

# Value Analysis Nez Perce-Clearwater National Forests

January 9-13, 2012



# Team Members

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# Value Analysis

- An Organized Method For Evaluating an item, project, process, or system to achieve the required function(s) at optimum cost.



# FSM Chapter 1348.2 - Value Analysis

- **1349.04d - Forest Supervisors, Research Work Unit Leaders, and Experimental Forest Leaders**
  - Forest Supervisors, Research Work Unit Leader, and Experimental Forest Leaders are responsible for the following:
    - 1. Executing VA studies on appropriate projects according to National and Region/ Station direction and standards.
    - 2. Reporting VA study recommendations and the status of implementation to Regions and Stations.
    - 3. Implementing accepted VA study recommendations on projects.
    - 4. Approving documentation of recommendations in VA studies not implemented for reporting to Regional/Station Value Management Coordinators



# Project Scope

Recommend a long term location for the Supervisor's Office with the goal to:

- maximize operational efficiency,
- emphasize the cohesiveness of work groups,
- provide customer service,
- minimize travel,
- in a cost effective manner.



# Current Situation

- The decision to combine the Nez Perce and the Clearwater National Forests was made in December 2010.
- The Forests has been working to combine operations into an efficient organization.



# Current Situation

- Staff locations in 2 separate offices has complicated operations.
- The new organization has resulted in longer travel times to the extents of the combined land base.



# Other Considerations

- No funding for TOS
- Current outlook for new construction funding is not good
- Think long term: 10 - 12 years
  - All existing leases will be expired 2022



# Value Analysis

- Investigation
- Analysis
- Speculation
- Evaluation
  - Choosing By Advantages
- Presentation



# Choosing By Advantages (CBA)

- A decision making process in which decisions must be based on the importance of advantages
- Includes definitions, principles, tools, methods and techniques for any decision
- Usually more appropriate for decisions between identified alternatives



# CBA Factor

- Definition
  - A factor is an element, part or component of a decision.
  - It is also a container for criteria, attributes, advantages and other types of data.
  - An example of a factor is “weight”.
  - Factors are displayed along the left side of the matrix



# Project CBA Factors

- Create Cohesiveness
- Employee Safety
- Utilization of Existing Used Space
- Community Presence
- Retention/Recruitment of Employees



# Create Cohesiveness

- GOAL: Increase productivity and efficiency
- Single Location
- Neutral Location
- Central Location
- Single Office



# Employee Safety

- GOAL: Minimize employee exposure
- Travel Distance/Central Location
- Length of Field Days/Travel Cap



# Utilization of Existing Owned Space

- GOAL: Reduce Cost
- Utilize existing owned office space
- Renovate existing non-office space
- Minimize new construction



# Community Presence

- GOAL: Service to Public
- Office Visibility
- Population Size
- County Seat/Tribal Office



# Retention/Recruitment of Employees

- GOAL: Maintain strong workforce
- Amenities in Community
- Dual Career Opportunities
- Availability of Housing



# Office Locations Considered

- Grangeville
- Kamiah
- Orofino
- Kooskia\*
- Fenn Ranger Station\*
- Town of Nezperce\*

\*Eliminated during location Feasibility Rating



# General Assumptions

- There will be a presence in each community.
- Regional Space Guidelines of 200 SF/FTE will be used for office space.
- Annual maintenance costs for facilities were estimated using \$2.50/SF.



# General Assumptions – Life Cycle Costs

- Utilities were estimated at 1% of the estimated current value of the building.
- Renovation cost estimated at \$100/SF
- Lease cost estimated at \$24/SF/YR
- New construction estimated at \$250/SF



# General Assumptions - Employees

- Forest Organization Charts
- Future position locations were used as duty station for the analysis.
- Some duty stations were “Supervisor’s office” those were moved to each SO location as each location was evaluated.



# “Non-Forest” Employees

- 45 “Non-Forest”, (e.g. NRCS, AQM, ISO, etc) employees were not considered in space analysis and initial cost estimates.

Employees Not shown in Organization Chart			
Profession	Grangeville	Kamiah	Orofino
Contracting	3	0	3
HR-ASC	1	2	3
NP Historic Trail RAS	0	0	1
Job Corps	0	0	1
Lands	1	2	1
NOAA	3	0	0
RMRS	2	0	0
F&G	0	2	0
NRCS	0	0	8
Dispatch	3	0	0
LEO	2	1	1
ISO	3	0	1
FIA	1	0	0
Other	0	0	0
<b>Sub-Total</b>	<b>19</b>	<b>7</b>	<b>19</b>
Total number of employees	45		
Total office space at 200sq ft/person	<b>3800</b>	<b>1400</b>	<b>3800</b>
Lease cost at @\$20/ sq ft per year	\$ 76,000	\$ 28,000	\$ 76,000
Total leased cost per year	<b>\$ 180,000</b>		

# Speculating Alternatives

- Using the three remaining locations...
- Seven alternatives were initially developed and rough costs determined.
- Two alternatives were determined to be untenable and were eliminated from further study.
- These are shown as matrix headers at the top



# Alternative 0

## Kamiah SO

- Add 8,000 SF to existing office in Kamiah (14,600 SF)
- Convey Kamiah Residences
- Lease Required Space in Grangeville and Orofino (14,400 SF)

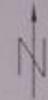


# ALTERNATE 'O'

KAMIAH RANGER STATION

TO DROPTOP

U.S. HWY 12



## LEGEND

Existing Buildings   
Buildings to be removed   
Planned Buildings   
Removal Priority  Number

RENOVATE EXISTING OFFICE

ADDITION TO EXISTING OFFICE  
ADDITIONAL PARKING  
OPTIONS: ADD WAREHOUSE SPACE OR LEASE

CONVEY TWO PARCELS

Cemetery

U.S. DEPARTMENT OF AGRICULTURE  
FOREST SERVICE  
**CLEARWATER NF**  
NORTHERN REGION

Approved By

Forest Supervisor

Date

Date

Recommended By

Forest Engineer

Date

District Ranger

Date

Date

Submitted By

Facilities Engineer

Date

Drawn

District

LOCHSA

Project Name

MASTER PLAN

Sheet Title

KAMIAH R.S.

Scale

Sheet

1

01/13/2012

# Alternative 1

## Kamiah SO

- Renovate existing office and non-office space in Kamiah
  - Renovate existing owned warehouse space in Grangeville (6,900 SF)
  - Lease additional needed space in Grangeville (2,100 SF)
  - Lease space in Orofino. (5,400 SF)
  - Results in multiple SO offices on one site
- 

# Alternative 1

Building ID	Existing Use	SF	Empl #	Current*
2011	Office	6542	32	28
1023	Office	2348	11	11
1022	Residence	2348	11	
1021	Bunkhouse	2248	11	
2313	Warehouse	2970	14	
<b>Total</b>		<b>16456</b>	<b>79</b>	<b>39</b>

\*22 in building 2011 after SO Staff moves in.

# ALTERNATE '1'

KAMIAH RANGER STATION

TO DROFIND  
U.S. HWY 12

TO LEASED WAREHOUSE YARD

LEGEND

- Existing Buildings
- Buildings to be removed
- Planned Buildings
- Removal Priority
- Number

CONVERT TO OFFICE

RENOVATE OFFICE  
ADD PARKING

EXISTING OFFICE

CONVERT TO OFFICES

ADD PARKING

ADD PARKING

Cemetery

01/13/2012

U.S. DEPARTMENT OF AGRICULTURE  
FOREST SERVICE  
CLEARWATER NF  
DISTRICT

Approved By  
Forest Supervisor \_\_\_\_\_ Date \_\_\_\_\_  
\_\_\_\_\_ Date \_\_\_\_\_

Recommended By  
Forest Engineer \_\_\_\_\_ Date \_\_\_\_\_  
District Ranger \_\_\_\_\_ Date \_\_\_\_\_  
\_\_\_\_\_ Date \_\_\_\_\_

Submitted By  
Facilities Engineer \_\_\_\_\_ Date \_\_\_\_\_  
Drawn \_\_\_\_\_

District  
**LOCHSA**  
Project Name  
**MASTER PLAN**

Sheet Title  
**KAMIAH R.S.**  
Scale \_\_\_\_\_ Sheet \_\_\_\_\_  
of **1**

# Alternative 3

## Kamiah SO

- Utilize existing renovated offices in Kamiah (8,790 SF)
- Lease remaining needed space in Kamiah (5,810 SF)
- Lease all space needed in Grangeville and Orofino (14,400 SF)



# ALTERNATE '3'

KAMIAH RANGER STATION

TO DRIFING

U.S. HWY 12

TO LEASED OFFICE →   
TO LEASED WAREHOUSE/YARD

### LEGEND

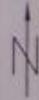
Existing Buildings   
Buildings to be removed   
Planned Buildings   
Removal Priority  Number

EXISTING OFFICE

EXISTING OFFICE

ADD PARKING

Cemetery



U.S. DEPARTMENT OF AGRICULTURE  
FOREST SERVICE  
**CLEARWATER NF**  
NORTHERN REGION

Approved By  
Forest Supervisor \_\_\_\_\_ Date \_\_\_\_\_  
\_\_\_\_\_ Date \_\_\_\_\_

Recommended By  
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District Ranger \_\_\_\_\_ Date \_\_\_\_\_

Submitted By  
Facilities Engineer \_\_\_\_\_ Date \_\_\_\_\_  
Drawn \_\_\_\_\_

District  
**LOCHSA**  
Project Name  
**MASTER PLAN**

Sheet Title  
**KAMIAH R.S.**  
Scale \_\_\_\_\_ Sheet **1**

01/13/2012

# Alternative 5

## Grangeville SO

- Renovate existing warehouse space in Grangeville (6,915 SF)
- Lease remaining needed space in Grangeville (14,285 SF)
- Place employees in existing office in Kamiah (2,400 SF)
- Convey Residences in Kamiah
- Lease space in Orofino (5,400 SF)



# Alternative 6

## Orofino SO

- Lease space in Orofino (17,600 SF)
- Place employees in existing office in Kamiah (2,400 SF)
- Renovate warehouse space in Grangeville (6,915 SF)
- Lease remaining space in Grangeville (2,085 SF)
- Convey Kamiah residences



# CBA Matrix

And what does that look like....



Factors	Alt 0 - Kamiah SO	Alt 1 - Kamiah SO	Alt 3 - Kamiah SO	Alt 5 - Grangeville SO	Alt 6 - Orofino SO
	Kamiah (Renovate and add on to existing office, convey residences), Grangeville (lease), Orofino (lease)	Kamiah (Renovate existing space), Grangeville (renovate with lease), Orofino (lease)	Kamiah (Utilize existing office, lease additional needed), Grangeville (lease), Orofino (lease)	Grangeville (Renovate existing, leases needed), Kamiah (convey residences), Orofino (lease)	Orofino (lease), Kamiah (convey residences), Grangeville (renovate existing, leases needed)
<b>Create Cohesiveness</b> GOAL: Increase productivity and efficiencies					
Single site	Yes	Yes	No	No	Yes
Single office	Yes	No	No	No	Yes
Neutral Location	Yes	Yes	Yes	No	No
Central Location/Balanced Field service	Yes	Yes	Yes	No	No
<b>Composite Score</b>	<b>4-yes</b> 100	<b>3-yes</b> 90	<b>2-yes</b> 60	<b>0-yes</b> 0	<b>2-yes</b> 50
<b>Optimize Owned Office Utilization</b> GOAL: Reduce Cost					
Utilize Owned Office Space	75	100	100	0 (no owned office)	0 (no owned office)
Convert owned non-office to office	No	Yes	No	Yes	No
Minimize new construction	No	Yes, but renovation cost	Yes	Yes, but renovation cost	Yes
<b>Composite Score</b>	<b>3</b> 40	<b>5</b> 70	<b>4</b> 60	<b>2</b> 20	<b>1</b> 10
<b>Employee Safety</b> GOAL: Minimize employee exposure					
Travel Distance/Central Location	Yes	Yes	Yes	No	No
Length of Field Days/Travel Cap	equidistant	equidistant	equidistant	lopsided	lopsided
<b>Composite Score</b>	<b>ok</b> 80	<b>ok</b> 80	<b>ok</b> 80	<b>poor</b> 30	<b>poor</b> 30
<b>Recruitment/Retention of Employees</b> GOAL: Maintain strong workforce					
Amenities in Community	partial service	partial service	partial service	full service	full service
Dual Career Opportunities	good	good	good	better	better
Availability of Housing	63 available	63 available	63 available	70 available	55 available
<b>Composite Score</b>	<b>3</b> 25	<b>3</b> 25	<b>3</b> 25	<b>5</b> 50	<b>4</b> 45
<b>Community Presence</b> GOAL: Service to the Public					
Visibility of Office Location to Public	on highway	on highway	on highway	poor visibility	on highway
Population Density	1295	1295	1295	3141	3142
Maintain Presence in Existing Locations	yes	yes	yes	yes	yes
Local Partnerships/County Government	no county seat, has tribal office	no county seat, has tribal office	no county seat, has tribal office	county seat, no tribal office	county seat, no tribal office
<b>Composite Score</b>	<b>3</b> 50	<b>3</b> 50	<b>3</b> 50	<b>2</b> 40	<b>4</b> 60
<b>Total Advantage Points</b>	<b>295</b>	<b>315</b>	<b>275</b>	<b>140</b>	<b>195</b>
Points/PNV Costs	<b>24.79</b>	<b>39.87</b>	<b>23.71</b>	<b>11.20</b>	<b>15.60</b>
<b>Alternative Ranking</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>5</b>	<b>4</b>
<b>Present Net Value Costs</b>	<b>\$11,900,000</b>	<b>\$7,900,000</b>	<b>\$11,600,000</b>	<b>\$12,500,000</b>	<b>\$12,500,000</b>
<b>Initial Renovation Cost</b>	<b>\$654,200</b>	<b>\$2,151,500</b>	<b>\$0</b>	<b>\$691,500</b>	<b>\$691,500</b>
<b>New Construction Cost</b>	<b>\$2,014,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Leased Costs/Year</b>	<b>\$345,600</b>	<b>\$179,640</b>	<b>\$485,040</b>	<b>\$472,440</b>	<b>\$472,440</b>
<b>Conveyance</b>	<b>\$ (300,000)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (300,000)</b>	<b>\$ (300,000)</b>

# Recommendation/Rationale

- The alternatives were ranked according to the importance of the advantages generated by the CBA process.
- The CBA matrix can be modified to help select the final location.
- No matter which alternative is selected, a transition will be necessary.



# Recommendation/Rationale

- The table shows the Kamiah location has the greatest advantages.
- There are three alternatives at the Kamiah location.
- The transition plan will be helpful in selecting among the Kamiah alternatives.



# Future Considerations

- Current facilities construction funding is non-existent.
- The final combination will result less SF/employee/office for many employees.
  - 274 SF/Employee (average)
  - 200 SF/Employee standard
- Renovations can be done over multiple years as space is needed during transition.



# Future Considerations

- Some renovation alternatives result in reduced warehouse space, which may need to be replaced, relocated or leased.
- Consider warehouse needs for SO
- Explore options for partnership dollars where other agencies utilize our facilities.
- Look for opportunities to house single employees, LEI, visitor information in with other agencies.



# Suggested Short Term Strategies

- Begin placing new employees in Kamiah as they are hired.
- Determine long term locations for “non-Forest” employees.
- Reconfigure existing office space in Kamiah for better space utilization.
  - Will require wall relocation



# Suggested Short Term Strategies

- Continue renovations of non-office facilities as needed.
- Begin long term planning/funding for a single office should the opportunity occur.



# Suggested Short Term Strategies

- If there is a shortage of office space, conference rooms can be converted to offices and meeting space leased from the community.
- Look for ways to utilize excess leased space as it is vacated. e.g. Daycare, bunkhouse, etc



# Suggested Short Term Strategies

- Begin process for acquisition of space for Orofino employees for 2014.
- Consider flexible lease in Orofino for remaining SO employees or require them to work in Kamiah starting at this time.



# Concluding Comments



Questions?

