GSA

GSA Office of Governmentwide Policy

Real Property Policysite

Best Practices
Special Edition 2005

Office of Real Property Management

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Best Practices Special Edition

Real Property Policysite
Fall 2005

The Best Practices Special Edition of POLICYSITE is made possible through the collaborative efforts of the General Services Administration's (GSA) Office of Real Property Management and the Federal agencies which participated in the 2005 GSA Achievement Award for Real Property Innovation program.

The Best Practices Special Edition POLICYSITE newsletter is an annual publication by the Office of Real Property Management (MP), Office of Governmentwide Policy, GSA, Washington, DC, led by Deputy Associate Administrator, Stanley F. Kaczmarczyk. POLICYSITE is produced by the Regulations Management Division, Stanley C. Langfeld, Director and Editor-in-Chief.

For more information about POLICYSITE, contact the Managing Editor: Richard M. Ornburn at richard.ornburn@gsa.gov. Graphic design provided by GSA's Office of Citizen Services and Communications: Graphic Designer - David L. Alexander.

For more information about the Office of Real Property Management and its innovative real estate and workplace initiatives, visit our website at...

COVER: Top three winning entries (L-R)—
- ***Edward Hines, JR. VA Hospital, Hines, IL***
- ***GSA's "Green Meetings" Ultra Clean Direct Fuel Cell Power Plants***
- ***FDIC Virginia Square Campus, Phase II, Arlington, VA***

www.gsa.gov/realpropertypolicy

Real Property Policysite

A Message From...

Stanley F. Kaczmarczyk

Deputy Associate Administrator for Real Property Management

Innovators from the Federal government are developing the ideas, tools, and methods to improve asset management. The practices they develop help improve the way Federal agencies manage the over 3 billion square foot inventory. These practices enable us to manage the Federal portfolio better, develop higher performing workplaces, focus on citizen services and protect our environment while providing better value to the taxpayers.

The Office of Real Property Management is pleased to present the Best Practices Special Edition of Real Property Policysite newsletter. The newsletter includes an array of best practices and policies, culled from the top practitioners in the Federal real estate arena. They represent areas of:

- Alternative Officing
- Budget
- Contracting
- Customer Service
- Inventory Management
- Leasing
- Performance Measurement
- Security
- Sustainable Development

Twelve agencies submitted entries for the 2005 GSA Achievement Award for Real Property Innovation. The top three award winning entries were:

- ***Green Meetings: Offsetting Emissions from a Conference and Trade Show***, General Services Administration (Best Innovative Practice)
- ***Enhanced-Use Lease with Catholic Charities***, Department of Veterans Affairs (Best Innovative Practice)
- ***FDIC Phase II Security Initiatives***, Federal Deposit Insurance Corporation (FDIC) (Best Adopted Policy)

Two superlative entries received the honorable mention designation:

- ***Hoteling***, Department of the Treasury
- ***Replace Automobiles with Electric Vehicles,*** General Services Administration

I would like to extend my congratulations to the winners, as well as to all the participants in this year's program. Everyone wins when Federal agencies develop or adopt innovative practices to make the government more efficient and effective in it's stewardship of the public's assets.

You can get more information about this exciting award program and the best practices submitted by checking out our website at: www.gsa.gov/realpropertypolicy and clicking on "Award Program" and "Best Practices." Please contact Award Program coordinator, Mr. Richard Ornburn at (202) 501-2873 or by e-mail at richard.ornburn@gsa.gov, with any questions on the award program.

S. Kaczmarczyk

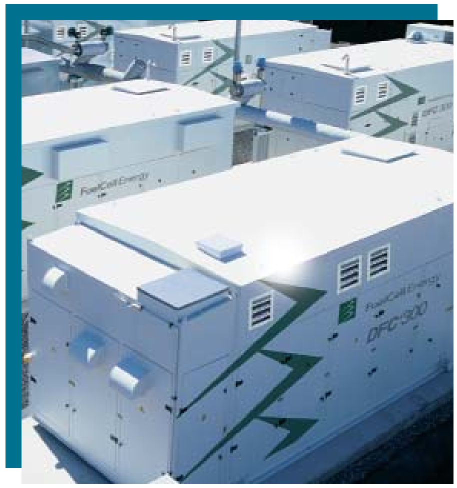
Stan Kaczmarczyk

www.gsa.gov/realpropertypolicy

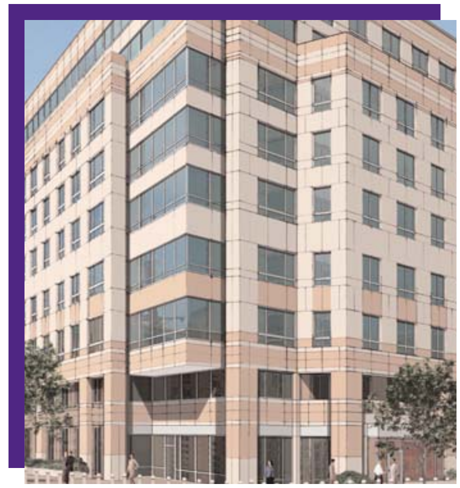
Innovative Best Practices and Policies

INNOVATIVE

Can you envision utilizing existing resources in order to generate additional income to support healthcare delivery to veterans? The staff at Edward Hines Jr. VA Hospital did with its innovative Enhanced Use Leasing.



Could you picture that the Federal government would put on the first ever "certified green" trade show with the novel concept of offsetting emissions? GSA did just that with its "Green Meetings" best practice for the Energy 2004 show.



Can a new 422,000 square foot facility employ the latest security measures with good urban design concepts and still work in harmony with employee needs and the local community? FDIC accomplished this when it included adopting one of the best practices previously submitted to GSA's award program, in the expansion of its Arlington, VA campus.

Imagine how you can save $100,000 in rent expenses over a year and accommodate a greater amount of staff in a smaller amount of space. Treasury did with its "Hoteling" initiative for one organization.

Is there a vehicle available for a Federal facility that is not only environmentally friendly, but also cost efficient in terms of initial capital costs, fuel costs, and overall operating expenses? GSA had the vision to find one for the Denver Federal Center with its NEV's or Neighborhood Electric Vehicles.

Realize that each of these visions was accomplished through innovative thinking and implementation of best practices and policies listed here in this publication. Each of these and other cutting edge practices are detailed here for you, including individual agency contacts for further information. We encourage you to check them out and utilize them in your asset management and workplace development operations.

The practices or policies are categorized by subject and are also available in the "E-Practice" Library under "Best Practices" at...

www.gsa.gov/realpropertypolicy

05-PRA-002

HOTELING

Department of the Treasury

"Hoteling would allow (Treasury's) TIGTA to reallocate workspace and accommodate a greater number of employees in a smaller amount of space, ultimately reducing real estate costs."

(Treasury's) TIGTA's rent expenses were reduced by over $100,000 a year after implementation....

Hoteling was defined as a flexible work arrangement whereby an employee already telecommuting does not have an assigned personal workspace but may reserve office space on an as needed basis, without permanently being assigned to a private office, cubicle or desk.

During 2003, the Department of the Treasury's Treasury Inspector General for Tax Administration (TIGTA) employees formed a cross-functional team focused on expanding the telecommuting program to provide a positive cost benefit to TIGTA and reduce the amount of office space in offices with high concentration of employees participating in telecommuting more than two (2) days per week. It was believed that employees who did not report to the office on a routine basis did not need to have office workspace devoted solely to them. They could share office space with other employees assigned to the same office; thus "Hoteling" was born. This was the first time a project of this type had been attempted at TIGTA.

Hoteling allows TIGTA to reallocate workspace and accommodate a greater number of employees in a smaller amount of space, ultimately reducing real estate costs. It was looked at as a means to recoup some of the costs associated with implementing the telecommuting program. Employees would no longer be assigned to a specific workspace, but rather would have to make a reservation when they came into the office for the type of workspace they would require. Work areas were reconfigured to match particular work tasks and each work area was assigned a unique number.

The full participation of Management Services, Information Technology, and Audit ensured the success of this effort. TIGTA's rent expenses were reduced by over $100,000 a year after implementation and they have developed a reasonable strategy for managing rent inventory and future rent costs. The success of the pilot resulted in TIGTA expanding

UNITED STATES DEPARTMENT OF THE TREASURY

hoteling to additional locations and realizing additional cost savings. In addition, the implementation of hoteling institutionalized the telework concept within TIGTA. The ability to use hoteling provides TIGTA with increased flexibility in space allocation, especially during a time of shrinking budgets. The use of common workspace promotes interaction among telecommuting employees when they are in the office. Employees used to having everything in their personal workspace find they now need to come into the common workspace more often to retrieve a file or to obtain office supplies, thus promoting a feeling of belonging.

Hoteling Team (member from L-R): Marty Greiner - Assistant Inspector General, Management Services, team members - Donna Leach, Jennifer Donnan; Pamela Gardiner - (then) Acting Inspector General; team members - Nancy Nakamura, Tom Hawkins, Troy Patterson, James O'Hara. (not pictured: Corinne O'Connor (retired), Tim Dobbs, Tom Black, Emma Price)

The team's accomplishments include, but are not limited to, the following:

- Developing a methodology and criteria for hoteling site locations, including developing a Concepts of Operations document and a "Rules for the Road" document. These documents enable the organization to evaluate future hoteling sites, provide a policy framework for hoteling and provide guidelines for employees participating in a hoteling environment.
- Conducting market research to identify a reservation software package; the team selected a software package that TIGTA now uses for its workstation reservation system. The concierge function of the software was fully explored and developed during the program; this is a vital function that allows other employees outside a particular office to reserve workstation space as needed. This software was essential to the success of the hoteling pilot, without it the process for reserving workstations would have been very labor intensive. The software also provided us with data to evaluate the usage of workstations and to make better, more informed real estate decisions for future locations. With this software we identified an optimum ratio of employees to hoteling workstations. This analysis will allow us to increase our savings in future hoteling locations.
- Addressing employee concerns over the program by developing and issuing employee surveys; concerns identified by these surveys were addressed, and the issues were built into the planning methodology for future expansion.
- Redesigning the configuration of the pilot office space to fit the hoteling concept, while addressing employee concerns regarding individual work stations, and shared common areas.

Hoteling has been a success at TIGTA and has the potential to provide an avoidance of the ever increasing rental costs for limited use space and also provides TIGTA with the flexibility and adaptability to meet the challenges of a changing workforce.

For more information, contact Ms. Donna Leach on 202-927-5924, or by email at Donna.Leach@TIGTA.Treas.gov. ■

05-PRA-011 NATIONAL BUSINESS SOLUTION 2003-NBS06

General Services Administration

The challenge faced by the General Services Administration (GSA) was how to improve the processing of receiving reports to avoid late payment of vendor invoices and related interest penalties. GSA's Public Buildings Service (PBS) incurs interest penalties on vendor invoices that are paid late. Specifically, late payment fees incurred on BA 61 invoices in FY 03 totaled nearly $1 million.

While some late payments are inevitable, oftentimes this happens because receiving reports are sent to the incorrect office rather than to the office ordering the goods/services. In some cases, the process of getting the receiving report notification to the proper person has taken weeks and months resulting in substantial late payment fees.

Specifically, receiving report requests were sent by Finance's VITAP system to contacts according to organization code rather than the office requesting services. This meant that associates had to research and forward the information to the requesting office - and many times the receiving report request was sent by the requesting office to the contracting officer (conflict of interest) to submit via VITAP.

The solution devised by GSA was to have the associate designated by the Requesting Office will now enter his/her e-mail address directly into Pegasys using the purchasing document at the time the obligation is established.

In this manner, VITAP will send two receiving report notifications: one to the point of contact's e-mail address in VITAP based on organization code (budget analyst), and one to the point of contact's e-mail address in Pegasys based on requesting office.

This policy has the following benefits:

- Eliminates overdue invoices that need a receiving report.
- Immediate processing of receiving reports while simultaneously validating work completion by the requesting office.
- Elimination of conflict of interest by taking the contract officer out of the receiving report request chain.
- Save time budget analyst spends researching and forwarding receiving report requests.
- Process change does not incur additional resources.

For more information, contact Mr. Matthew McCombs on 202-501-0822, or by email at matthew.mccombs@gsa.gov. ■

Headquarters, U.S. General Services Administration, Washington, DC

05-PRA-013 PAYMENT OF AWARD FEE TO MEO

Department of Defense

The Defense Facilities Directorate (DFD) competed the services provided by the Pentagon Heating and Refrigeration Plant (PHRP) under the requirements of OMB A-76 in 2003/2004. DFD decided early in the competitive process to include an award fee in the solicitation as a performance incentive to either the commercial firm or the government's Most Efficient Organization (MEO) winning the competitive procurement.

Although award fee contracts are commonplace, inclusion and procedures for payment to government employees of an award fee as part of an MEO, are not. In addition, DFD management wanted to ensure that if the government's MEO won the award, the award fee would be distributed fairly and equitably among MEO employees, without preempting or taking away the employees eligibility for normal, individual performance awards.

These decisions were made in full support of the DFD strategic plan. DFD's strategic plan focuses on providing quality services and providing the best services to its customers. An award fee would provide incentive for optimum performance of the PHRP. The PHRP provides services to approximately 25,000 civilian, military, and contractor customers on the Pentagon Reservation. DFD's strategic plan also addresses

investing in its people. If the government's MEO won the competition, it was imperative that no current benefits were lost.

Establishing and implementing procedures to ensure senior management's goals were achieved rested largely on two WHS offices: the Internal Review Office (IRO), DFD and the Office of General Counsel (OGC). The two offices worked out detailed procedures to ensure the award fee pool and shares to each employee were distributed equitably. The IRO and OGC developed the plan and obtained consensus among multiple offices: Personnel, Financial Management and Accounting; and, groups: the Union and MEO itself, to effect the necessary required steps.

For more information, contact Mr. Bob Cox on 703-614-3822, or by email at Bob.Cox@whs.mil. ■

05-PRA-010

CUSTOMER TEAMING IN PROCURING FACILITIES OPERATIONS

General Services Administration
Department of Commerce

In "Customer Teaming in Procuring Facilities Operations," the innovation involved making several changes in the method of contracting for Operations and Maintenance (O&M) of a new Federal facility. The new features included:

a) a commitment to customer involvement in the process.

b) "green" features, such as LEED operation, metric alterations, and green roof management.

c) use of the Federal Supply Schedule and "best value" in making the procurement.

d) use of a newly developed scope of work which was clearer and easier to understand than previous scopes of work.

e) A selection criteria tailored to the facility, allowing selection based on best value.

f) Award of the contract 6 months before completion of the building construction.

Previously, when developing a scope of work for operating a Federal facility, whether using an Operation and Maintenance (O&M) contract or a Commercial Facilities Management (CFM) contract, our normal practice was for our GSA facilities staff to prepare a Scope of Work (SOW) using our region's existing format or template. Then, we would go to our procurement staff for contracting services, using either an 8a contractor or open market. Usually, the contract would be awarded in time for the building to be completed.

Under our new method, during the development of an SOW for a newly constructed facility for the National Oceanic and Atmospheric Administration (NOAA), we decided to include the customer in every possible step of the procurement. Similar to the new "Transaction Management Playbook" for realty services, we gave the customer several options or solutions to operating their new facility. To develop the SOW, we used a basic one developed by GSA in Boulder, Colorado that we found to be an improvement over the standard SOW. It was much easier to read, and was a simpler document that contractors were able to understand. We met with the customer on a weekly basis for several months to review comments or changes and update the SOW. We agreed to include several special sections that the customer wanted, such as management of their conference room, maintenance of their vehicle fleet, and operating their IT service call desk. These items were separately listed in the bid documents so that GSA would get reimbursed for them.

Customer Teaming in Procuring Facilities Operations Team (L-R): Don Battle, Charles Polinger, Ron Holmes, Harry English, Paul Pegnato, Jamil Hamilton. (Not Shown: Mary Beth Kenefick, Louis Cambardella, Tracy Sneed, Janice Nichols, Jannett Dyson, Jerome Lofton)

The most significant achievements of our innovative practice included:

- Customer participation and customer satisfaction with the procurement process.
- Using the FSS schedule resulted in a cost about 10% lower than the benchmark or independent Government estimate (IGE).
- Time savings, in that the procurement was advertised and processed in less time than normal, and did not require extensive internal reviews.
- Scope of Work that included:
  - Green building features (green roof, LEED design, recycling, etc.)
  - Performance measures.
  - Selection criteria tailored to this facility.
- A consistent approach to delivering facilities services that meet the customer's needs.
- Scheduling the entire process to coincide with 6 months "ramp-up" prior to the facility being completed.

Simplifying the SOW now permits us to better understand what we are requiring of the O&M vendor, thereby avoiding waste. The practice also keeps facility management expenses in line with commercial properties, by comparing proposals to the benchmarks.

For more information, contact Charles Polinger on 202-401-1025, or by email at charles.polinger@gsa.gov. ■

05-PRA-004

TRADE IN FOR SERVICE CONTRACTS

Department Of Health And Human Services

Working together, a team from the Department of Health and Human Services (HHS), identified surplus analytical equipment. They verified there was no conflict with existing policy. They coordinated a trade-in of surplus equipment for an extension of a critical maintenance contract for a new piece of critical equipment.

The creativity of establishing a new maintenance agreement for a critical piece of research equipment is documented by a 393/Purchase Order, e-mails showing the discount and transaction.

The creativity is evident in the effort and perspective involved by these employees. They looked at the problem that involved the disposal of unique equipments. From their dedication to excel, desire to reduce cost, and dedication, they developed a creative idea. Instead of paying for deactivating an active power source in obsolete equipment, they proposed bundling the inactive sources and use them to trade-in for a reduced price on a new piece of equipment or a new/extended maintenance agreement. This idea resulted in avoiding the cost to surplus old power sources while reducing the cost of a new critical maintenance agreement. This achievement is unique and was accomplished in a time sensitive and fiscally constrained environment.

The circumstances that led to the development of the practice included the failure of three old Liquid Scintillation Counters without a maintenance contract. The shortage of funds and the cost to remove the source from each of the inoperative counters called for innovative solutions.

Researchers needed the equipment to continue their research but were faced with an austere budget climate. The cooperation among key staff personnel, an active radiation safety program and the openness of management to new and innovative thinking contributed to the environment that fostered the cooperation needed to make the staff's innovative idea a reality. The team's efforts improved efficiency and effectiveness and allowed research to continue without interruption.

Regarding the benefits to the agency of the new practice, the deactivation of three pieces of the surplus equipment would have cost $2,900 per unit, for a total of $8,700. The extended maintenance contract provided the Food and Drug Administration (FDA) a value of $5,000 for a minimum total benefit to the FDA of $13,700.

The trade-in for service contract extension took more professional effort to provide the documentation for the procurement system to see comparative value and to obtain comparative quotes but was beneficial to the FDA and to CFSAN.

The challenges overcome with this new practice were the time constraints, the necessity to prove the concept to the satisfaction of Federal Acquisition Regulations by having to have three vendors in this unique area.

The practice is replicable and transferable for any major research agency. The savings could be considerable for major users that are paying to have radiation sources removed.

For more information, contact Ms. Veronica Johnson on 301-827-8246, or by email at vjohnson@cfsan.fda.gov.

Trade In For Service Contracts team (members from L-R): Constance Rosser, Cedric Amey, Veronica Johnson.

05-PRA-015

RWA SERVICE TICKET PROGRAM

General Services Administration

GSA's Northeast & Caribbean Region, Caribbean Service Center developed a program called "Reimbursable Work Authorization Service Ticket" (RWA). This program was implemented at the Federico Degetau Federal Building in Hato Rey, Puerto Rico.

In an effort to improve customer relations in the Caribbean Service Center, the associate that receives an agency request creates a "RWA Service Ticket" between the Property Management Office and the agency submitting the request. Each RWA Service Ticket contains written details of the specific Reimbursable

Work Authorization concerns and the actions GSA took and will take to address the customer request. The system allows associates to quickly access the information related to that issue. Also, the associate can provide information to the customer in a consistent and timely manner and keep a log of open service tickets with follow-up dates.

As a result of the implementation of the system, the customer satisfaction related to Reimbursable Work Authorization issues has improved among the agencies.

For further information, contact Ms. Rebeca Irizarry at 787-281-4905 or by email at rebeca.irizarry@gsa.gov. ■

Reimbursable Work Authorization Service Ticket (from L-R): Team member - Rebeca Irizarry, GSA PBS Caribbean Service Center, Federico Degetau Federal Building, Hato Rey, Puerto Rico; Rafael Marcano, VA Regional Office San Juan, Puerto Rico; David Maldonado, GSA PBS Caribbean Service Center, Federico Degetau Federal Building.

05-PRA-012

CORPORATE PROPERTY AUTOMATED INFORMATION SYSTEM

U.S. Department of Agriculture

The U.S. Department of Agriculture (USDA) is proactively implementing Executive Order 13327, Federal Real Property Asset Management, which establishes a presidential initiative promoting the efficient and economical use of America's real property assets to assure management accountability for implementing Federal real property management reforms. USDA has worked diligently in support of real property asset management through continual emphasis on real property reconciliation, real property inventories, and real property appraisals, resulting in auditable real property depreciation values.

Through its own initiative to improve management accountability, USDA initiated a major corporate project to implement the first department-wide real property automated information system. This new department-wide system, Corporate Property Automated Information System (CPAIS), was implemented May 24, 2004. The most significant achievement of the development and implementation of CPAIS is that it provides an integrated solution, which standardizes USDA real property accounting, real property business processes and provides management of the entire real property portfolio including owned real property, commercial leases, and General Services Administration (GSA) assignments.

USDA reported more than $8 billion in real property assets in FY 2002. As the second largest landholder in the Federal government, USDA owns approximately 190 million acres of land and occupies approximately 51 million square feet of owned and leased space. In both FY 2002 and FY 2003, USDA achieved a clean opinion on its audited financial statements, in part, through the efforts to reconcile, account for and value the real property assets. In order to sustain the clean opinion and to improve overall management of real property assets, USDA began a program to provide an automated solution for managing real property.

During FY 2002, and through FY 2003, USDA began a major program to address its need for a department-wide system for managing both real and personal property assets. USDA determined that because of the materiel nature of real property, USDA required an automated solution to managing real property assets first. CPAIS, the real property solution, is critical to compliance with applicable laws and regulations for financial management, information security, and internal controls and is also critical to USDA's ability to improve organizational productivity, accountability, and performance. CPAIS provides the capability to manage assets at a corporate and agency level, addresses security and continuity of operations issues. It improves analytic capabilities, allowing increased asset utilization, cost management, analysis and reduction of maintenance expenses. CPAIS puts USDA in an improved position should it face a natural disaster or terrorist attack. CPAIS supports recent statutes and guidance from Congress and Office of Management and Budget, the President's Management Agenda, including Executive Order 13327, Federal Real Property Asset Management. USDA is prepared to address the requirements of the Executive Order, which requires an inventory of all owned real property, GSA assignments, and commercial leases. Furthermore, implementation of the CPAIS solution allows USDA's Senior Real Property Officer to develop and implement agency asset management plans and meets the requirement of development of a single and descriptive database of USDA's real property assets.

Notably, USDA's Corporate Property Automated Information System is a fundamental and critical corporate system that provides the ability to manage USDA's real property portfolio for the first time in USDA history. USDA sought and achieved a cost effective and efficient methodology for implementing this department-wide system, by standardizing and re-engineering an existing USDA agency system. USDA went from concept to department-wide system implementation in 18 months; delivering capabilities, functions and information never before available either to agencies or the Department. This achievement places USDA at the ready for managing real property assets.

CPAIS is now being expanded to include personal property. After implementation of the personal property module, USDA will be able to shut down two legacy systems, the Property Management System (PROP) and Equipment Management Information System (EMIS). CPAIS will then become the corporate, administrative system for both real and personal property department-wide.

For more information, contact Ms. Denise R. Hayes on 202-720-7283, or by email at denise.hayes@usda.gov. ■

Headquarters, U.S. Department of Agriculture, Washington, DC

05-PRA-005 REAL ESTATE SYSTEMS NATIONAL CENTER

U.S. Army Corps of Engineers

The establishment of the Real Estate Systems National Center (RESNC) is a perfect example of the E-Gov vision for the future. The RESNC follows the guidelines set by the Office of Management and Budget that require Federal managers to simplify and improve services, eliminate duplicate systems, unify key lines-of-business functions, promote interoperability, and become more effective managers of critical public programs.

RESNC explores strategic thinking and making better use of the resources available. RESNC also adheres to the Department of Defense (DoD) vision of the Business Management Modernization Program (BMMP) for a Business Enterprise Architecture (BEA) that reflects streamlined processes that enable integration of systems; a new mix of systems needed for business transformation; and the reduction of redundant, outdated and stove-pipe systems.

The management of the portfolio of real property assets is a crucial responsibility of the Federal Government. Real Estate Automated Information Systems (REAIS) play an integral role in that initiative. The REAIS administered by RESNC maintain the inventory records on a diverse array of real property. Accurate records maintained in the RESNC REAIS ensure compliance with the fiscal accountability mandated by the Chief Financial Officers (CFO) Act of 1990 as well as the inventory accountability requirements of the annual Federal Real Property Profile report that Federal Agencies submit to GSA annually. Through the effective management and administration of REAIS, RESNC provides an innovative, forward-looking example for accomplishing better management of the U. S. Army Corps of Engineers (USACE) real estate portfolio.

Headquarters, U.S. Army Corps of Engineers (HQUSACE) Real Estate Executive Board made a corporate decision during 2002 that REAIS support functions should be consolidated in one location. This centralization effort was in compliance with the USACE 2012 Plan for Reorganization that called for the establishment of Regional Business Centers.

RESNC was established in Mobile, Alabama, on 3 October 2003 by HQUSACE. RESNC is the consolidated control center for all Corps of Engineers REAIS. RESNC is responsible for contract administration, system development, system modernization, budget analysis, Real Estate functional duties, and Information Technology technical duties. RESNC provides support to internal and external customers, participates in policymaking initiatives, and serves as an extension of HQUSACE on various issues.

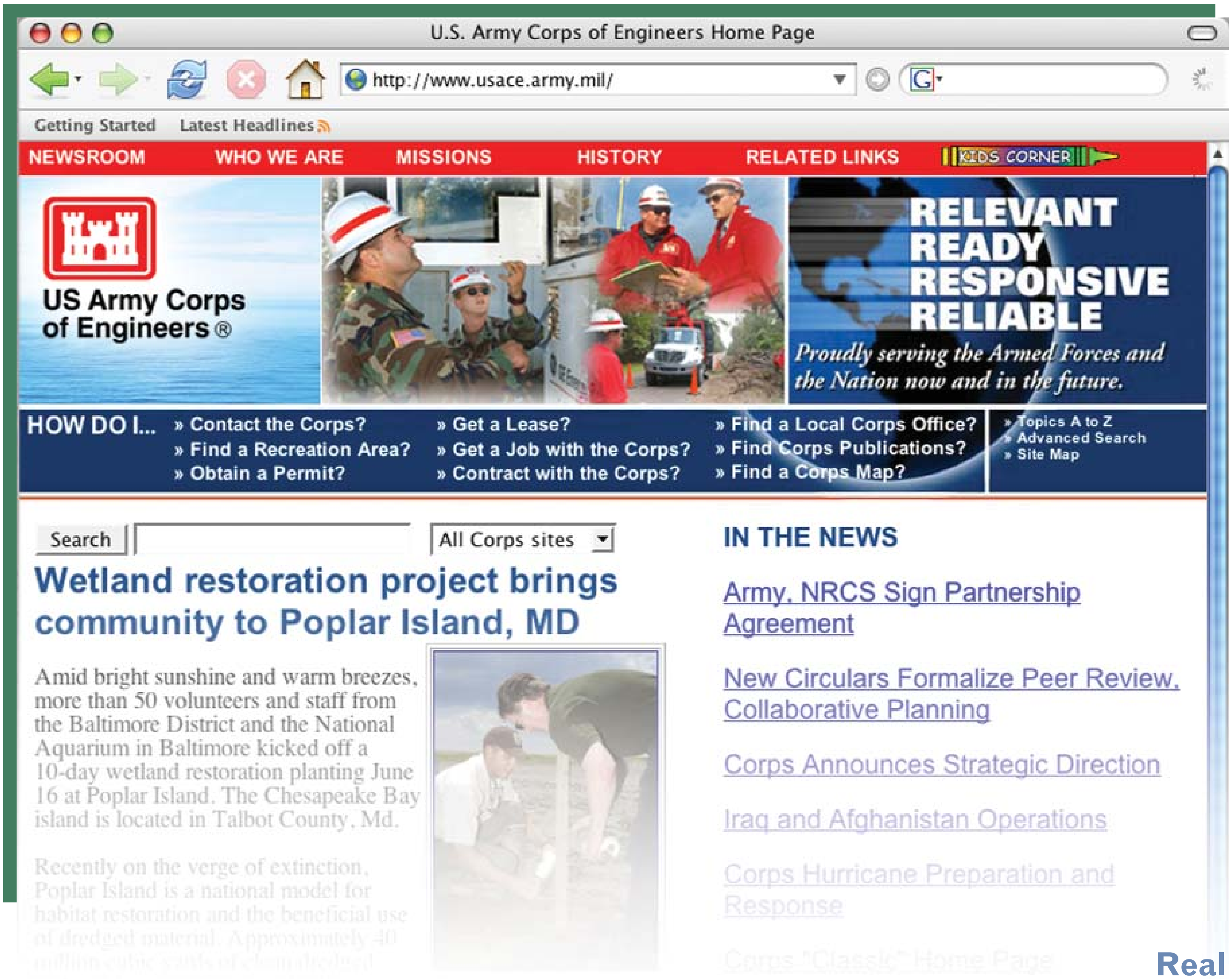
RESNC supports the Real Estate Management Information System (REMIS), the Real Estate Corporate Information System (RECIS), the Homeowners Assistance Program Management Information System (HAPMIS), the Rental Facilities Management Information System (RFMIS and RFMIS-New Technology), and the Real Estate Document Management System (REDMS).

RESNC management is unique in that the Team Leader and REAIS Program Managers have Real Estate hands-on experience and are Real Estate Subject Matter Experts (SME). One of the most significant achievements of RESNC is its participation in the President's Management Agenda, including DoD's Business Management Modernization Program (BMMP), Asset Management/Federal Real Property Council (Executive Order No. 13327), and Department of Defense Inspector General audits in connection with CFO issues.

RESNC has a long-range vision for the future of the REAIS. In this regard, RESNC partnered with General Service Administration through a Memorandum of

Agreement (MOA) to fund a Comprehensive Requirements Study and Gap Analysis of all REAIS. RESNC also partnered with the Office of the Assistant Chief of Staff for Installations and Management (OACSIM) through a MOA to provide support in areas of in-leasing reporting requirements and data entry quality assurance. RESNC also played an integral role in reaching a settlement of a REAIS contract dispute by negotiating a Request for Equitable Adjustment.

For more information, contact Mr. Calvin L. Hare on 251-690-2553 or by email at CalvinL.Hare@us.army.mil.



Leasing

Innovative Best Practice Winner

05-PRA-001

ENHANCED USE LEASE WITH CATHOLIC CHARITIES

Department of Veterans Affairs

"Effectively utilizing these buildings will also allow Hines (VA Hospital) to redirect funds currently used in support of these buildings to patient care, which improves the overall health of enrolled veterans."

The purpose of the Enhanced-Use Lease with Catholic Charities of the Archdiocese of Chicago is to assist Edward Hines Jr. VA Hospital (VAH) in strategically enhancing its mission linking primary and long term care with advanced tertiary care, while emphasizing outpatient and preventative services. To improve veteran access to the continuum of services, Edward Hines Jr. VAH has utilized the Department of Veterans Affairs' Enhanced Use Leasing authority to develop a Faith-Based initiative, in concert with the President's Management agenda to renovate existing buildings.

Catholic Charities of the Archdiocese of Chicago is converting Building 14 for the development of a transitional living center (40-45 single room occupancy units). Building 53 is currently under renovation for the establishment of a low-income senior living center. Catholic Charities will be required to finance, design, construct and operate all site improvements in accordance with State of Illinois regulation and local building codes. Edward Hines Jr. VAH Facility Management Service project engineers will collaborate with Catholic Charities of the Archdiocese of Chicago contractors

Enhanced Use Lease with Catholic Charities Team (L-R): VA Hospital Director Jack G. Hetrick, team members Jeanne Obrochta, Rao Vadlamudi, Raymond S. Bogush, Lara A. Horvith, Anthony Travia, Mary Ann Romeo, Deepa Agusala, Ron Chambers (not pictured: Michael B. Lesnet, Tim Morgan, Michael S. Rogala)

to assure building renovations are completed appropriately. In return for the long-term use of the asset, the lessee will be required to provide veteran priority for admission to the facility. Building 14 will have 100% vet priority while Building 53 will have 50% vet priority with admission being offered to spouses and children of our veterans.

Edward Hines Jr. VAH has incurred excessive costs to provide upkeep and utilities to these buildings, which are currently unoccupied. Maintaining these buildings under current arrangements is not cost-effective. This Faith-Based initiative provides a great potential for mutually beneficial shared serviced agreements. Hines can leverage the value of existing capital assets as a means to support needed improvements. Implementation of this initiative will yield considerable additional benefits for VHA and Hines. Some of these include, addressing an unmet need for affordable transitional living for veterans and residents in the surrounding community and supporting the Millennium Act objective to develop community partnerships that would benefit our veterans.

Effectively utilizing these buildings will also allow Hines to redirect funds currently used in support of these buildings to patient care, which improves the overall health of enrolled veterans.

Building 14 will be a Veteran transitional living program in an alcohol/drug free environment for recovering men who have completed an inpatient treatment program. This program enables a resident to rebuild his life, become responsible and disciplined, become financially stable and re-enter society and the working world as an independent and respected citizen.

Building 53 for low-income senior living meets an ever-increasing need for our aging veteran population. Approximately 60 independent units will be devoted to proving much needed housing for veterans and their families who otherwise could not afford clean, safe housing in close proximity to medical care.

Transitional living and assisted living are rapidly growing segments of the health care industry that provides services to individuals who cannot live alone but do not require 24-hour licensed skilled nursing care. These two types of care provide services between fully independent living and partially independent living (such as home based care) and the medically oriented support of nearby hospital services.

For more information, contact Mr. Ron Chambers on 708-202-5640, or by email at ron.chambers@med.va.gov. ■

05-PRA-016

LYNCHBURG, VA, COURTHOUSE DEVELOPMENT PROJECT

General Services Administration

"Through the USPS/GSA partnership, the Federal government worked with a private developer to provide a positive Federal presence to the city of Lynchburg."

By taking advantage of a little-used project delivery vehicle, the General Services Administration (GSA) partnered with the U.S. Postal Service (USPS) to develop a modern, well-managed and secure Courthouse facility and Post Office for the Lynchburg community.

By developing a Memorandum of Understanding (MOU), the USPS was able to acquire the development site, hire the developer and build the Courthouse and Post Office facility. This GSA and USPS MOU serves as a lease-like document.

A Special Purpose Entity (SPE) is created which leases the facility to the USPS. GSA then "sub-leases" the courthouse facility through the MOU.

As background for this initiative, at the end of the 1990's, it became apparent that the existing housing situation for the Lynchburg, VA, Courts family was no longer adequate. Although the number of courtrooms and chambers was sufficient for the District and Bankruptcy Courts, the existing lease location was insufficiently managed and did not meet separate circulation security standards. GSA knew that, although the Lynchburg housing situation was not ideal, the procurement of a new facility using the standard channels would be a 10 to 15 year process. There were no other existing leases in the small Lynchburg community that would be appropriate for repurposing into a courthouse. However, we could not expect our clients to remain in a poor lease location for such an extended period of time.

GSA's Mid-Atlantic Public Buildings Service (PBS) has had success in the past partnering with the USPS in similar situations. GSA and the USPS have partnered in the past successfully to develop such sites as the Stegmaier Building and the Max Rosenn Courthouse in Wilkes Barre, PA.

The USPS had a need to replace the downtown Lynchburg Post Office, and by working together, GSA and the USPS were able to save and make use of an existing historic schoolhouse and create a Federal facility that meets the needs of Federal clients and the local community.

Regarding the achievements of this innovative practice, in such a small community, the Administrative Office of the Courts would not have been able to prioritize this project to expedite a new construction project. The courts would have been looking at a long lease in a poor location. By implementing this innovative practice, GSA was able to relocate an important client to a well managed, safe location. The cost of partnering with the USPS to develop this site is comparable to that of a leased construction project. By developing this project, the Federal government also helped to preserve a historic schoolhouse in the community. The project also provides to the local community a Federal "one-stop-shop" for other services. In addition to the courts and the Post Office, this location houses Small Business Administration, Department of Labor, and Internal Revenue Service offices.

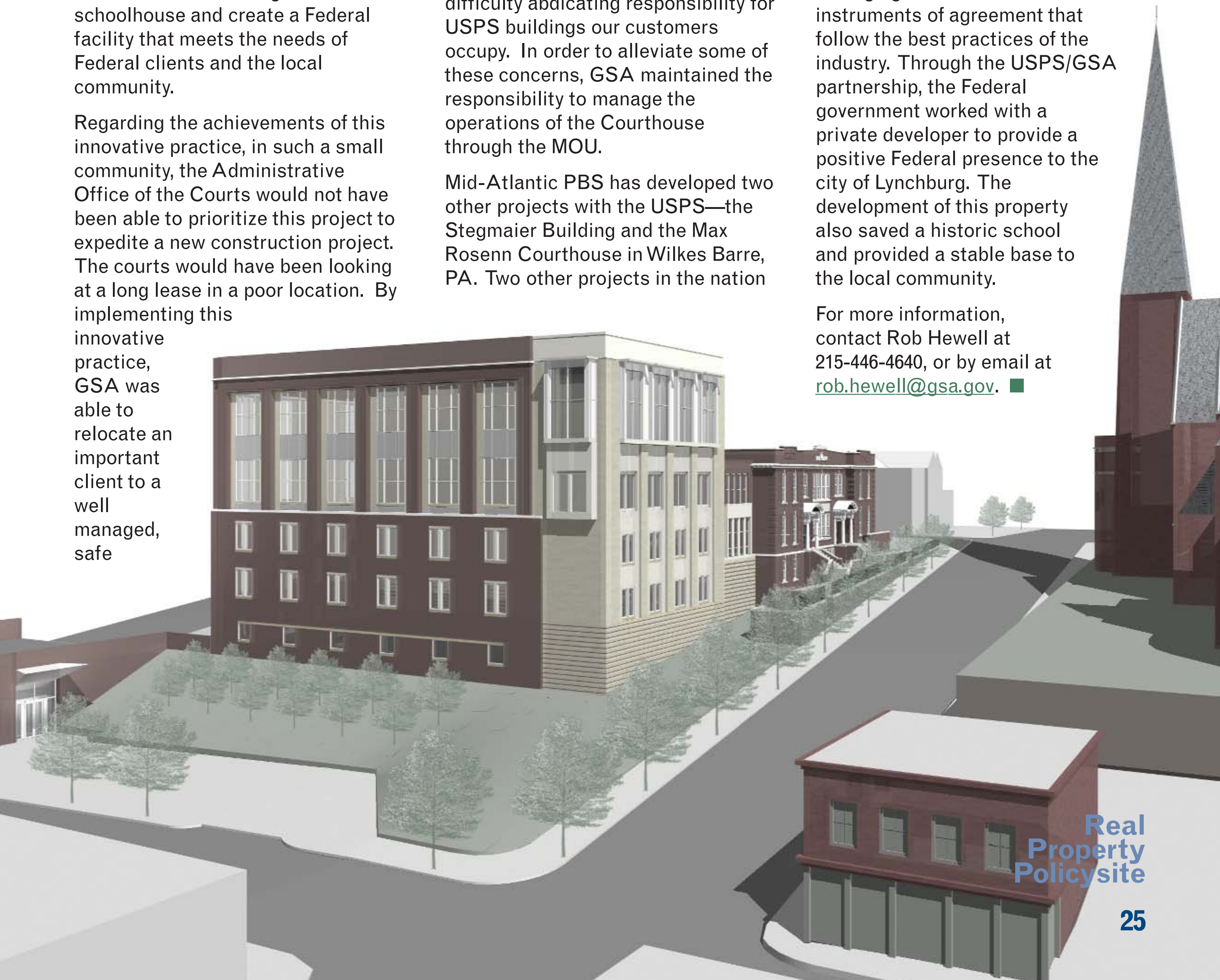
Internally, GSA typically has difficulty abdicating responsibility for USPS buildings our customers occupy. In order to alleviate some of these concerns, GSA maintained the responsibility to manage the operations of the Courthouse through the MOU.

Mid-Atlantic PBS has developed two other projects with the USPS—the Stegmaier Building and the Max Rosenn Courthouse in Wilkes Barre, PA. Two other projects in the nation have been developed using a similar partnership strategy—the Waco, TX, Courthouse and the IRS Service Center in Kansas City.

The amount of interest in Federal real property assets should be the minimum necessary to effectively support a Federal agency's mission. The Courts family was housed in a leased location before this project was implemented, which is an appropriate use of resources and assets for the Lynchburg community.

Real property assets of the Federal Government should be utilized among agencies with the use of instruments of agreement that follow the best practices of the industry. Through the USPS/GSA partnership, the Federal government worked with a private developer to provide a positive Federal presence to the city of Lynchburg. The development of this property also saved a historic school and provided a stable base to the local community.

For more information, contact Rob Hewell at 215-446-4640, or by email at rob.hewell@gsa.gov. ■



05-PRA-006

NAVY ENHANCED USE LEASE (EUL)

Department of the Navy

"...the Moanalua Center EUL is a dramatic application for effectively leveraging underutilized assets and property entitlements into direct facility benefits for the Navy without the need for appropriated funding."

On December 30, 2004, Naval Facilities Engineering Command (NAVFAC) Pacific signed an "Enhanced Use Lease" (EUL) with a Hawaii-based private development firm. Utilizing recent expansion in Defense Department Non-Excess Leasing Authority (10 USC 2667), the Moanalua Center EUL is a dramatic application for effectively leveraging underutilized assets and property entitlements into direct facility benefits for the Navy without the need for appropriated funding.

The long-term lease creates over $17 million in value to the Navy and will enable the development of a 55,000 square foot unified Navy Consolidated Administrative Services Complex and provide for critically needed utility, site work, and infrastructure improvements. Additionally, it will allow for the demolition of over 65,000 square feet of substandard and inefficient Navy structures that have outlived their useful life. The resulting development will improve the Quality of Service for Navy personnel significantly.

The Naval Facilities Engineering Command (NAVFAC) manages over $7.8 billion in planning, design, construction, contingency engineering, real estate, environmental, and public works support for Navy and Marine Corps shore facilities around the world. NAVFAC Pacific is the designated component command with asset management responsibility for a $35 billion military plant account in the Pacific & Indian Ocean areas, and Southeast Asia, including a wide

array of real estate acquisition, management, and disposal projects and issues ranging from simple licenses and easements to sophisticated, long term property conveyances and other public/private ventures valued in the billions.

Harnessing bold business innovation and transformational infrastructure methodologies, the Moanalua Center EUL exceeded baseline goals for performance execution and return to the Navy. Moreover, the innovative policy allowed NAVFAC Pacific to maximize value created without divestiture of Navy real property assets; the resulting project uses real property assets both effectively and efficiently.

Using the Moanalua Center EUL as a blueprint, this innovation provides an excellent opportunity for Department of Defense agencies to leverage high value real property assets to achieve mission goals at a time when resources to acquire, build and/or maintain facilities are extremely scarce.

Moanalua Center EUL is highly consistent with "Federal Asset Management Principles." The project was successfully executed without acquiring additional real property assets or overcommitting government resources, it used private industry instruments to frame the development agreements, and the project terms maximized reinvestment and retained cash flow for the benefit of the government.

For more information, contact Mr. Joseph F. Calcara on 808-472-1504 or by email at joseph.calcara@navy.mil. ■

Moanalua Center, Hawaii

PERFORMANCE

05-PRA-007

PERFORMANCE BASED PREVENTATIVE MAINTENANCE

General Services Administration

"GSA 'Gets It Right' with Performance Based PM"

GSA has many field offices with employees or contractors who perform preventative maintenance (PM) on heating, ventilation, and air conditioning (HVAC) equipment using an outdated prescriptive PM guide system. The PM's are scheduled manually or via a computerized maintenance management system (CMMS) which generates a PM work order when the scheduled maintenance is due. The employee or operations and maintenance (O&M) contractor then goes out and performs the work and afterwards closes out the work order.

PM is then followed by a quality control inspection by the contractor and a quality assurance inspection by GSA to ensure contractors perform the PM as outlined. This system has a number of problems or areas of opportunity including it doesn't allow the O&M contractor to take advantage of modern predictive maintenance diagnostic tools such as; thermography, ultrasonic analysis, vibration analysis, wear metal analysis, and so on. The PM guides do not coincide with NFPA requirements, which adversely impacts life safety.

Additionally, in most cases, we no longer have government employees that are qualified to inspect preventative maintenance. An electrician should inspect electrical work, a refrigeration technician should inspect refrigeration work and so on. This lack of expertise greatly reduces our ability to ensure contract compliance, and "Get it Right".

In a performance based system, each piece of equipment has a performance guide that is still maintained in the computerized maintenance management system. The performance guide would describe the required condition of heating, ventilation, and air conditioning (HVAC) equipment; for example, the pressure-drop on a coil, or the RPM of an air handler blower. It would have a place to record maintenance performed, but it does not have a schedule that an inspector would have to track, to know when to do an inspection. A performance based PM system should reduce overall operations and maintenance (O&M) expenses from five to ten percent without negatively impacting customer satisfaction.

Electrical PM's would be replaced by annual infrared scans of all electrical equipment, followed by repair of any problems and cleaning, and torquing. This has a huge customer service piece, because it reduces or eliminates disruptive outages. Life safety would improve because fire alarm and sprinkler systems would follow NFPA code, which covers more than the old GSA PM guides.

Also, we could reduce the number of inspectors needed if we convert to a performance based system. One qualified inspector could easily inspect well over 1,000,000 square feet. Alternatively, current quality assurance inspectors could perform extra functions such commissioning because they would not have to spend hours following inefficiently scheduled contract work. In case where GSA does not have qualified inspectors it's a simple matter to contract this work out, thus ensuring an operation meets the "Get it Right" requirements.

For more information contact Mr. Charlie Rienhardt at 303-236-8000 (ext. 5325) or by email at charles.rienhardt@gsa.gov. ■

Headquarters, U.S. General Services Administration, Washington, DC

Security
Adopted Best Policy Winner

05-APO-001

FDIC PHASE II SECURITY INITIATIVES
Federal Deposit Insurance Corporation

"In attempting to achieve balance, FDIC has taken the spirit and direction found in the NCPC's National Capital Urban Design and Security Plan and designed facilities that not only provide enhanced perimeter security and blast resistance, but create a campus in concert with the Arlington County urban landscape."

The Federal Deposit Insurance Corporation (FDIC) is nearing completion of construction on a new two-tower office building (372,000 square feet) and a special purpose facility (50,000 square feet) at the FDIC Virginia Square campus in Arlington, Virginia. This new construction is adjacent to existing buildings that house the FDIC Data Center, Corporate University and Student Residence, built in 1991. The value of the new construction that will complete the campus is $106.5 million.

This project, known as "Virginia Square Phase II," was carefully designed to conform to the architectural style of the existing structures, while incorporating best practices from the National Capital Planning Commission's (NCPC) "The National Capital Urban Design and Security Plan" (Entry #03-POL-002, GSA 2003 Award Program) and the Interagency Security Committee (ISC) Criteria for New Federal Office Buildings. In the aftermath of the Oklahoma City bombing and the World Trade Center attack on September 11, 2001, the FDIC is strongly committed to implementing the latest policy and employing state-of-the-art design and construction technology for these new facilities.

In planning for the Virginia Square Phase II project (Phase II), the FDIC attempted to balance physical security requirements with the Arlington County Virginia Square Sector Plan that cites specific urban design guidelines. Some of these guidelines require accommodations for commercial retail space on the ground floor, close proximity to the street, and public access to the special purpose facility. These local government requirements proved to be security challenges. In attempting to achieve balance, FDIC has taken the spirit and direction found in the NCPC's National Capital Urban Design and Security Plan and designed facilities that not only provide enhanced perimeter security and blast resistance, but create a campus in concert with the Arlington County urban landscape.

FDIC Phase II Security Initiatives Team (L-R): Bill Kmetz, Gwenn D'Anton, Rex Anderson, Steve Hanas, Ray Shealy

The best practices in the National Capital Urban Design and Security Plan and ISC Standards served as the FDIC Project Team's blue print for developing and implementing balanced security initiatives. Funding was obtained commensurate with project approval from the FDIC Board of Directors in March 2002. In an effort to minimize the impact on the budget, the Project Team successfully employed creative value engineering. The $2.5 million estimated cost for the security initiatives was offset by approximately $ 1 million in savings relative to base building construction material and methodology.

The FDIC is grateful for the policy and standards shared by the General Services Administration's Office of Real Property Management, and we are proud of our Project Team for their hard work, ingenuity and dedication to the security and safety of our employees.

For more information, contact Mr. William Kmetz at 202-898-6850 or by email at wkmetz@fdic.gov. ■

05-PRA-014

STATE RESPONSE TO ANTHRAX MAIL ATTACKS

Department of State, Environmental Protection Agency, General Services Administration, U.S. Army Corps of Engineers

"...the process State used throughout the decontamination and rehabilitation will serve as the 'gold standard' for future building clean-ups and mail safety protection systems."

In October of 2001, the Department of State's Diplomatic Pouch and Mail facility in Sterling, VA (State Annex SA-32) was contaminated with anthrax and an employee contracted inhalation anthrax from the contaminated mail. This facility serves more than 18,000 American employees overseas in over 250 embassies and consulates. Sampling activities conducted at SA-32 in late 2001 identified anthrax contamination to be present on equipment and surfaces throughout the building. Upon determination of the presence of anthrax, mail operations were immediately relocated to a temporary facility.

The Department of State responded to the challenge of decontaminating and rehabilitating SA-32 with an innovative, comprehensive and collaborative approach that consisted of developing a project organization of experts in sterilization, sampling, and industrial hygiene for the decontamination of the facility and experts in mail screening, sensor technology, systems integration, and ventilation systems for the rehabilitation of the facility.

As a result of the project's success, a consensus within the technical community, and the keen interest expressed by other Federal Agencies, the process State used throughout the decontamination and rehabilitation will serve as the "gold standard" for future building clean-ups and mail safety protection systems.

The SA-32 anthrax decontamination and rehabilitation is a lesson in managing risks and expectations.

Department of State's Diplomatic Pouch and Mail Facility, Sterling, VA

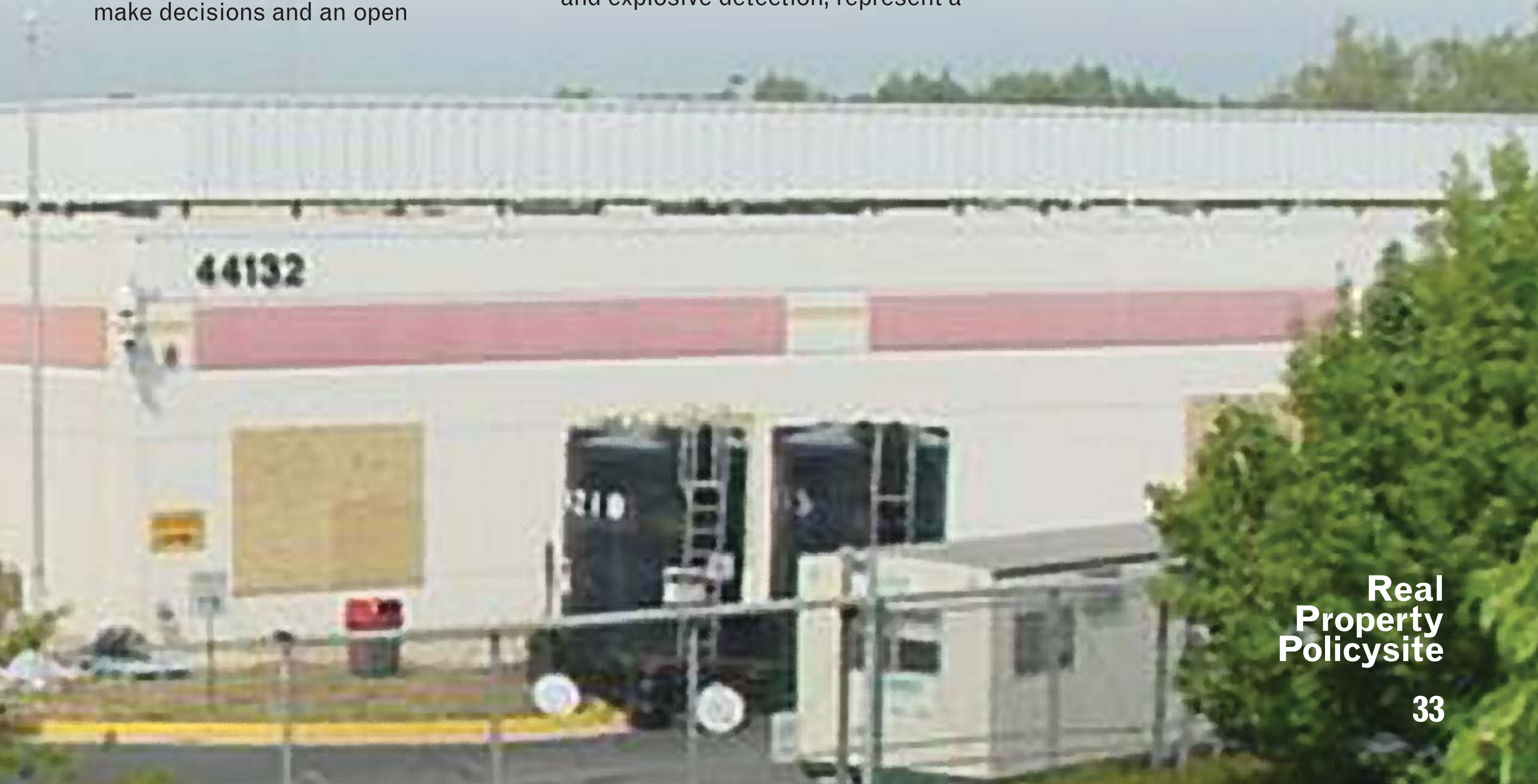
commitment to investing in real property assets, and more importantly protecting mail workers and mail recipients. Specialized rooms and ventilation systems will prevent the spread of contamination in the event of a future attack.

Because of the lack of standards for cleaning facilities contaminated with anthrax to determine safety and suitability for re-occupancy and because of the realization of the effectiveness of using the US Postal system to distribute weapons of mass destruction, the Department was faced with leading an effort that relied more on people than on standards and guidelines. Throughout the decontamination and rehabilitation, the principles of risk assessment and risk management to make decisions and an open communication policy with all project stakeholders was used. In the absence of accepted protocols, the Department developed, documented, and demonstrated techniques and procedures for the remediation, sterilization, and sampling of mail, building contents and for worker safety.

The building decontamination and mail screening measures, incorporating the latest technology in chemical, biological, radiological, and explosive detection, represent a commitment to investing in real property assets, and more importantly protecting mail workers and mail recipients. Specialized rooms and ventilation systems will prevent the spread of contamination in the event of a future attack.

Using the principles of learning from others' experiences, taking the advice of selected experts, ensuring an open communication policy, and making timely decisions, led to the successful decontamination and rehabilitation of the Department's Diplomatic Pouch and Mail facility, which resulted in resumption of mail operations in SA-32 in February of 2005.

For more information, contact Mr. Thomas J. Sgroi on 202-647-2852, or by email at SgroiTJ@State.gov. ■



Sustainable Development

Innovative Best Practice Winner

05-PRA-003

GREEN MEETINGS: OFFSETTING EMISSIONS FROM A CONFERENCE & TRADE SHOW

General Services Administration

"GSA successfully encouraged attendees to take back innovative ideas on reducing energy use and environmental pollution, while creating an environmentally friendly conference... in which to learn and interact."

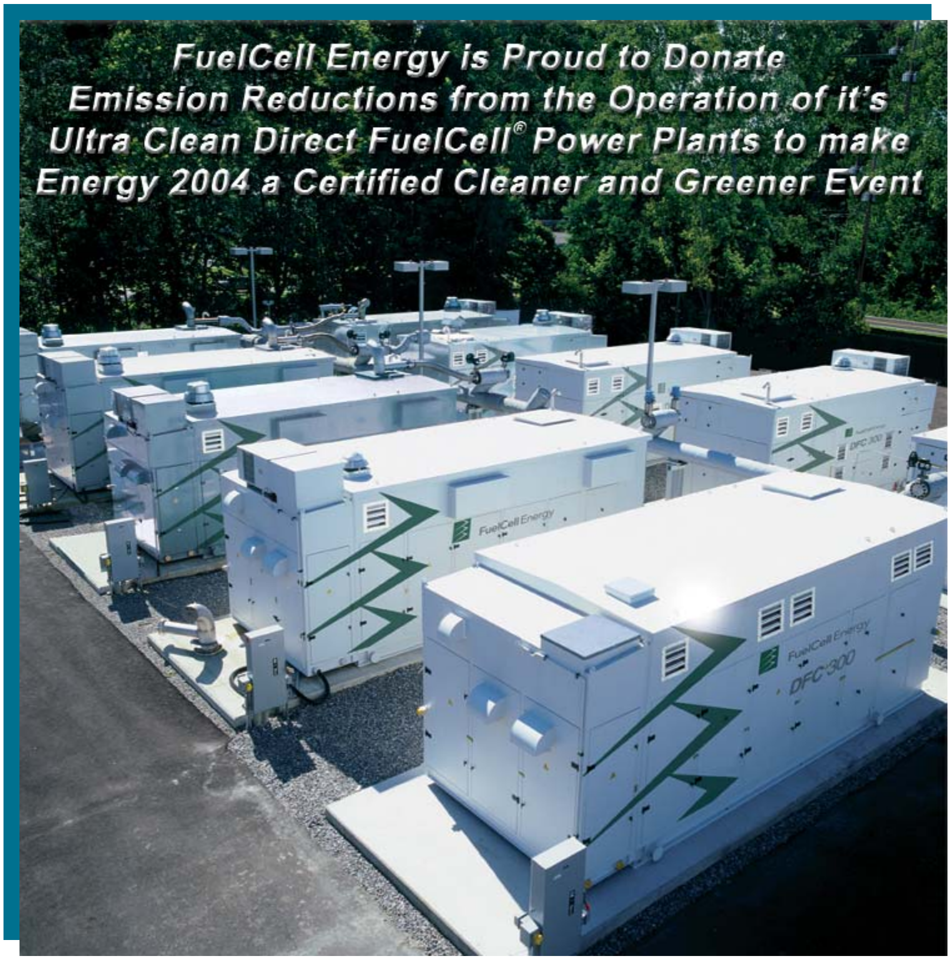
GSA initiated a unique practice to make Energy 2004, the Federal Government's first independently-certified green meeting and trade show by offsetting the emissions which the event caused.

The annual workshop and tradeshow, cosponsored by GSA's Energy Center of Expertise with Departments of Defense and Energy, attracts over 1000 energy professionals. GSA arranged for Fuel Cell Energy, Inc. to donate its emission reductions for permanent retirement to the Cleaner and Greener Program of the non-profit Leonardo Academy. These emissions reductions offset the emissions created by the Energy 2004 event.

GSA first estimated the amount of pollutants the conference/tradeshow would generate based on its 1,010 attendees. The figures were verified by the Leonardo Academy. Emission reductions included:

- 1,367,499 pounds of Carbon Dioxide
- 605 pounds of Sulfur Dioxide
- 1,678 pounds of Nitrogen Oxide
- 311 pounds of Particulates (PM-10)

Green Meetings Team (L-R): Mark Ewing, Mike Ziskind and Brian Magden.



The amounts mentioned are based on a 3-day event with:

- 1,010 attendees
- 80,000 gross square feet of convention space
- 125,000 kWh used at the Convention Center
- 5,700 therms of natural gas
- 1,840,000 air passenger miles (using 56,120 gallons of kerosene)
- Driving 144,000 vehicle miles (using 2,060 gallons gasoline)

The emissions (carbon dioxide, sulfur dioxide, and nitrogen oxide) generated by the attendees were offset by donations of clean power by an energy company that operates clean fuel cell power plants. In addition, the energy workshop itself contained dozens of sessions which advocated environmental responsibility and energy conservation. This initiative is in consonance with GSA's efforts to be environmentally responsible in all its business practices. "Waste not, want not" was GSA's philosophy for planning Energy 2004.

This innovative clean and green initiative was accomplished at no cost, and is easily replicated. GSA found a reputable nonprofit organization to certify that Energy 2004 qualified as a clean and green event. GSA then arranged for Fuel Cell Energy, Inc. to donate its own emission reductions in Nitrogen Oxide and Sulfur Dioxide, from electricity that the company generates at its clean-energy fuel cell plants. Each Kilowatt Hour generated by the company's clean fuel cells was one less Kilowatt Hour that a coal-fired power plant had to generate.

The emissions generated by this 3-day conference were transferred to the Leonardo Academy's Cleaner and Greener Program. Fuel Cell Energy, Inc. donated its emissions to the Leonardo Academy to offset Energy 2004's emission. The cost to the government for creating this arrangement was negligible.

This best practice was submitted by GSA's Office of Citizen Services and Communications with GSA's Energy Center of Expertise. For more information, contact Mr. Brian K. Magden, GSA Regional Energy Coordinator, on 212-264-0591, or by email at brian.magden@gsa.gov. ■

Energy 2004 "Green Tradeshow" held in Rochester, NY

05-PRA-009

CONTINUOUSLY COMMISSIONING HVAC EQUIPMENT

General Services Administration

"On an annual basis, buildings consume over 40% of America's energy and produce nearly 40% of our greenhouse gas emissions."

As the largest single "landlord" in the United States, the Federal government oversees about 500,000 Federal buildings. More than $20 billion is spent annually on acquiring or substantially renovating Federal facilities, more than $3.5 billion for energy for these facilities, and almost $200 billion for personnel compensation and benefits for civilian employees. In the first year, the occupant costs three times more than the building, but extended over a typical forty year building life the occupant accounts for 95 percent of total costs.

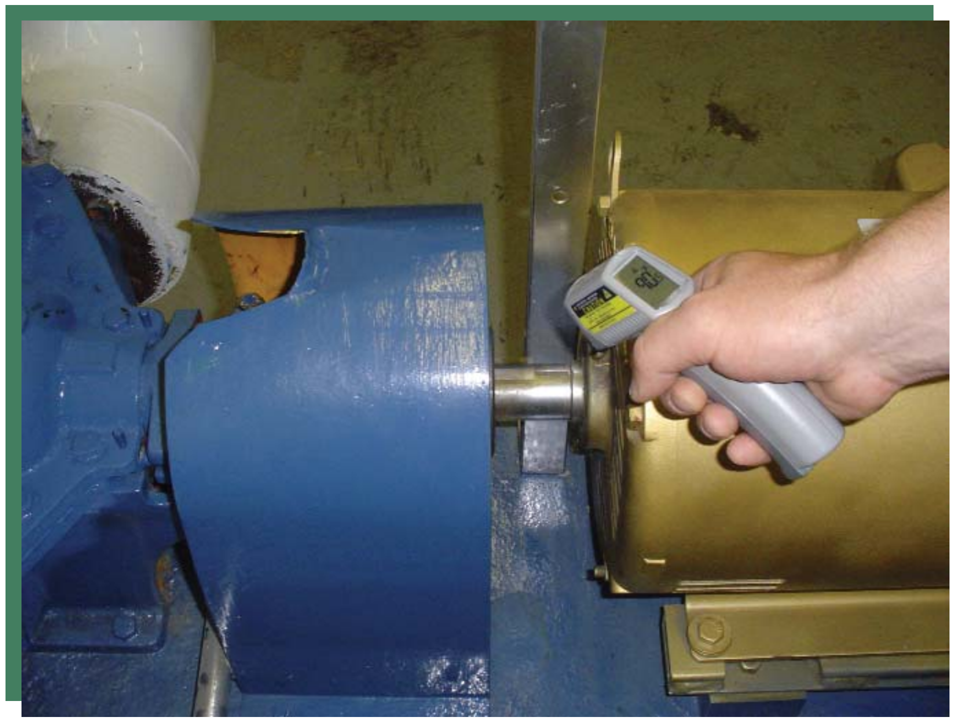
Routine optimization of HVAC equipment will improve indoor air quality, worker productivity, and conservatively reduce energy expenses by ten percent. These savings can only be achieved through continuous monitoring. Someone must routinely go through mechanical rooms to ensure adequate outside air is bought into the building to flush pollutants out. They also check sensor calibration, damper and equipment operation and so on. This work could be contracted out but, we believe it could largely be accomplished using existing resources. It could be done by the quality assurance inspector and the O&M contractor as quality assurance inspections are performed.

Because employee costs account for most of the Governments expenses, anything that impacts productivity can have a huge impact. For example, the cost to the nation's workforce of upper respiratory diseases in 1995 was $35 billion in lost work plus an additional $29 billion in health care costs. More healthful indoor environments could reduce these costs by 10%-30%." Productivity improvements in the range of four percent can pay for all building rent and energy costs. In other words take good care of your people and the building is free.

It has been estimated that O&M programs targeting energy efficiency can save 5% to 20% on energy bills without a significant capital investment. Continuous commissioning can be achieved with minimal cash outlays. In 1998, a study conducted for the Department of Energy estimated that more than $40 million in potential energy savings could be gained from commissioning only 1% of existing buildings greater than 25,000 square feet.

Additionally, on April 5th 2005, the Office of Management and Budget (OMB) gave a presentation at the 2005 Federal Energy Summit where they announced they were going to increase enforcement of the Executive Orders (EO) relating to energy use and environmental pollution. The EO's which they referred to are: EO 13123, EO 13148, EO 13101, and EO 12902.

For more information, contact Mr. Charlie Rienhardt at 303-236-8000 X 5325 or by email at charles.rienhardt@gsa.gov. ■



Sustainable Development
Honorable Mention Best Practice

05-PRA-008

REPLACE AUTOMOBILES WITH ELECTRIC VEHICLES
General Services Administration

"The Denver Federal Center is taking action in promoting a healthier and cleaner environment."

In September, 2004, the Denver Federal Center (DFC), Service Center replaced 10 regular automobiles with Neighborhood Electric Vehicles (NEVs). The DFC is a unique property because of its inner campus layout. The one square mile campus layout creates an environmental advantage, allowing for the use of electric vehicles instead of automobiles.

These 4-wheeled vehicles are larger than golf carts but smaller than passenger cars. The NEVs have a top speed of 25 miles per hour and are equipped with headlamps, turn signals, seat belts, brake lights, and so on. Not only are these vehicles environmentally friendly, they are cost efficient in terms of initial capital costs, fuel costs, and overall operating expenses. NEVs reduce petroleum use and simplify fueling requirements by eliminating the need for a gasoline infrastructure. The overall operating cost is 50% that of an automobile.

This action helped us accomplish two goals; to become a sustainable campus and to comply with Executive Order 13149 (Greening the Government Through Federal Fleet and Transportation Efficiency); which requires a 20% decrease in annual petroleum use by fiscal year 2005.

Assuming 10,000 miles use for each vehicle, pollution reduction is shown in the amounts below.

Total yearly reduction	=	*6,840 lbs of hydrocarbons*
Total yearly reduction	=	*50,560 lbs of carbon monoxide*
Total yearly reduction	=	*3,540 lbs of nitrogen oxide*

Replace Automobiles with Electric Vehicles Team (L-R): Toni Hoskinson and Charles Rienhardt, Denver Federal Center Service Center.

GSA

One Step Closer to a More Sustainable Campus

Have you seen the new 4-wheeled vehicles around our campus that are a little larger than a golf cart but smaller than most light-duty passenger cars? The U.S. General Services Administration (GSA) is supporting the mission of developing the Denver Federal Center (DFC) into a highly sustainable campus by recently replacing ten of its vehicles with Neighborhood Electric Vehicles, or NEVs.

NEVs have top speeds between 20 and 25 miles per hour and are defined as "Low Speed Vehicles." In addition to being more environmentally friendly, these vehicles are cost-efficient in terms of initial capital costs, fuel costs, and overall operating expenses. Preliminary research suggests that for every 500 miles that a NEV is used in place of a car, an average of 25 gallons of fuel is saved and pollution is reduced significantly.

In addition to the current NEVs on campus, GSA is proposing a renewable energy pilot project at the DFC that, if funded, will construct a fuel cell recharging station and purchase additional NEVs. For more information related this exciting initiative at the DFC, you may contact Charlie Rienhardt at 303.236.7518 ext. 25. For general information on the vehicle, please visit: http://avt.inel.gov/whatnev.html

The purchase has a simple payback of 3.3 years. Assuming a lease fee of $245.00 a month, for 10 vehicles, the annual cost to lease the ten vehicles would be $29,400. The cost to purchase the ten NEVs is $100,000.

It is simple to turn in a leased vehicle and purchase an NEV. This process should work in any campus style environment. The potential impact should be significant. After one year of demonstrating its feasibility, we plan to take our success story to the other agencies, which have nearly 7,000 employees on the DFC, and encourage them to join us. This initiative meet the spirit of GSA's Asset Management Principles by making sound asset management decisions, maximizing portfolio performance by reducing costs, and promoting a sustainable environment.

For more information, contact Mr. Charlie Rienhardt at 303-236-8000 (ext. 5325) or by email at charles.rienhardt@gsa.gov. ■

Adopt-A-Practice!

The Adopted Best Practice award in the GSA Achievement Award for Real Property Innovation program was established to share best practices across the Federal Government to further improve asset management in the Federal sector and to recognize those agencies that "adopt a practice" from our program.

Get more information about this exciting award and the best practices available by checking out our website at:

www.gsa.gov/realpropertypolicy

and clicking on "Award Program" and "Best Practices." When you click into "Best Practices," you can check out the "E-Practice Library" for over 300 best practices and policies available for your agency to adopt. ■

2005 Award Program Jury

The General Services Administration and the Office of Real Property Management would like to express its' gratitude to this year's jury panel of esteemed real estate and workplace industry experts for their exceptional and generous support of the GSA Achievement Award for Real Property Innovation program.

Mr. Richard Fanelli
President
Fanelli-McClain Design Studio
Fairfax, VA

Ms. Sue Hum-Hartley
Director General,
Professional & Technical Programs
Real Property Branch
Public Works and Government Services Canada

Ms. Melissa K. Morgan
Senior Business Manager
Microsoft
Seattle, WA

Ms. Audrey Schriefer
Principal
Schriefer
Concord, MA

GSA

Smarter Solutions

October 2005

GSA Office of Governmentwide Policy
Office of Real Property Management

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