such a commission. The authorization for the team to collect such commissions, with respect to a real estate transaction, shall be established in the Government's Solicitation for Offers (SFO).

Initiatives - Below is a case study that delineates the procurement process the team follows when doing leases for the DVA:

85,000 RSF of Warehouse Space, 15 year firm term w/ one 5 year renewal option in Tucson, Arizona, for the Department of Veterans Affairs:

This leasing requirement is a build-to-suit warehouse that will house VA's Consolidated mail-out Pharmacy. The space once completed will be fully air-conditioned; temperature controlled, and will be in operation twenty-four hours a day with a state of the art computer system. The ad for this requirement was placed in all of the local papers for two business weeks. Following the advertisement a detailed market survey was done with VA in attendance. There were over twenty properties involved. Once the properties were surveyed and measured, all of the properties that meet VA's minimum requirements were sent a Solicitation Package. A Pre-Bid Conference was held shortly after the Offerors received the distributions of the Solicitation Packages. This conference was held to educate the Offerors, and ensure that there was a full understanding of VA's requirements. After the Conference was held the initial offers were due. A technical Evaluation Board was assembled to review and evaluate each property to ensure that the materials used for construction were in compliance with local, state, and Federal standards. At the conclusion of the Evaluation Board each property was given a score and all deficiencies were noted. Negotiations for each property were held. Each Offeror was informed of their deficiencies and made aware of where their property was in the competitive range. Once negotiations were completed the final revised offers were due. The final revised offers were than evaluated for both price and quality. Once the successful Offeror was identified a present value analysis, and a scoring model was done. An Appraisal was than ordered to ensure that the Federal Government would pay a fair market price to lease this property. Once all areas of the Offerors proposal were confirmed an award was made and construction began.

Results - American Commercial Group has completed the following three leases for the DVA:

Lease # V101-183R-518-02-03, Bedford, Massachusetts- 80,000 square feet of warehouse space for 15 years firm term with one five-year renewal option.

Lease # V101-183R-742-04-03, Atlanta, Georgia-28,000 square feet of office space in Atlanta, Georgia for five year firm term with one five year renewal option.

Lease # V101-183R-678-03-03, Tucson, Arizona- 85,000 RSF of Warehouse Space, 15 year firm term w/ one 5 year renewal option in Tucson, Arizona, for the Department of Veterans Affairs

Contact - Amelia Mclellan; Department of Veterans Affairs (DVA), Real Estate Services / Facilities Support; IDIQ 8(a) Contract V101-183R, 810 Vermont Avenue, NW; Washington, DC 20420, [REDACTED]@hp.med.va.gov

Department of Interior
National Business Center
Albuquerque, NM

Situation - American Commercial Group was contracted to provide Real Estate Support Services and Construction Program Management to assist the Leasing Contracting Officer for the DOI, National Business Center in creating a Program Management Plan for "build to suit" space to house approximately 400 staff members of the Office of the Special Trustee OST as the single occupant of a facility in Albuquerque, New Mexico.

Initiatives - American Commercial Group worked with the end-user to develop the Program of Requirements (POR) and assisted in the development of the Solicitation for Offers. The team provided technical support to review the responses from local developers. DOI awarded the lease to OPUS West to construct a 3-story, approximately 160,000 square foot facility to house the 400 plus employees of OST at the Journal Center site. OST successfully occupied this space in November 2003.

Results - American Commercial Group performed the following tasks:

- ◆ Created program of requirements
- ◆ Developed a Solicitation for Offers (SFO)
- ◆ Assisted in Lease Negotiations
- ◆ Budget Development
- ◆ Attended and reported on project related meetings
- ◆ Reviewed Design Intent Building Shell Construction Drawings
- ◆ Reviewed of Blocking and Stacking Plan
- ◆ Supervised development and review of Space Plan
- ◆ Reviewed Interior Finishes and Materials
- ◆ Reviewed Tenant Improvement (TI) Construction Drawings
- ◆ Construction Administration
- ◆ Procurement Planning
- ◆ On-site Construction Management
- ◆ Furniture Design and Project Management
- ◆ Developed and Maintained Master Schedule
- ◆ Coordinated with Landlord and General Contractor
- ◆ Relocation Planning and Management

Contact - Kate McKenna; Department of the Interior; National Business Center, 1849 C Street, NW; Washington, DC 20240, Tel: [REDACTED]

Bureau of Indian Affairs
International Airport
Reston, VA

Situation - The Bureau of Indian Affairs (BIA) was relocating two divisions, the Office of Information Resource Management (OIRM) and the Division of Accounting Management (DAM), from Albuquerque, NM to the Washington Metropolitan area.

Initiatives - American Commercial Group was responsible for the Program Management of all aspects of the acquisition, from design and construction to the relocation into a 120,000 square foot leased building at 2051 Mercator Drive, Reston, VA.

Results - As well as providing Real Estate and Construction Management, American Commercial Group developed a Relocation Master Plan and provided all relocation and cabling services. Some of the tasks included:

- ◆ Manage design and layout of tenant improvements with particular focus on the technical requirements for the 30,000 square foot Data Center that services BIA offices nationwide.
- ◆ Design and install cable infrastructure for voice and data systems.
- ◆ Conduct equipment and file inventories of existing offices in Albuquerque, NM and then coordinate the packing, labeling and relocation to the DC area. Once in DC some of the items had to be moved into temporary space in the Reston building and the rest were put into storage and organized by phase so it could be moved into the space as each phase of construction was completed.
- ◆ Provide architect with the specifications for the high-density files that were relocated from New Mexico, to design a reconfiguration to reuse them in the new building.
- ◆ Facilitate work with designer to develop furniture requirements and establish typical workstations and supervise the completion of the furniture plan and order specifications that were sent to the BIA contracting office to issue furniture purchase orders
- ◆ Coordinate the incorporation of the furniture plan among the architect, user group, furniture vendor, cabling contractor and general contractor.
- ◆ Create and maintain schedule for relocation efforts to coordinate with the general contractor's schedule.
- ◆ Manage all logistical efforts including phased relocations, files migration and furniture installations.
- ◆ Provide rental furniture and filing cabinets in temporary swing space during construction.
- ◆ Provide on site management of the delivery and installation of the furniture.
- ◆ Provide physical move services for each phase of the relocation.

Contact - Judith L. Friel; Department of the Interior; National Business Center, 1849 C Street, NW; Washington, DC 20240; Tel: [REDACTED]

S&S Past Performance SDVOSB(Protégé)

Rural Metro Medical Services

Western New York Headquarters

New York, NY

Situation - Rural Metro Medical Services, a national health care services provider, selected Ross Wilson & Associates, recently acquired by S&S Construction Services a division of Sheen & Shine Inc, to develop and construct their Western New York Headquarters building consolidating their administrative offices and vehicle maintenance functions into a new 30,000 square foot building.

Initiatives - The project was constructed in two phases to accommodate Rural Metro's existing lease schedules. Vehicle and Maintenance and Administration areas.

Results - The vehicle and maintenance area included raising the roof structure eight feet from the existing height, installation of vehicle lift stations, exhaust systems and rooms for parts storage and offices. The

administration areas included new spaces for state of the art communications systems for emergency dispatch and 911, complete with access flooring, and new communications tower. The entire building received a new exterior skin roof, site paving, and mechanical and electrical systems, including standby emergency backup power systems.

Contact - Russell Maxwell, General Manager, Rural Metro Medical Services WNY Headquarters, Tel: [REDACTED]

Erie County Historic Courthouse
Buffalo, New York

Situation - Erie County is consolidating county court related functions into a new 160,000 square foot family court building in order to comply with the NYS Office of Court Administration Act of 1987.

Initiatives - Erie County retained Ross Wilson & Associates /S&S Construction Services to provide construction administration and inspection services. RWA/S&SCS is providing field inspectors, including mechanical, electrical and plumbing, to oversee the quality of the work and provide field documentation. Two other construction management firms will provide constructions project management services, one for each phase of the project.

Results - The existing historic courthouse will undergo extensive renovations, while remaining occupied, and a new centralized court complex with new, state of the art court spaces will be constructed. The new facilities will house Family Court, Surrogate, and Supreme Court operations.

Contact - Michael Judd; Erie County Project Manager, Tel: [REDACTED]

Albany County Terminal and Renovations
Albany, NY

Situation - Ross Wilson & Associates/S&S Construction Services was selected as part of a management team to provide construction management and consulting services to the joint venture partnership "Turner/Beltrone". S&SCS has provided Master project scheduling, daily scheduling and monitoring, project supervision and project support services during the construction phase.

Initiatives - The scope of the program included: construction of a new control tower, terminal and concourse areas, renovation of the existing concourse, airside equipment storage structures, AARF building, runway and taxiway reconstruction. The authority will also expand the parking structures, provide for internal road and security improvements, subsurface remediation asbestos abatement and demolition of the existing terminal.

RWA/S&SCS's most challenging role was to develop and maintain the Master project schedule and phasing plan along with detailing the sub-project schedules. There are 22 separate projects with multiple contractors at on each project.

Results - The new terminal construction was adjacent to the existing and fully operational terminal and concourse areas, without interrupting air traffic, airline operations, passenger service or compromise security. Each phase is critical, not only to the sequencing of construction, but also to the operation of the airport. The individual projects were scheduled in detail to allow airport. The individual projects were scheduled in detail to allow airport personnel to accurately determine their moves and relocations.

Contact – Mr. Bernard Newton; Project Executive, Albany County Airport Authority, Albany, NY, Tel: [REDACTED]

Buffalo Psychiatric Center
Buffalo Psychiatric Center Demolition & Asbestos Abatement
Dormitory Authority of New York State
Buffalo, NY

Situation – Buffalo Psychiatric Center contracted S&S for a full service asbestos and survey and abatement.

Initiatives - S&S Environmental (Div. of Sheen and Shine Inc.) provided a full service asbestos surveys and abatement. Subcontracting was with Tunney Electric for all electrical work and Bianchi Industrial Services for building demolition.

Results – The work consisted of: Interior Demolition including electrical systems, refrigerant removal, asbestos abatement, site restoration, debris sorting, fill site voids, disposal of excess building, abate floor, abate acoustic tile, abate pipe insulation, abate transite panels, abate window glazing and caulking, construction site fence and truck wash station.

Contact – Jeanne Jones; Buffalo Psychiatric Center, Building 52, Buffalo, NY, Tel: [REDACTED]

New York State Construction Fund
Cornell University
Mann Library
Ithaca, New York

Situation – S&S Environmental (Division of Sheen and Shine Inc.) prepared the original outdated Mann Library to be updated and fitted to function with the newly constructed addition.

Initiatives - The Pike Co. retained the services of S&S Environmental (Div. of Sheen and Shine Inc.) to complete the environmental abatement and demolition of the original Mann Library. The project consisted of the complete gut of the entire roof system, all interior systems and a majority of the floors of the central core of the building. Once completed this phase of work will connect the original Mann Library building with the add-on section that was completed in 2000.

Results – Work consists of: Exterior/Interior Demolition, Structural Wall and Floor Demolition, Debris Sorting, Disposal of Excess Building. Abatement includes: Asbestos, Acoustic Tile, Pipe Insulation, Plaster Ceilings, VAT & Mastic, Window Glazing and Caulking.

Contact – Bill Hagen; New York State Construction Fund, Tel: [REDACTED]

NYS OGS
Mohawk Correctional Facility
New York, NY

Situation – S&S Environmental (Division of Sheen and Shine Inc.) competitively bid the removal of 6 boiler units from the Mohawk Correctional Facility and was awarded the project as a sub contractor to Dansforth Inc.

Initiatives - The scope of work is the total removal of all 6-boiler units, this work includes the complete asbestos abatement of all components connected to and adjacent to each boiler unit. The interior of each boiler unit is also required asbestos abatement.

Results – S&S Environmental designed a removal system that allowed for the removal of each boiler intact from the building. The unit was then specially shipped to an accredited landfill for disposal.

Contact – Joe Pelletiere; NYS OGS, New York, NY Tel: [REDACTED]

**North Syracuse Central School
District-Wide Capital Improvement Program
Syracuse, NY**

Situation – Ross Wilson & Associates recently acquired by S&S Construction Services LLC was selected to provide construction management services for the North Syracuse Central School District's 13 capital projects totaling over 100 Million dollars in constructed value.

Initiatives – RWA has provided preconstruction planning, community outreach, construction estimates, schedules, value engineering and cash flow analysis during the pre-referendum phase and managed the preconstruction and construction phases, providing estimates, schedules, phasing, logistical planning constructability reviews and value engineering during design; and supervision, scheduling const control, monitoring and reporting during construction.

Results – RWA has provided preconstruction planning, community outreach, construction estimates, schedules, value engineering and cash flow analysis during the pre-referendum phase and managed the preconstruction and construction phases, providing estimates, schedules, phasing, logistical planning constructability reviews and value engineering during design; and supervision, scheduling const control, monitoring and reporting during construction.

Contact – Wayne Bleau; North Syracuse Central School, Syracuse, NY, Tel: [REDACTED]

**Fulton City School District-Capital Improvement Program
Fulton City School District District-Wide Capital Improvement Program
Fulton, NY**

Situation – S&S Construction Services, LLC was selected to provide construction management services for the District's 9 Capital projects.

Initiatives – To provide construction management services for the District's Capital projects.

Results – S&SCS has provided estimates, schedules, and value engineering during the preconstruction phase; estimates, schedules, phasing, logistical planning, constructability reviews and value engineering during design; and will be providing supervision, scheduling, cost control, monitoring and reporting during construction

Contact - William Price; Director of Facilities & Security- FCSD, Tel: [REDACTED]

Dutch Hill Manor LLC
23 High Street
Buffalo, New York

Situation - Dutch Hill Manor LLC retained the services of S&S Construction Services LLC to plan, finance and construct a former 1856 brewery building that had been converted to 72 low-income apartments after prohibition.

Initiatives - The project consisted of a complete gut of all interior partition walls and mechanical, electrical and plumbing systems, and a complete reconfiguration of the floor plans to accommodate modern apartments ranging from 680 to 1850 square feet.

Results - Seventy-two low-income, modern apartment complex with apartments ranging from 680 sq. ft. to 1850 sq. ft.

Contact - Ross Wilson & Associates Inc provided services as developer principal.

Factor 4. Quality Assurance and Metrics Plan

The Team has a proven track record of implementing customized quality assurance and control programs. By leveraging time-tested methodologies and cutting-edge approaches, the Team will work with VA staff members to develop a comprehensive, fully integrated quality assurance program that ensures continued improvements are made to both the VA EUL program and local site-specific projects.

Through the Mentor/Protégé sub-contracting agreement, the partnership of S&S Construction Services and American Commercial Group will be guided by Jones Lang LaSalle in the oversight of the quality control process. This oversight will help the joint venture learn and grow their business with quality metrics in place.

Through the integration of expert software and process methodologies, as well as a multi-tiered structure governed by knowledge sharing and targeted process-based refinements, the Team will integrate a metrics plan that clearly demonstrates how we, as a firm, will internally measure our progress and performance, while simultaneously identifying key factors that can be easily monitored by the government. The Team has the unique ability to leverage quality assurance programs from past privatization projects (most notably from the Army RCI and Air Force housing privatization programs) when developing a tailored approach for VA EUL projects.

The following subsections outline a preliminary quality assurance and performance measurement plan we feel will benefit the VA EUL program(s) and mitigate a number of risks. The Team has a fundamental belief that all quality improvement and assurance programs should be developed in close consultation with our clients and tailored to the specific needs of each project. Thus, the materials summarized in this proposal outline a number of successful practices that proved valuable for other privatization clients, and should serve as a starting point for further discussions.

Vendors are to provide a Quality Assurance Plan ensuring that continued quality improvement to the program they are supporting is being made. Vendors are to clearly articulate the methods to be used that will ensure quality and the continual improvement of processes.

Theoretical Approach – Continued Quality Improvements: Over time the Team has successfully developed, implemented and refined the processes necessary to execute top-notch privatization projects. As highlighted in Objectives 1 – 8 of Factor I, our firm's understanding of government privatization programs is unparalleled. As a group, we bring an unprecedented array of implementation techniques to refine programmatic and project specific processes for transaction and post transaction events. Centered around a "transfer of knowledge" both internally between our privatization staff members across varying sectors (Army, Air Force, DoD EUL, WAMATA) and externally with our clients (DA, DAF, OSD, VA Staff Members), the Team has developed a streamlined approach to leverage the exposure of our field teams, drive programmatic improvements, and return a "refined process" back to the field for implementation.

The Team strongly believes that the judicious use of appropriate technology is essential to ensure a consistently high level of quality in data collection, analysis and business communication. To this end, the Team plans to utilize the ReCAPP® software and process developed by Physical Planning Technologies (PPT) a recognized industry leader in the asset capital-planning field. PPT's wealth of experience and expertise will ensure that data quality, consistency and relevancy remain at the highest possible levels.

ReCAPP® fills the gap left by other software packages and processes in the *renewal* phase of the asset lifecycle, as indicated below:

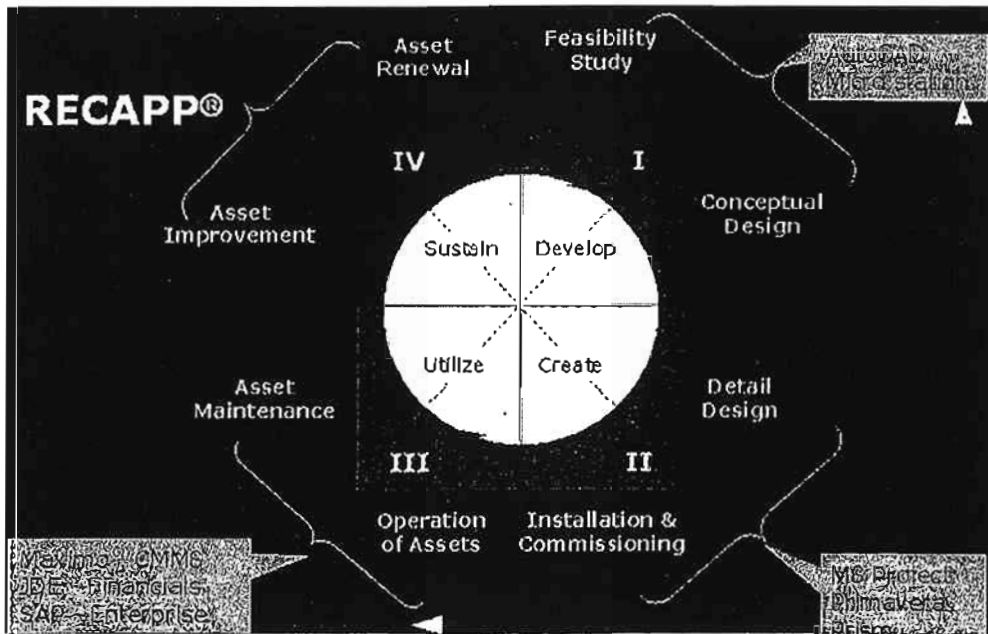


Figure 1: ReCAPP® Positioning in the Asset Lifecycle

Micro-level: Project/Site Specific Improvement: the Team believes the key to continued program improvement begins with our team members in the field with day-to-day contact at the project level. On previous privatization engagements, team members have been “embedded” on site with their government counterparts, affording our firm the unique opportunity to not only establish ourselves as trusted advisors, but develop an intimate working knowledge of the processes needed for managing a successful privatization endeavor. By walking in lockstep with the government representatives responsible for a particular privatization project, the Team has been able to internally compare our experiences and develop many best “privatization” practices, transferable to a number of different privatization structures. In turn our clients have been able to implement both time tested and cutting edge practices simultaneously through our group’s ability to quickly identify inefficiency and take progressive steps to cure it.

When an improvement opportunity presents itself, the Team field teams bring to bear a variety of subject matter experts from the public and private sectors. Our firm’s ability to straddle both real estate markets enables our group and clients to rapidly identify potential problems and solve them quickly, leveraging information backed by seasoned experts. Once opportunities are identified, the Team immediately notifies our on-site client representative and apprises them of steps being taken to refine the process. One such refinement could include the construction of rents on the ground lease. For example, fixed rents may be most appropriate in some circumstances, especially if federal leaseback is contemplated, and participation, or percentage, rents may be most appropriate in cases where the value of the land or assets under lease is difficult to determine at the time of the enhanced use lease, or if the value of the assets is expected to rise substantially over time.

After a process has successfully been refined, our field teams work with their on-site government counterparts in many “knowledge-sharing exercises” to develop a briefing that outlines the project’s success and lessons learned. The Team empowers our on-site clients by preparing them to continue the

knowledge sharing process internally with their respective programmatic office, if a program level benefit is evident.

Finally, the Team will use PPT's 'best practice' software and methodology in the gathering, analysis and communication of project findings both in the realm of condition assessments, but in the prioritization and documentation of recommendations to the VA as to how best to optimize the use of and financial returns on its existing asset portfolio. Using standardized software assessment templates for asset and component condition – as well as stakeholder feedback on EUL proposals – will ensure that a consistent methodology and analysis will be applied to the entire VA portfolio, resulting in greater accuracy and reduced costs.

Macro-level: Programmatic Improvement: The Team believes its role as privatization advisors does not end at the project level. As stated above, many process improvement opportunities are identified and cured in the field. Often, this valuable knowledge is retained in the field; leaving the programmatic benefit that can be derived lost. Recognizing this, the Team has developed a comprehensive knowledge-sharing plan that has proved beneficial to a number to privatization clients. By leveraging a number of senior the Team executives, our programmatic level clients have been able to refine strategic processes and issue sound policy directives.

Knowledge Sharing: A key method that will enhance transactions, mitigate many forms of risk and ensure that quality improvements are being made at the programmatic level is the development of an active knowledge management process that accumulates learning from a number of project sites and applies that learning to future projects from a programmatic level. This process ranges from maintaining information on a shared network drive to creating a complex written and electronic program management system and codified subject matter materials, navigated by sophisticated search engines and specially trained professional system users. We believe that a more cost-effective and sustainable method of VA EUL knowledge management is using systems already in place within the government – conducting lessons-learned seminars involving sites that have been privatized, and relying upon both the site specific EUL teams and the VA-EUL advisors to create a system where the relevant information is organized and made accessible to all members of the VA EUL staff. The Team has been very proactive in implementing this type of knowledge sharing on our Army, Air Force and DOD engagements, and sees a great opportunity for the VA EUL program to benefit from our expertise.

By using team member PPT's 'best practice' software to gather condition assessments and stakeholder input, the Team can quickly and easily analyze and prioritize proposals, as well as publish and disseminate consistent reports. This information can easily be made available over the Inter/Intranet for relevant stakeholders.

Implementation: The Team professionals do not merely act as traditional consultants by only identifying opportunities for improvement and developing a framework to deal with them; our team member's act as "resultants" by implementing our plans, and ensuring that the desired outcome is achieved. Whether a process improvement is driven by project-level observation, programmatic determination or feedback on our client satisfaction surveys, the Team is committed to developing and implementing all processes that will best serve our customers. Our framework for achieving positive results is simple: Acting with sound judgment, implement proactive solutions. The proceeding summarizes the implementation philosophy the Team has used on previous privatization engagements.

For the condition assessments of VA facilities, as well as project prioritization and financial option analysis, the Team plans to use the software and methodology of a recognized industry leader in the fixed asset capital planning world: Physical Planning Technologies (PPT). Team member PPT's technology and processes will ensure that the right data is gathered in the right time and in the right manner. The strong financial analysis and business reporting tools inherent in PPT's Total Capital Planning System

(TCPS) will ensure that all the disparate requirements and capacities of VA's extensive asset portfolio will be subjected a strict and comprehensive review, evaluation and recommendation methodology.

Not Merely Consultants. Privatization advisors must be more than mere consultants. Our clients demand advisors who can actively participate in real estate transactions and investments, while having a complete understanding of the program they are aiding. As trusted advisors we must be willing to work shoulder to shoulder with our client at both the programmatic and site-specific levels on an almost continuous basis. Advisors cannot simply arrive periodically with a deliverable in hand – there are too many issues that arise daily, too much training and coaching to conduct, and too many documents to generate and review. The Team understands this need and is committed to fulfilling close-support on any project it is selected for.

Vendors must develop a metrics plan demonstrating how they will measure their performance also demonstrated how they will implement these plans and incorporate them into the local task orders they receive.

Quality Assurance – Metric Plan: The Team is truly unique in its approach to developing and enacting quality assurance (QA) programs. While we believe it is imperative that each program be developed in close consultation with our clients and tailored to the specific needs of each project, our firm has developed both internal and external QA programs for public and private sector projects. This novel experience affords our clients the opportunity to monitor our progress as advisors, in addition to the project's contractor. The following subsections explore external and internal quality assurance programs that we have develop for various clients and projects. This discussion should serve as an example of our competency in this area. If selected, the Team will work with the VA to develop a customized program satisfying their needs. The four main components for ensuring QA/QC on key data are:

- ◆ Ensuring data integrity
- ◆ Ensuring consistency of the data gathering framework
- ◆ Ensuring consistency of the decision-making support processes
- ◆ Ensuring consistency of business communications

The Team plans to use team member PPT's software/process/methodology expertise to ensure that all of the above goals are met.

Internal Quality Assurance – Client Satisfaction: The Team actively works with clients to develop a comprehensive program that manages our success throughout a project. Believing that client satisfaction and expectation fulfillment is paramount, the Team has developed a "rating program" to gauge our clients' satisfaction on a monthly basis. By utilizing a "satisfaction acknowledgement" survey, developed in conjunction with our clients, the Team field teams have been able to obtain "real time" feedback on their progress and take appropriate actions to remedy shortcomings, if any. These surveys contain the key performance factors easily monitored by our clients. An example of a survey is below:

By using a satisfaction acknowledge form the government will be able to determine the Team's performance, while our group members will be able gauge the quality of their services being delivered on a monthly basis.

Team member PPT, the central software/methodology provider, has been recognized by Microsoft as a Customer Satisfaction leader, and is currently a finalist in the 2004 Customer Experience Award from Microsoft.

Internal Quality Assurance - Project Deliverables: Inherent to client satisfaction is the delivery of high quality products. Therefore, the Team will deliver a focused internal quality assurance/quality control program led by an experienced Contract Specialist (QA/QC Officer). This includes reviewing each task

Department of Veterans Affairs: Solicitation RFP-101-32-04

deliverable for content consistent with the SOW including confirmation of technical accuracy, personalization, formatting, graphics, pagination, spelling, and printing. The QA/QC officer will also coordinate with the VA Contracting Officer on the quality, content, technical accuracy, and consistency of work performed by the Team support professionals. To ensure compliance with Task Order requirements, the QA/QC Officer will also track work completion, program billings, and VA acceptance of deliverables.

The purpose of our Quality Control Plan (QCP) is to ensure a process is in place to control the quality of services and deliverables that are provided during the term of the contract performance. If selected, the Team will modify this Plan to incorporate any revisions required by the Contracting Officer (CO) at no additional cost to the government. *The elements of this QCP program follow:*

- ◆ All preliminary/draft documents will be crafted initially to high standards of composition, formatting, and cross-referencing. Regardless of the drafter on the Team, it will be the responsibility of the Project Manager to ensure that documents reflect high standards of accuracy.
- ◆ PPT's software contains a large number of built-in and ad-hoc reporting capacities, including spreadsheet-type reports, charts, scatter-graphs and full Word document production from any number of customizable templates. The templates for these reports will be created by the Team, and will be applied to all major document productions. This will ensure the accuracy, consistency and reproducibility of all major business communications.
- ◆ Prior to release by the Team to the CO, a printed document (as opposed to an electronic version) will be screened and approved by a senior the Team consulting professional -- normally the supervisor of the Project Manager.
- ◆ Prior to the senior review, the document must be signed off by the Team Manager, administrative associate and primary consultant or associate consultant working on the deliverable.

Along with each deliverable submission, the Team will provide a detailed QCP checklist:

The Team -- Quality Control Plan Checklist			
DATE:		TIME: LOCATION:	
Document:		File Name:	
Responsibility	Verify	Accept	Date
Administrative Associate	Personalization		
	Formatting		
	Graphics		
	Pagination		
	Spelling		
Senior Analyst	Printing		
	Table of Contents vs. Document Headings		
	Appendices and Attachments		
	Internal / External References		
	Active / Passive Links		
Project Manager	Proof-Read entire Doc.		
	Technical Accuracy		
QA/QC Officer	Proof-read Project Specific Sections		
	Printed Copy		
	Screened Format and Graphics		
	Screened General Content		
	Proof-read Project Specific Sections		

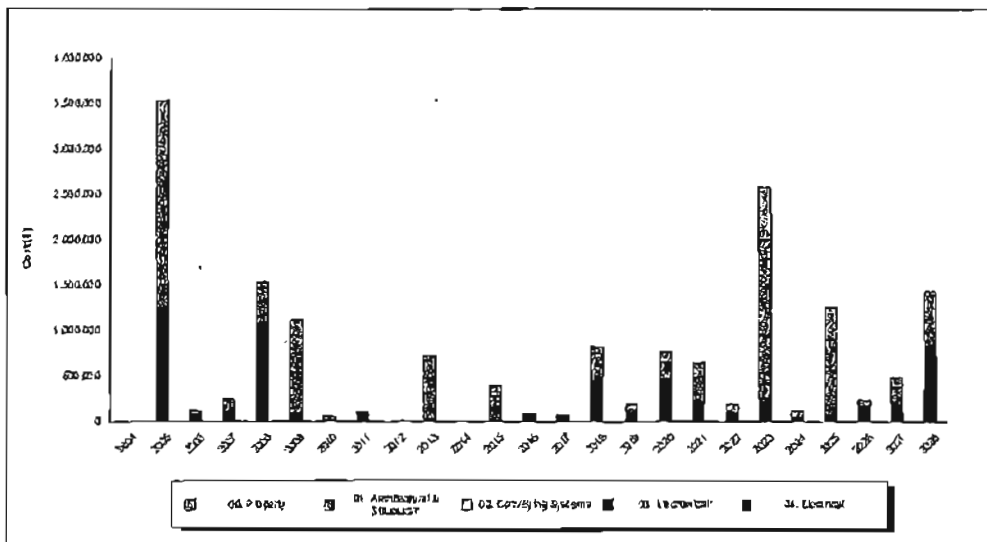
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The Team's project executives will provide quality control and assurance of our firm's performance at a macro level. While they will personally not be involved with every document review, they will act upon information provided by the CO regarding effectiveness of the Team's QCP program and/or any perceived shortcomings in program execution, whether it is document production, reports, etc.

External Quality Assurance Programs – Project Specific: The Team has a proven track record of developing external quality assurance programs. On behalf of our clients, we have collaboratively developed and implemented programs for construction, development, financial transactions and asset management. Working with the Department of Army's Residential Communities Initiative, our team members acted as the chief architects and practitioners of a fully integrated "Performance Management Program" (PMP) that insures quality homes will be delivered to soldiers. By augmenting traditional quality assurance programs through the establishment of an objective set of measures, the Team was able to set up a system for the Army to track the delivery of quality products over the life of their project and reward their partners accordingly. *Such elements of a PMP include:*

- ◆ **Defining Success** - A PMP should define key relationship management and objective performance measures that, if achieved by the partner, will allow the project attain the programs overarching program goals. Aligning the partner's goals with those that of the project are an essential component of success.

Team member PPT's software contains a large number of performance metrics which the Team plans to use to define success. In particular, the ability of TCPS to be able to forecast asset renewal requirements many years out into the future, and combine those requirements with objective asset quality metrics, provides a powerful means to both define an asset management goal and manage the steps and funding required to achieve it. Populating this software within modeled data with a specified number of months will be key to the success of the overall project, since knowing both current and future asset condition is essential to determining its viability for the EUL process. Below, a report shows 25-year renewal requirements for a group of assets.



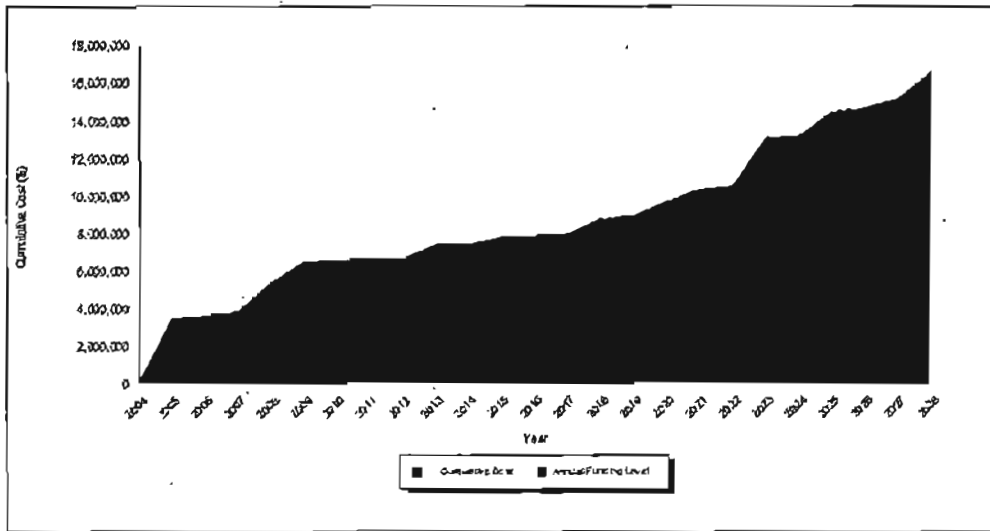
25 Year Asset Costs by Category

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Evolving with Changing Requirements - Since EULs are long-term projects; the PMP must be able to adjust to changes over time without jeopardizing the project's stability. Thus, the relative weights of Key Performance Measures (KPMs) and their components may change from time to time to keep the program's goals and objectives aligned with the program's evolving definition of success.

Team member PPT's solution is also based on the need to predict, track and manage asset capital requirements over many years. After leveraging its extensive library of typical asset components, their theoretical lives and replacements costs, PPT's software tracks individual renewal projects through to completion, then recycles those completed events out into the future. This ensures that VA facility data will stay 'live' for many years to come, and also that the software will easily accept and work with changing requirements.

The chart below shows a compelling graphic describing the cumulative renewal requirements for a group of assets over 25 years, superimposed over the cumulative funding for those assets.



Cumulative Renewal Costs vs. Cumulative Funding

Establish Key Performance Measures and Key Performance Indicators: It is important to clearly define success for key critical outcomes, namely KPMs. The VA EUL office should periodically review the team's performance against these KPMs. Between reviews, Key Performance Indicators (KPIs) – measures of important contractor processes and practices – will be tracked to determine interim performance against each KPM. Under this process, contractors should be able to react to performance shortcomings and implement corrective action in time to avoid an unsatisfactory KPM review.

Create Balanced Goals and Focus: The PMP must sponsor a balanced vision of relationship management vs. work performance (subjective vs. objective goals) and the trade-offs between cost and quality and short- and long-term goals. No particular performance incentive (or group of functionally oriented performance measures) should be given such importance that it diverts either party's attention from generating appropriate performance in all other key performance areas.

If needed the Team has the ability to implement an external quality assurance and performance program that will enable the government to clearly gauge the progress of a particular project and reward contractors for delivering better than expected results.

The vendor should speak to an incentive and disincentive plan to award exceptional performance and discipline less than satisfactory execution - both monetary and non-monetary.

On prior engagements, the Team has developed and subscribed to a number variety of incentive programs. The previous section outlined a number some of "key... performance metrics" (KMPs) that can be easily used by the programmatic VA EUL office to gauge a project's success and facilitate the delivery of incentive based fees, if applicable. Therefore the VA EUL office should look to implement similar methodologies when developing an "incentive" or "performance management program" for each project. As stated earlier, all quality assurances and performance programs (incentive or otherwise) should closely reflect the requirements of a specific project and be developed in close collaboration between the client (VA EUL office) and consultant (contractor). The following section will speaks to outlines the willing of our firm's willingness to put a portion of our compensation and our future business at risk on every project to insure our customer's needs are being met.

Monetary Incentives: Incentive Based Fees: In private industry, it is uncommon for a firm to put a portion of their fee "at risk" through an incentive based performance program. Often, firms are willing to have a portion of their fee withheld, pending successful completion of a project; however, few are willing to subscribe to a structured program that ties the quality of their work to their compensation by using an objective set of measures. As outlined in the "External Quality Assurance Programs" section, the Team has developed a number of incentive based fee programs, directly tied to a project's quality assurance plan. By leveraging the "objective set of measures" contained in a sound quality assurance program and easily tracked by both client and consultant, the Team has the ability to work with the VA EUL office to develop program that would help determine the delivery of incentive fees for project awarded to any contractor, including ourselves.

Non- Monetary Incentives: Future Business: Inherent in the solicitation structure implemented by the VA EUL office, is an opportunity for the government to discipline a contractor's less then satisfactory project execution, by not awarding any future EUL projects to that contractor, until steps have been taken to cure any shortcomings. The Team has been involved in a similar structure with the Air Force, and has found it to prove beneficial from both the government and contractor side. If the government is not satisfied with a particular contractor based on previous experiences, by using this structure it can work with that contractor to refine their approaches and help them to progress to the point where they can actively participate in the program successful manner.