



USDA FOREST SERVICE
ROCKY MOUNTAIN REGION
CIMARRON NATIONAL GRASSLAND

PRELIMINARY PROJECT ANALYSIS (PPA)

FOR THE

**CIMARRON NATIONAL GRASSLAND
DISTRICT OFFICE
ELKHART, KANSAS**

JANUARY 2005

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PRELIMINARY PROJECT ANALYSIS
SIGNATURE PAGE
FOR THE
CIMARRON NATIONAL GRASSLAND
DISTRICT OFFICE
FACILITY

Prepared By:


Project Coordinator

1/31/2006
Date

Recommended By: *


District Ranger
(*I soil rehab cost may be at high end)

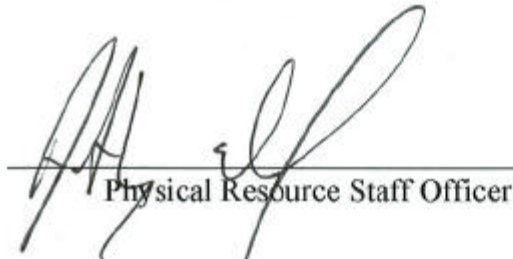
2-1-2006
Date

Reviewed By:


Forest Engineer

1/31/06
Date

Reviewed By:


Physical Resource Staff Officer

2/8/06
Date

Approved By:


Forest Supervisor

2/8/06
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Approved By:

Regional Engineer

Date

EXECUTIVE SUMMARY

The Cimarron National Grassland District office in Elkhart, Kansas is currently leased for \$23,905 per year. The Forest Service is currently in the last optional five year renewal period for the existing facility and will need to secure long term arrangements for an office by June 30th, 2009. The approved PSICC Facilities Master Plan recommends evaluating lease, purchase, and built options for the Cimarron National Grassland District office including potential collocation with other USDA Agencies in Elkhart. This Preliminary Project Analysis (PPA) was prepared to evaluate the available alternatives for the best value to the USDA Forest Service and the Cimarron National Grassland.

A team of District, Forest, and Regional Office employees participated in the PPA for the Cimarron National Grassland District office. Minimum requirements for a feasible alternative and evaluation criteria were determined based on the needs and objectives of meeting the deficiencies of the existing office, timeliness to implement an alternative, health and safety issues and Forest visitor impacts.

Alternatives explored during the evaluation included new leased facilities, new government owned facilities, purchasing and renovating the existing leased facility, Service First lease options with other local USDA agencies and renewing the existing lease with renovations completed by the landlord.

The Choosing-By-Advantages decision making process was used to evaluate the alternatives for benefit to the USDA Forest Service relating to the established evaluation criteria. The Net Present Value of each alternative was evaluated for a 20 year life cycle and the benefit to cost ratio of each alternative was evaluated and compared.

Purchasing the existing District office and neighboring warehouse facility was chosen as the most advantageous and cost effective alternative for a long term office in Elkhart, Kansas. The purchase price of the buildings is estimated to be \$230,000. The cost to renovate the existing office and warehouse is estimated to be \$601,000 of which the District expects to be able to save \$60,000 through local partnerships. The cost for design, contract administration and CIP cost pool burden is expected to be as high as \$249,000 making the total project cost approximately \$1,080,000 in current year funding. It is feasible but not desirable to phase the renovation into two or three phases.

The recommended alternative is expected to save the Forest Service \$100,000 per year in annual operating expenses compared to the new lease alternatives effectively paying for the purchase and renovation costs in less than 10 years. Funding for the building purchase is expected to come from Forest or Regional facility budgets in FY 2006 or FY 2007. The opportunity to purchase both buildings is only expected to remain available to the Forest Service for a very short period of time because the existing owner of the warehouse has already been made an offer on the warehouse by a third party. Should the purchase alternative fall through the Forest will need to solicit approximately \$2.4 million for the construction of a new government owned facility or more likely need to enter into a new long term office lease costing the Forest Service \$126,000 per year in lease and operational expenses.

BACKGROUND

The Cimarron National Grassland District office is currently located at 242 U.S. Highway 56 East in Elkhart, Kansas. The 3763 square foot building has 2830 square feet of office space and 933 square feet of garage and storage space. The building was originally occupied by the Cimarron National Grassland on July 1, 1989. The District is in the second and final optional five year renewal period which will terminate on June 30, 2009. The annual lease rate for this facility is \$23,905.20 per year not including any utilities. The District currently spends an additional \$8,300 per year for utilities and operational expenses such as janitorial contracts.

The existing office lot is 0.43 acres with inadequate room for parking. A district work center is located approximately two miles north of town on State Highway 27 but is not on the main traffic route of US Highway 56. A ¼ section of National Grassland pasture crosses US Highway 56 approximately one mile east of Elkhart. This pasture is currently used for grazing, recreation and an oil lease.

The approved Pike and San Isabel National Forests and Cimarron and Comanche National Grasslands Facilities Master Plan indicates the need to identify a new long term office facility for the Cimarron National Grassland. Key issues and challenges associated with the facility include inadequate parking, crowded office space, need for heated fire engine storage and lack of any tornado protection in a high risk area. Collocation opportunities with the local Farm Service Agency (FSA) and the Natural Resource Conservation Service (NRCS) have been discussed. The Facilities Master Plan recommends constructing or purchasing a government owned office or leasing an office with or without other USDA Agencies.

With the existing office lease terminating in 2009 the long term course of action for the District office must be determined in the near future. Recently the option to purchase the currently leased office building and a neighboring metal building were made available to the government. This Preliminary Project Analysis will assist in identifying the best valued long term alternative available to the USDA Forest Service.

Large scale Capital Investment Program (CIP) funding for the construction of a new office is currently not identified on any regional or national levels and would therefore be required to compete with other large scale construction projects in the region for funding in fiscal year 2009 or later. Rent for leased buildings will be deducted from the Forest's annual operating budget. Funding for the purchase of buildings will come directly from facilities funding (CMFC) and may be paid from regional or Forest budgets if the advantage to the government can justify the expenses.

This Preliminary Project Analysis was conducted in accordance with EM-7310-2 "Making Sound Facility Development Decisions" with the exception that the "Choosing By Advantages" analysis process was utilized instead of the Pairwise Comparison Method.

ISSUES, NEEDS AND OBJECTIVES

The key issues, needs and objectives identified by the project team at the onset of this study include the following:

- Issues:
 - Last office lease renewal option expires on June 30, 2009.
 - Farm Service Agency and the Natural Resource Conservation Service both have leased offices in Elkhart, Kansas.
 - Elkhart is in a wind zone III (200 mph) that receives 6-10 tornadoes per 1000 square miles.
 - Existing office has health, safety and accessibility problems.
 - Existing office configuration is crowded and undersized.
 - Parking area is marginal for public and inadequate for employees and fleet during field season.
- Needs:
 - Adequate office and engine storage space.
 - Minimize health and safety concerns from facility.
 - Sufficient parking space for fleet, employees and visitors.
 - Fully accessible facilities.
 - Energy efficient facility.
- Objectives:
 - Protect the public and employee health, safety, and welfare.
 - Adequately be able to serve the public.
 - Address issues and needs in a timely manner and within budget constraints.
 - Minimize annual operating expenses.

EVALUATION CRITERIA

The project team utilized the following evaluation factors for choosing an appropriate alternative for the District office facility:

- Prevent loss, maintain, and/or improve natural and physical resources.
- Accommodate local partnerships and Forest "visitors."
- Protect employee and public health, safety, and welfare.
- Minimize cost pool burden
- Minimize direct maintenance burden.
- Ability to meet Forest Service needs and timeliness to implementation.
- Provides a positive Forest Service image
- Provide for and promote sustainable developments.

MINIMUM REQUIREMENTS

Minimum office space and parking requirements for a feasible alternative were determined based on current and projected District staffing ([See Appendix C](#)). A minimum 6000 square feet of office space, 2300 square feet of engine storage space and 44 parking spaces were determined to meet the District needs. The Cimarron National Grassland requires the year around readiness of two type 6 fire engines. Additionally a facility meeting all current federal accessibility standards was determined to be a minimum requirement for an acceptable alternative.

The projected District staffing used for calculating minimum requirements includes ten full time employees and nine seasonal employees staffed at the District office. Four zone employees that work for the Cimarron National Grasslands are stationed in Springfield, Colorado on the Comanche National Grassland. An additional 2500 square feet of special purpose space such as conference rooms, restrooms, and public visitor areas were assumed in the office space totals.

District vehicle parking needs were identified as fourteen secure government fleet parking spaces, twenty-one employee parking spaces, and nine visitor spaces. Allowances for accessible parking spaces were made in each parking area. Three pull through RV parking spaces were accounted for in the visitor area and one pull through space in the fleet parking area.

ALTERNATIVES

Six preliminary alternatives were determined for further investigation based on acquisition method and availability of excess land or office space:

- Alternative A – Do nothing or the no change alternative, utilizing the existing facilities without modification. For comparison purposes this option was assumed to be renewable for the full life cycle of this analysis at the existing lease rates.
- Alternative B – Renegotiate the existing office lease to include a neighboring warehouse with modifications completed by the building owner.
- Alternative C – Lease a new facility in Elkhart meeting the needs of the District along the US Highway 56 corridor.
- Alternative D – Jointly lease a new facility in Elkhart with the National Resource Conservation Service and the Farm Service Agency along the US Highway 56 corridor.
- Alternative E – Purchase the existing leased office building and neighboring warehouse facilities and renovate to meet the needs of the District.
- Alternative F – Construct a new government owned facility on US Highway 56 east of Elkhart on property owned by the National Grassland.

Alternatives outside Elkhart, Kansas were not analyzed because of the limited availability of community amenities outside the city limits.

RESEARCH DATA

Background information was gathered to help assess the feasibility of each alternative as well as to make informed decisions during the evaluation process.

Cimarron National Grassland District Office and Neighboring Warehouse

The Cimarron National Grassland District is currently located in a leased 3763 square foot metal building on a 100 foot wide by 190 foot long lot. The building is 35 feet wide by 107.5 feet long and has a 165 square foot reception area, nine divided office rooms ranging from 100 to 200 square feet, two single occupancy non-accessible restrooms, a 390 square foot conference room, a 720 square foot garage with a single overhead door and approximately 200 square feet of storage space. The parking area is gravel surfaced with inadequate room for fleet, employee and visitor parking. One type 6 fire engine barely fits inside the garage bay. Additional engines must be drained nightly during freezing temperatures.

The existing lease for the office is \$23,905.20 per year. The initial ten year lease expired on June 30, 1999 and the District is currently in its second year of two five year optional renewal periods. The existing lease will terminate on June 30, 2009 without an additional renewal option. The landlord is willing to sell the office building and a 3200 square foot engine storage building on a neighboring property to the Forest Service for the appraised market value of the facilities or renovate the facilities to meet the Forest Service's needs and enter into a new long term lease.

The neighboring 3200 square foot metal building is 40 feet wide by 80 feet long and is on a 150 foot by 140 foot lot. The building has a concrete slab on grade floor and was never built out inside the building. The building was minimally insulated and has only been used for storage. Utility stubs out were cast into the concrete floor but were never connected to the municipal utilities. The engine storage facility and office are both supported by full municipal utilities including water and wastewater.

The landlord for the District office recently purchased the neighboring metal building and is willing to lease or sell the property to the Forest Service. The landlord purchased the adjoining property with the expectation of leasing or selling the property to the Forest Service. Current negotiations are underway to lease space for fleet parking on the neighboring property because of inadequate space on the existing office lot.

The existing office is 2200 square feet smaller than the District's office space needs alone and the engine storage is approximately 900 square feet larger than the District's engine storage needs. The combination of the District office and neighboring engine storage will provide an acceptable footprint for the District's requirements if some accommodations are made such as mezzanine storage in the engine storage and no separate employee and public restrooms in the office. Fewer or no accommodations would be required if the existing office building was extended up to an additional 1000 square feet. The combined lot size would be approximately 0.92 acres.

Forest Service Annual Operational Expenses

Annual Forest Service cost pool burden for leases, utilities, and facility maintenance (FMCP09) directly reduces the amount of money available for programs on the Forest each year. The estimated annual cost pool burden per alternative is represented below.

ANNUAL FOREST SERVICE OPERATING EXPENSES

	Existing Lease	Renew Lease	New Lease	Purchase Building	Construct Building
District Lease	\$23,900	\$76,600	\$107,800	\$ 0	\$ 0
District Utilities & Operational Costs	\$ 8,700	\$16,800	\$16,600	\$15,700	\$16,600
FMCP09 (\$1.5/SF assumed)	\$ 0	\$ 0	\$ 0	\$10,400	\$12,400
TOTAL FOREST ANNUAL COSTS	\$32,600	\$93,400	\$124,400	\$26,100	\$29,000

Note: The annual Forest Service expenses for the Service First and District only leases are the same. See [Appendix F and H](#) for more specific information on operating costs.

A Forest Service owned facility will save approximately \$68,000 to \$100,000 per year from the Forest's annual operating budget compared to a renewed or new lease option. Purchasing the existing office facility and neighboring warehouse will save approximately \$6,500 per year compared to the existing lease for the office only.

Other USDA Agencies in Elkhart

The United States Department of Agriculture Farm Service Agency (FSA) has four full time employees in Elkhart, Kansas. The United States Department of Agriculture Natural Resource Conservation Service (NRCS) has six full time employees in Elkhart, Kansas. The Farm Service Agency and the Natural Resource Conservation Service currently lease office space for their employees at 745 Vilymaca in Elkhart. The FSA and the NRCS are interested in collocating with the Cimarron National Grassland in a Service First facility in Elkhart as dictated by the USDA Space Management Policy, however the FSA and NRCS are currently in the process of evaluating their organizational structure in Kansas and cannot enter into any new lease agreements until their long term organizational structure is determined.

Surplus Government Facilities in Elkhart

No surplus government office facilities are available in Elkhart, Kansas that meet the needs of the Cimarron National Grassland.

Visitor Services Research

Elkhart is located in the southwest corner of Kansas at the intersection of U.S. Highway 56 and Kansas State Highway 27. Approximately 2000 people live in Elkhart and the closest metropolitan area with over 50,000 people is Amarillo, Texas approximately 125 miles to the south.

The Cimarron National Grassland is composed of 108,175 acres just north of Elkhart, Kansas. The grassland is the largest public land area in Kansas and provides recreational opportunities for the residents of Elkhart and visitors from across the country. The Cimarron National Grassland is a popular hunting destination and the District receives regular walk-in visitor inquiries.

The workload is fairly evenly distributed over the District in all functions, with a strong oil and gas program. A majority of the public contact at the District office is with permittees, contractors and other agencies with business on the District.

Land/Office Availability Research

Commercial land is available in Elkhart, Kansas from \$6,000 to \$9,000 per one acre lot however suitable Forest Service land is available in Pasture 33 east of Elkhart on U.S. Highway 56 that could be built on. Pasture 33 is approximately 1.25 miles from the existing District office. Municipal utilities currently do not extend to Pasture 33 but are expected to be developed to this area in the near future. Utilities are currently available within one mile of Pasture 33.

EVALUATION ANALYSIS

The Choosing-By-Advantages analysis process was used to determine the benefit to the Forest Service for each alternative ([See Appendix E](#)). Eight factors were analyzed for each alternative based on the evaluation criteria. Points were assigned for each alternative's eight factors based on the advantages one alternative had over the other alternatives. Factor 4, "Minimize cost pool burden" was chosen as the paramount advantage for the analysis. Each alternative was then assigned importance points for each factor based on its apparent advantage relative to the paramount factor. The summation of factor points for each alternative represents the benefit of that alternative relative to the chosen criteria.

The net present value of each alternative was determined over a 20 year lifecycle following guidelines of the Office of Management and Budget and Legislation Circular A-94 and the Forest Service Handbook ([See Appendix F](#)). The net present value was calculated for both purchase and construction of a new government owned facilities and lease alternatives.

The most advantageous alternatives for office facilities on the Cimarron National Grassland are to purchase the existing office, construct a new office or enter into a new lease with the Farm Service Agency or Natural Resource Conservation Service. The most economical alternative for the government is to purchase and renovate the existing office and neighboring warehouse facilities. Therefore the purchase of the existing office is the most cost effective and advantageous alternative available to the Forest Service.

RECOMMENDATIONS

The recommended long term alternative for the Cimarron National Grassland office is to purchase the existing leased office and neighboring warehouse and remodel to the District's requirements. The estimated \$601,000 capital investment program funding required to remodel the office and warehouse is above the \$250,000 limit for small projects and will therefore require approval and funding at the regional level and above. Currently the regional Capital Investment Program is programmed through fiscal year 2008. The Forest will be required to compete for CIP funding in 2009 and beyond for the building renovations. The renovation can easily be phased to lessen the financial burden of the work if all design work is completed up front. Additionally the District has partnering opportunities that could potentially save \$60,000 from the cost of site renovations. The building purchase can be funded by the Forest or Region after the approval of this document. The approximate \$230,000 for building acquisition will come from Forest or Regional facility funding. All estimated funding is based on calendar year 2006 and should be adjusted appropriately for actual year funding.

The estimated \$850,000 project renovation costs for design, renovation, contract administration and cost pool fees will enable the Forest to save approximately \$100,000 per year in operating costs compared to entering a new office lease.

Should the acquisition of both buildings become infeasible the next alternative would be to construct a new government owned facility on an existing National Grassland pasture east of Elkhart on US Highway 56. The major limitation of this alternative is that the approximate \$2.4 million dollar is not currently programmed and would require competition throughout the region for funding that would not be available until at least FY 2009. Because of limited and declining Forest Service facility budgets it is expected that a new Cimarron National Grassland office would not be programmed or funded for many years to come thus requiring the Grassland to enter into a new long term office lease until CIP funding was made available for the construction of a new office.

At this time it is advised that the Forest Service aggressively pursue purchasing the existing office building and neighboring warehouse properties. Discussions with the landowners, District Ranger and Region 2 realty specialists have been ongoing to date.

APPENDICES

APPENDIX A - List of Study Participants

Choosing By Advantages Participants

Elkhart, Kansas

January 18, 2006

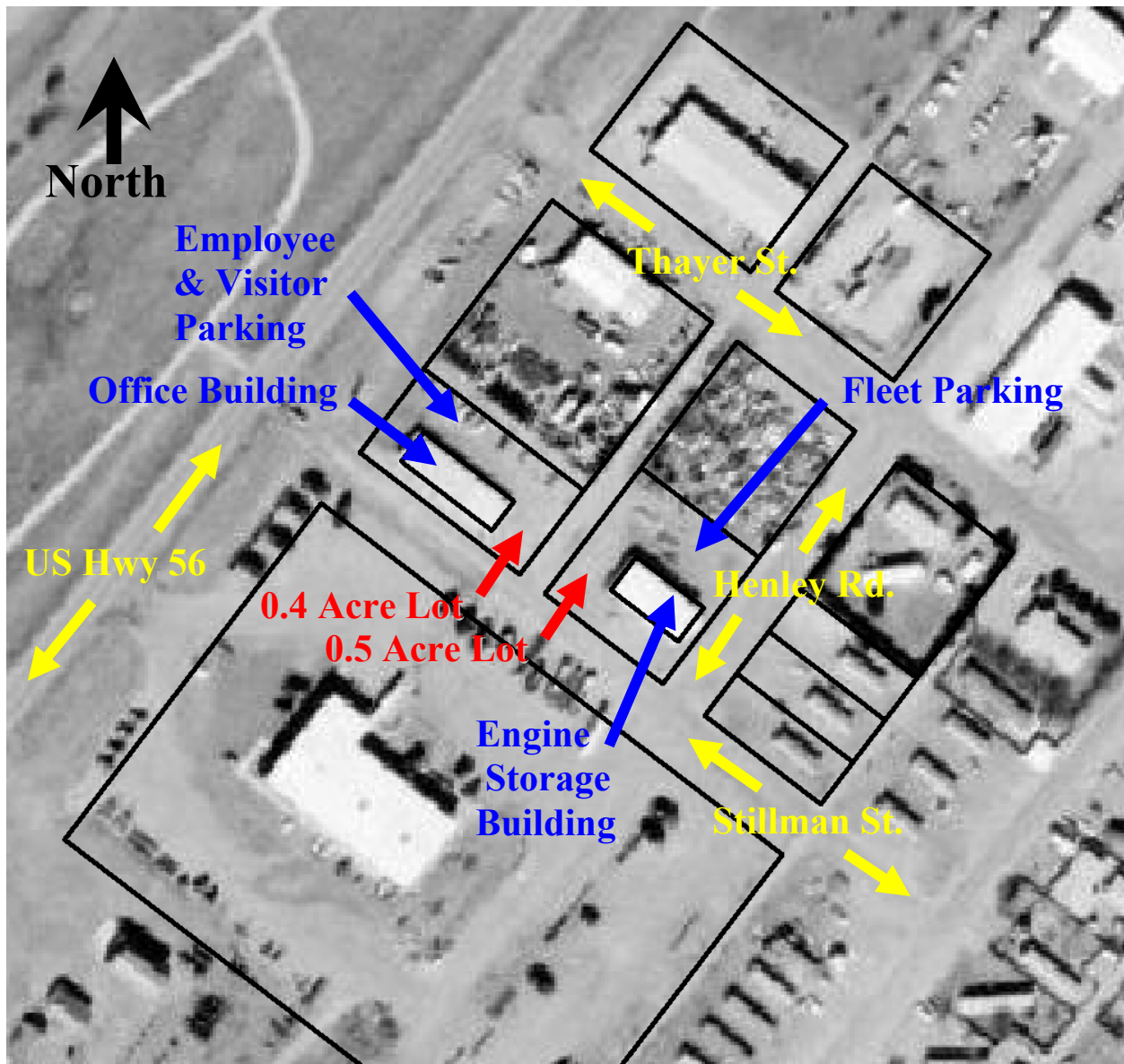
NAME	TITLE
Joe Hartman	Cimarron National Grassland District Ranger
Lee Deeds	Rocky Mountain Region Architect
Dick Bennin	Cimarron N.G. Minerals Specialist
Nancy Brewer	Cimarron N.G. Range Management Specialist
Andy Chapell	Cimarron N.G. Wildlife Biologist
Marc Staley	PSICC Civil Engineer – Project Facilitator
Crystal Stotler	PSICC Civil Engineering Technician

Additional Forest and Regional Consultation

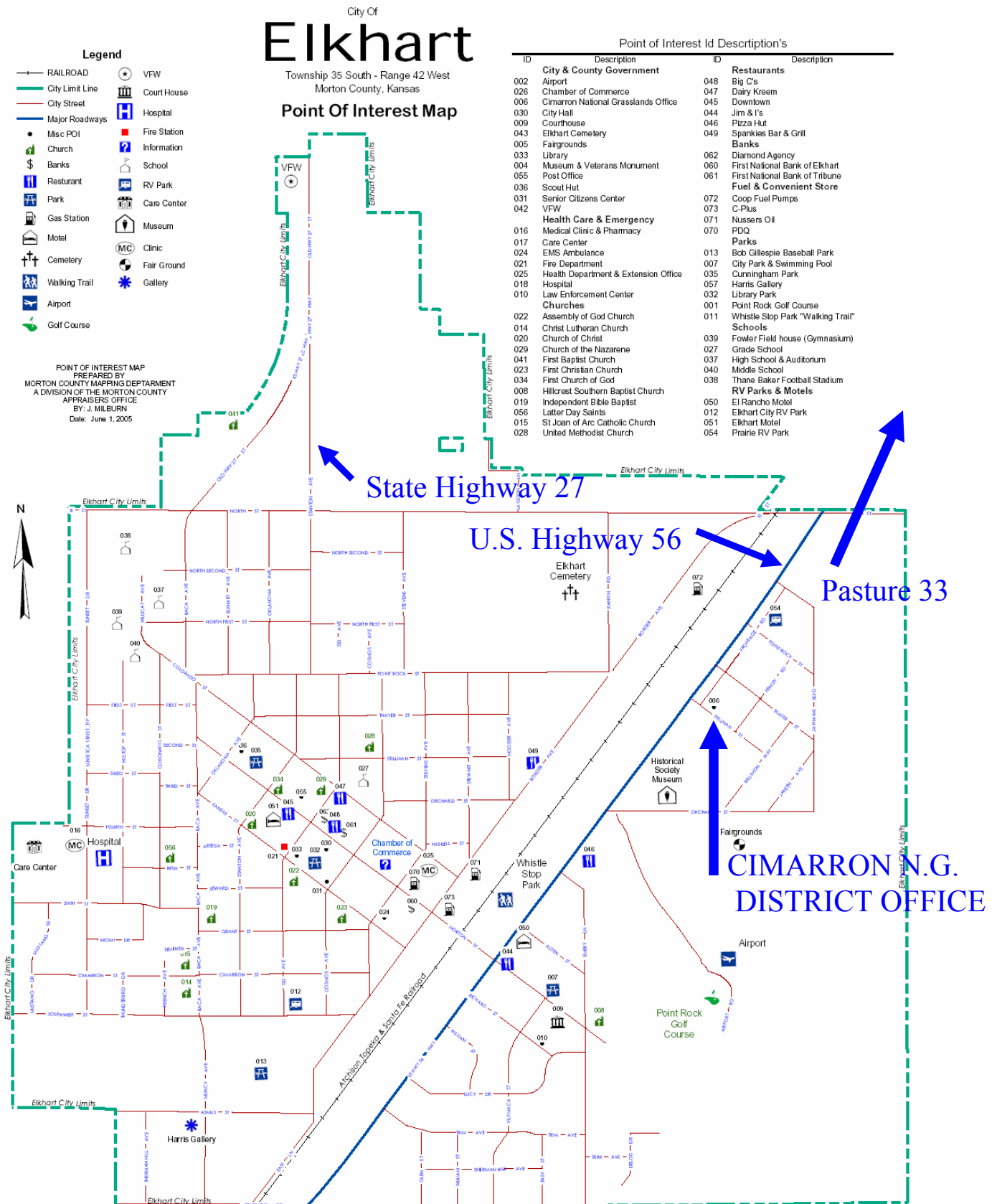
NAME	TITLE
Terry Wong	Rocky Mountain Region, CDI Manager
David Garcia	Rocky Mountain Region Realty Specialist
Jerry Stevenson	PSICC Forest Engineer

APPENDIX B – Project Maps

Existing Office Parcel

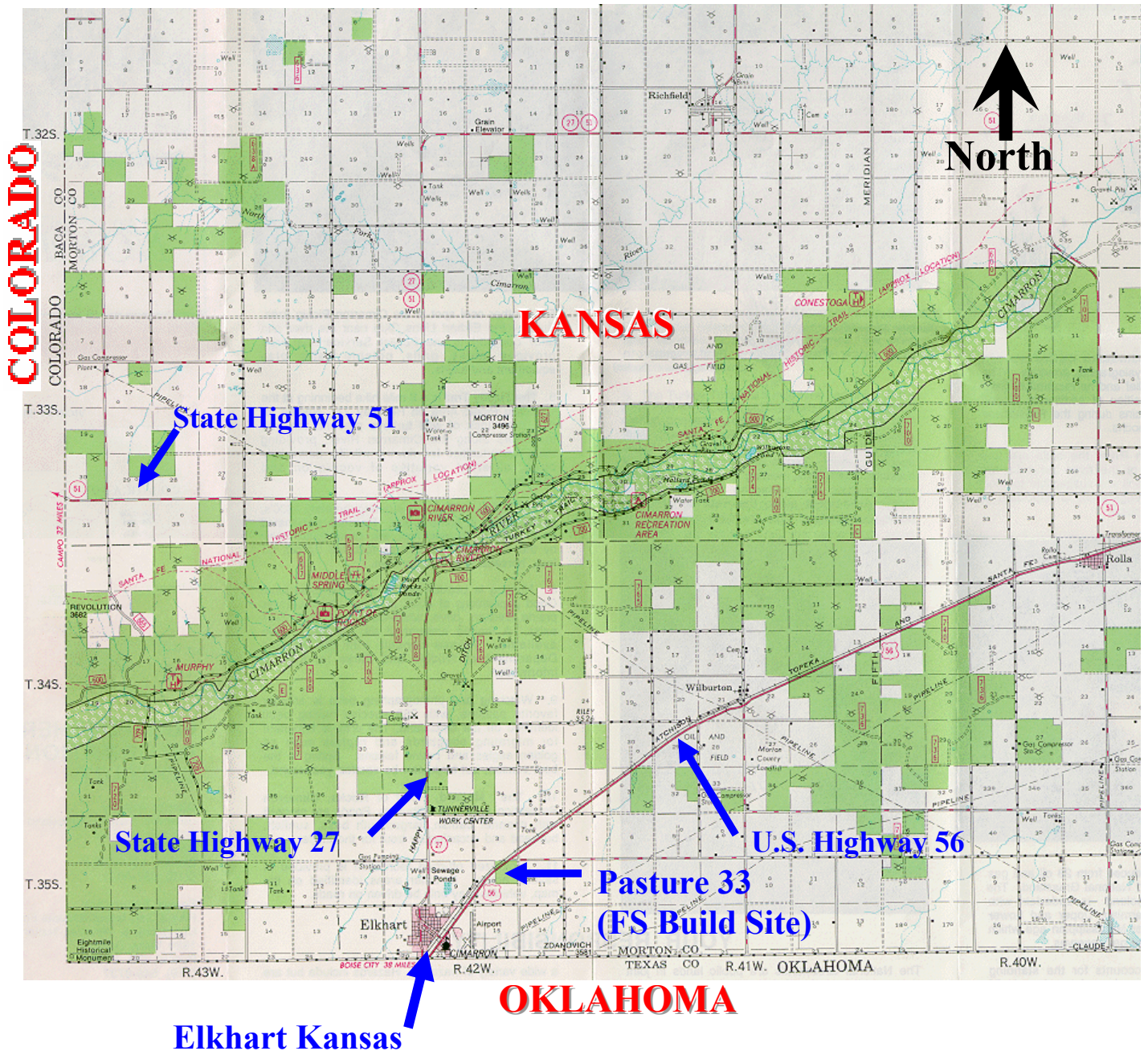


APPENDIX B – Project Maps (Continued)



APPENDIX B – Project Maps (Continued)

Cimarron National Grassland Map



APPENDIX C – Space Requirements

OFFICE SPACE REQUIREMENTS

Type of Space	FTEs	Total Space Requirements
OCCUPIABLE SPACE		
PERSONNEL OCCUPIED AREA (POA) ²		
Permanent Positions		
District Ranger P.O.	1	150
Administrative Assistant	1	100
Forester	1	100
Forestry Tech - Engine Foreman	1	100
Forestry Tech - Asst. Engine Foreman	1	100
GIS Specialist	1	100
Rangeland Management	1	100
VIS/Resource Clerk	1	100
Wildlife Biologist	1	100
Law Enforcement ¹ P.O.	1	150
Zone office (4 positions shared w/ Comanche)	2	150
Seasonal/Temporary Positions		
Forestry Aid, Fire 13/13	0.5	60
Forestry Aid, Fire 13/13	0.5	60
Forestry Aid, Rec & Trails 13/13	0.5	60
Forestry Aid, Rec & Trails 13/13	0.5	60
Forestry Technician - Wildlife 13/13	0.5	60
Range Technician 13/13	0.5	60
Forestry Aid, Minerals 13/13	0.5	60
VIS Seasonal 13/13	0.5	60
Stay in School	0.5	60
Total POA Area		1790
Total FTEs	16.5	
OFFICE SUPPORT AREA (OSA)		
Consultation Room		150
Copy / Mail / File Room		300
Printer/Copier Alcoves (2@25ft ² each)		50
Total OSA Area		500
Utilization Rate (SF/person)		139
(POA Space + OSA Space)/FTEs		

Total number of full time employees = 10
 Total number of seasonal employees = 9
 Zone employees stationed in Springfield = 4
 Total number of employees = 23

Type of Space	Total Space Requirements
SPECIAL PURPOSE SPACE (SPS)	
Conference Room (15sf per person x 26 people)	400
Conference Room Storage	100
Computer/Telecom Room	100
Employee Break Room	200
Public Restrooms	150
Employee Restrooms	150
VIS Storage	50
VIS Area/Reception (Public Area)	300
Technical Library	150
Historical File Space	200
Oil and Gas File Space	150
Water and Air Lab	100
LEO Evidence Room	100
GIS	200
Service First Storage	150
Total SPS Area	2500
SUB-TOTAL OCCUPIABLE SPACE	
	4790
Occupiable Space Partitions @ 6%	287
TOTAL OCCUPIABLE SPACE	5077
NON-OCCUPIABLE SPACE	
Common Area Factor for building circulation, corridors, stairs, foyers, custodial room, mechanical equipment room, etc.	
Percentage of Occupiable Space 18%	914
OFFICE BUILDING TOTALS	
Estimated Total Space Needs	5991
Existing Office Space w/out Garage or Storage	3763
Estimated Space Deficit	(2228)

Notes:

1: Position is currently vacant.

2: Personnel Occupied Area (POA) includes office space and circulation into office space.

P.O = Private office

ENGINE STORAGE SPACE REQUIREMENTS

Type of Space	Total Space Requirements
OCCUPIABLE SPACE	
2 vehicle bays (450sf per bay)	900
ES - Equipment Storage (unheated)	400
Fire Cache	150
Weight Room	200
Restrooms w/ Showers	300
SUB-TOTAL OCCUPIABLE SPACE	1950

Notes:

Total Existing Office Building	3763 SF
Total Existing Warehouse Building	3200 SF
Total Office Space Required	-- 5991 SF
Total Warehouse Space Required	-- 2301 SF
Net Building Deficit	-1329 SF

Type of Space	Total Space Requirements
NON-OCCUPIABLE SPACE	
Common Area Factor for building circulation, corridors, stairs, foyers, custodial room, mechanical equipment room, etc.	
Percentage of Occupiable Space 18%	351
WAREHOUSE TOTALS	
Estimated Total Space Needs	2301
Existing Garage and Storage Space	3200
Estimated Space Surplus	899

APPENDIX C –Space Requirements (Continued)

Parking Space Requirements

	Type of Parking Space	Vehicle Spaces	Average ft ² per space	Total required ft ²
VISITOR:				
	Vehicle Parking	5	405	2025
	Accessible Parking	1	675	675
	RV Parking (Pull-Through)	3	1000	3000
	Visitor Parking Subtotal:	9		5700
GOVERNMENT:				
	Vehicle Parking	12	405	4860
	Accessible Parking	1	675	675
	Pull-Through Parking	1	1000	1000
	Government Parking Subtotal:	14		6535
EMPLOYEE:				
	Vehicle Parking	20	405	8100
	Accessible Parking	1	675	675
	Employee Parking Subtotal:	21		8775
VISITOR, GOVERNMENT, EMPLOYEE COMBINED				
	Total Parking Space Required	44		21010

Building Lot Requirements

Total Required Office Building Area	5991 SF
Total Required Engine Storage Building Area	2301 SF
Future Office Building Expansion Area (Assume 30% of Required Office Area)	1797 SF
Assumed Parking Area	21010 SF
Assumed Site Circulation (Assume 25% Building + Parking Totals)	5253 SF
Min. Landscaping, Setbacks, Snow Storage, etc. (Assume 25% Building + Parking Totals)	7775 SF
Miscellaneous site requirements	
Bike rack	40 SF
Flagpole	30 SF
Historic windmill and sign	50 SF
Picnic area	150 SF
Outdoor kiosk area	100 SF
Radio/GPS tower	30 SF
Weather station	200 SF
TOTAL MINIMUM LOT SIZE REQUIRED	44727 SF
(43560 ft ² per acre)	1.03 ACRES
Available Office and Engine Storage Lot Size	0.92 ACRES

APPENDIX D – Building Renovations Preliminary Estimate

Office Building Renovations

	CSI #	Estimate
General Requirements & Mobilization	1	\$ 15,500
Site Construction	2	\$ 40,600
Concrete	3	\$ 2,200
Masonry	4	\$ 2,100
Metals	5	\$ 2,300
Wood & Plastics	6	\$ 22,600
Thermal & Moisture Protection	7	\$ 29,000
Doors & Windows	8	\$ 13,800
Finishes	9	\$ 36,100
Specialties	10	\$ 2,000
Equipment	11	\$ -
Furnishings	12	\$ -
Special Construction	13	\$ 13,600
Conveying Systems	14	\$ -
Mechanical	15	\$ 70,300
Electrical	16	\$ 77,600
TOTAL		\$ 327,700

Engine Storage Building Renovations

	CSI #	Estimate
General Requirements & Mobilization	1	\$ 16,900
Site Construction	2	\$ 44,500
Concrete	3	\$ 900
Masonry	4	\$ -
Metals	5	\$ 2,300
Wood & Plastics	6	\$ 22,200
Thermal & Moisture Protection	7	\$ 12,700
Doors & Windows	8	\$ 26,900
Finishes	9	\$ 49,200
Specialties	10	\$ 2,000
Equipment	11	\$ -
Furnishings	12	\$ 600
Special Construction	13	\$ 9,000
Conveying Systems	14	\$ -
Mechanical	15	\$ 39,800
Electrical	16	\$ 46,300
TOTAL		\$ 273,300

Note: Estimated costs are for calendar year 2006.

APPENDIX E – Choosing By Advantages Analysis

ALTERNATIVES												
	Alternative – A (Existing No Change)	Pts	Alternative – B (Lease Renovations)	Pts	Alternative – C (New Lease Building)	Pts	Alternative – D (Service First)		Alternative – E (Purchase Buildings)	Pts	Alternative – F (Construct FS Building)	Pts
PROTECT NATURAL AND CULTURAL RESOURCES												
FACTOR 1 - Prevent loss, maintain, and/or improve natural and physical resources												
Attributes/ Characteristics	* No new construction. * No loss of National Grassland * Municipal utilities available		* Major building renovations on an existing facility * No loss of National Grassland * Municipal utilities available		* New building construction on undeveloped land * No loss of National Grassland * Municipal utilities available in town		* New building construction on undeveloped land * No loss of National Grassland * Municipal utilities available in town		* Major building renovations on an existing facility * No loss of National Grassland * Municipal utilities available		* New building construction on undeveloped land * Loss of National Grassland for administrative use. * Municipal utilities are currently not available.	
Advantages	No negative impacts on existing natural or physical resources	10	Minimal impacts on existing natural and physical resources	5		0		0	Minimal impacts on existing natural and physical resources	5		0
PROVIDE FOR VISITOR USE AND EXPERIENCE												
FACTOR 2 – Accommodate local partnerships and Forest "visitors" (permittees, recreational users, etc.)												
Attributes/ Characteristics	* Inadequate parking and insufficient space to work in * No pull through parking space * Minimal security for public use of conference room		* Non ideal parking configuration for visitor parking * Compromised pull through parking. * Minimal security for public use of conference room		* New construction meeting all parking and space requirements * New facility designed to meet all security requirements		* New construction meeting all parking and space requirements * New facility designed to meet all security requirements * One stop shop for USDA Agencies		* Non ideal parking configuration for visitor parking * Compromised pull through parking. * Minimal security for public use of conference room		* New construction meeting all parking and space requirements * New facility designed to meet all security requirements	
Advantages		0	Improved facilities with improved parking	20	Modern facilities with good parking	40	One stop shop for USDA Agencies in a modern facility with good parking	60	Improved facilities with improved parking	20	Modern facilities with good parking	40

APPENDIX E – Choosing By Advantages Analysis (Continued)

ALTERNATIVES												
	Alternative – A (Existing No Change)	Pts	Alternative – B (Lease Renovations)	Pts	Alternative – C (New Lease Building)	Pts	Alternative – D (Service First)		Alternative – E (Purchase Buildings)	Pts	Alternative – F (Construct FS Building)	Pts
PROTECT EMPLOYEE AND PUBLIC HEALTH SAFETY AND WELFARE												
FACTOR 3 - Protect employee and public health, safety and welfare												
Attributes/ Characteristics	* No tornado shelter * Old facilities with no accessible restrooms * Natural surfaced parking area and street parking * Merge onto US 56 in 45 mph zone * Minimal security		* Tornado shelter to be built * Renovated facilities * Parking area to be asphalt surfaced * Merge onto US 56 in 45 mph zone * Building and lot security to be upgraded * Minimal FS control of design.		* Tornado shelter to be built * Modern facility with minimal safety concerns * Modern facility with designed parking area. * Merge onto US 56 in 45mph zone * Building and lot security to meet current codes. * Minimal FS control of design.		* Tornado shelter to be built * Modern facility with minimal safety concerns * Modern facility with designed parking area. * Merge onto US 56 in 45mph zone * Building and lot security to meet current codes. * Minimal FS control of design.		* Tornado shelter to be built * Renovated facilities * Parking area to be asphalt surfaced * Merge onto US 56 in 45 mph zone * Building and lot security to be upgraded * Full FS control of design		* Tornado shelter to be built * Modern facility with minimal safety concerns * Modern facility with designed parking area. * Merge onto US 56 in 65 mph zone * Building and lot security to meet current codes. * Full FS control of design	
Advantages		0	Fair opportunity to eliminate safety and security issues.	50	Good opportunity for safety and security to be built into new facility	60	Good opportunity for safety and security to be built into new facility	60	Fair opportunity to eliminate safety and security issues.	55	Greatest opportunity for safe and secure facility.	70
PROVIDE EFFICIENCY OF MANAGEMENT OPERATIONS												
FACTOR 4 – Minimize cost pool burden												
Attributes/ Characteristics	* \$23,905 annual lease burden * \$8,689 annual operating burden * \$32,594 total annual burden		* \$76,593 annual lease burden * \$16,816 annual operating burden * \$93,409 total annual burden		* \$107,796 annual lease burden * \$18,201 annual operating burden * \$125,997 total annual burden		* \$107,796 annual lease burden * \$18,201 annual operating burden * \$125,997 total annual burden		* \$10,445 annual maint. cost pool * \$15,666 annual operating burden * \$26,111 total annual burden		* \$12,438 annual maint. cost pool * \$16,584 annual operating burden * \$29,022 total annual burden	
Advantages		80		10		0		0	Lowest direct annual cost to F.S.	100	Second lowest direct annual cost to F.S.	95

APPENDIX E – Choosing By Advantages Analysis (Continued)

ALTERNATIVES												
	Alternative – A (Existing No Change)	Pts	Alternative – B (Lease Renovations)	Pts	Alternative – C (New Lease Building)	Pts	Alternative – D (Service First)		Alternative – E (Purchase Buildings)	Pts	Alternative – F (Construct FS Building)	Pts
FACTOR 5 – Minimize direct maintenance burden												
Attributes/ Characteristics	* Building and lot maintenance completed by the landlord * Older facility * Relies on lease CO to enforce contract		* Building and lot maintenance completed by the landlord * Renovated facilities * Relies on lease CO to enforce contract		* Building and lot maintenance completed by the landlord * New facility with minimal initial maintenance problems * Relies on lease CO to enforce contract		* Building and lot maintenance completed by the landlord * New facility with minimal initial maintenance problems * Relies on lease CO to enforce contract		* Building and lot maintenance to be completed by F.S. * Renovated facilities * Relies on Forest Service to not defer maintenance needs		* Building and lot maintenance to be completed by F.S. * New facility with minimal initial maintenance problems * Relies on Forest Service to not defer maintenance needs	
Advantages	Old facility with maintenance burden on the landlord	25	Renovated facility with maintenance burden on the landlord	30	New facility with maintenance burden on the landlord	40	New facility with maintenance burden on the landlord	40	No enforcement of building lease required for maintenance	0	No enforcement of building lease required for maintenance	0
FACTOR 6 – Ability to meet Forest Service needs and timeliness to implementation.												
Attributes/ Characteristics	* No change will occur		* Significant impact to District during renovations * Potential for multiple moves to finish work * Funding for lease will be made available at the expense of other programs on the Forest		* No impact to District during construction * One move into new building * Funding for lease will be made available at the expense of other programs on the Forest		* No impact to District during construction * One move into new building * Funding for lease will be made available at the expense of other programs on the Forest		* Significant impact to District during renovations * Potential for multiple moves to finish work * Purchase and construction funding potentially available in FY06 and FY07		* No impact to District during construction * One move into new building * Large CIP funding not available for many years.	
Advantages		0	High potential to fund this option in the near future.	40	Minimal impact to office operations and feasible to fund this option.	65	Minimal impact to office operations and feasible to fund this option.	65	High potential to fund this option in the near future.	55	Minimal impact to office operations.	20

APPENDIX E – Choosing By Advantages Analysis (Continued)

ALTERNATIVES												
	Alternative – A (Existing No Change)	Pts	Alternative – B (Lease Renovations)	Pts	Alternative – C (New Lease Building)	Pts	Alternative – D (Service First)		Alternative – E (Purchase Buildings)	Pts	Alternative – F (Construct FS Building)	Pts
OTHER												
FACTOR 7 - Provide a positive Forest Service image												
Attributes/ Characteristics	* Metal building is consistent with area. * Does not add any additional properties to the community * Neighboring property is not attractive and deteriorates F.S. property		* Metal building is consistent with area. * Does not add any additional properties to the community * Neighboring property is not attractive and deteriorates F.S. property		* Building can be built to the BEIG * Leaves the burden of additional office space on the community		* Building can be built to the BEIG * Leaves the burden of additional office space on the community * Collocation with FSA and NRCS viewed as a benefit to community		* Metal building is consistent with area. * Does not add any additional properties to the community * Neighboring property is not attractive and deteriorates F.S. property		* Building can be built to the BEIG * Leaves the burden of additional office space on the community * Potential perception of big government spending in community	
Advantages		0	Minimal burden on community with useable facilities.	20		0	Service First office adds to economic growth of community	15	Minimal burden on community with useable facilities.	20		0
FACTOR 8 - Provide for and promote sustainable developments												
Attributes/ Characteristics	* Old building with minimal sustainable developments		* Saves materials because the building structures are existing. * Minimal control of what sustainable aspects are included * Requires lease negotiations to update building in the future.		* Building would meet LEED certification requirements * Some control of what sustainable aspects are included * Requires lease negotiations to update building in the future.		* Building would meet LEED certification requirements * Some control of what sustainable aspects are included * Requires lease negotiations to update building in the future.		* Saves materials because the building structures are existing. * Fair control of what sustainable aspects are included * Able to modify and update at a future date.		* Building would meet LEED certification requirements * Most control of what sustainable aspects are included * Able to modify and update at a future date.	
Advantages		0		5		25		25		10	Modern sustainable construction	30

APPENDIX E – Choosing By Advantages Analysis (Continued)

ALTERNATIVES												
	Alternative – A (Existing No Change)	Pts	Alternative – B (Lease Renovations)	Pts	Alternative – C (New Lease Building)	Pts	Alternative – D (Service First)		Alternative – E (Purchase Buildings)	Pts	Alternative – F (Construct FS Building)	Pts
TOTAL IMPORTANCE OF ADVANTAGES		115		180		230				265		255
LIFE CYCLE COST (Net Present Value)	-\$409,658		-\$1,174,012		-\$1,618,731		-\$1,618,731		-\$1,209,885		-\$1,261,734	
ADVANTAGE TO COST RATIO	28.1		15.3		14.2		16.4		21.9		20.2	

APPENDIX F – Life Cycle Cost Analysis

TABLE 1 -- BASIC DATA

	Existing	Renew	New Lease	Service 1 st	Purchase	Construct
Initial Lease Period: (years)	15	15	15	15	N/A	N/A
Gross building square feet:	3,763	6,963	8,292	8,292	6,963	8,292
Initial Lease Rate / gross square foot	\$6.35	\$11.00	\$13.00	\$13.00	N/A	N/A
Renewal Lease Rate / gross square foot	\$6.35	\$11.00	\$15.00	\$15.00	N/A	N/A
One Time Ancillary Costs:	\$0	\$0	\$0	\$0	\$0	\$0

Notes:

- Existing leased building outside building dimensions = 107.5' x 35' = 3763 SF
- Warehouse outside building dimensions = 80' x 40' = 3200 SF
- Total existing leased office + warehouse space = 3763 SF + 3200 SF = 8013 SF
- New building construction gross square footage based on the District space requirements.
- Renewal and new lease options including service first lease rates based on market analysis by David Garcia, R2 Realty Specialist.
- One time ancillary costs are assumed equal for all options.

Interest Rates:		
Nom U.S. Treasury Rate	20 Yr	4.90% (Used to determine the 20 year net present value of each alternative)
(See OMB A-94, App C)	3 Yr	3.70% (Used to determine the federal interest accrued during construction)
Analysis Period (in Years)	20	
Design & Construction period (years)	2	(Design and Land Acquisition in Year 1 and Construction in Year 2)
Economic Life (Construction)	50	

Notes:

- OMB Circular A-94 Appendix C (Revised Jan. 2005) Nominal Interest Rates, 30 Year = 5.2%, 10 Year = 4.6%, 3 Year = 3.7%
- Twenty year nominal interest rate determined from average of 30 year and 10 year nominal interest rates.

APPENDIX F – Life Cycle Cost Analysis (Continued)

TABLE 2 -- CONSTRUCTION AND INTEREST DURING CONSTRUCTION (ESTIMATED)

	Existing	Renew	New Lease	Service 1 st	Purchase	Construct
Building Purchase Price	N/A	N/A	N/A	N/A	\$230,000	\$0
Construction Costs	N/A	N/A	N/A	N/A	\$601,000	\$1,691,568
Design Costs 15%	N/A	N/A	N/A	N/A	\$90,200	\$253,700
Contract Supervision 8%	N/A	N/A	N/A	N/A	\$48,100	\$135,300
CIP Cost Pool 15%	N/A	N/A	N/A	N/A	\$110,900	\$312,100
Land Value or actual cost	N/A	N/A	N/A	N/A	\$0	\$6,000
Total Construction	N/A	N/A	N/A	N/A	\$1,080,200	\$2,398,668

Notes:

Construction, Design, Contract Supervision and CIP Cost Pools equal \$0 for lease options.

Purchase Alternative - Building purchase price assumed equal to \$200,000 for building and land per Joe Hartman.

Construction costs are the assumed renovation costs per Lee Deeds, R2 Architect.

Estimates are to meet International Energy Code requirements

Estimated office renovation costs = \$327,700

Estimated warehouse renovation costs = \$273,300

Construct Alternative - New construction cost equals \$204/sf of gross building area. (See note below)

Building construction cost estimates determined from the average of the government estimate and all project bids for the Bessey Office. Total cost of project per square foot equals = \$204/SF. Average Bessey office bid = \$1,552,610. (LEED)

Assumed design costs equal 15% of the assumed construction costs per typical regional design costs.

Assumed contract supervision costs equal 8% of the assumed construction costs per typical regional design costs.

Assumed CIP cost pools equal 15% of the construction costs + design costs + construction administration costs.

Assume land value of purchase alternative is incorporated in purchase cost

Land value of commercial real estate in Elkhart is assumed to be approximately \$6,000 per one acre lot per Joe Hartman.

Note that land for the new construction alternative is already owned by the Forest Service.

APPENDIX F – Life Cycle Cost Analysis (Continued)

TABLE 2 (Continued)

Purchase Alternative							
		Year	Federal Appropriation	One-Half Annual Funding	Prior Years Funding	Prior Years Interest	Federal Interest During Construction
All design + land purchased in Yr 1		1	\$320,200	\$160,000	\$0	\$0	\$5,920
% Constr & Supv in Yr 2:	100.00%	2	\$649,100	\$325,000	\$320,200	\$5,920	\$12,240
% Constr & Supv in Yr 3:	0.00%	3	\$0	\$0	\$0	\$0	\$0
		Total:	\$969,300				Total: \$18,160

New Construction Alternative							
		Year	Federal Appropriation	One-Half Annual Funding	Prior Years Funding	Prior Years Interest	Federal Interest During Construction
All design + land purchased in Yr 1		1	\$259,700	\$130,000	\$0	\$0	\$4,810
% Constr & Supv in Yr 2:	100.00%	2	\$1,826,868	\$913,000	\$259,700	\$4,810	\$33,960
% Constr & Supv in Yr 3:	0.00%	3	\$0	\$0	\$0	\$0	\$0
		Total:	\$2,086,568				Total: \$38,770

Notes:

This page determines the theoretical interest accrued on federal appropriations during construction. The Forest Service does not receive this money back into its budget but it is analyzed to even the costs accrued by third party lessors.

This page assumes that interest is accrued on one half of each years appropriations and any interest accrued in previous years. Assumed federal appropriations for year 1 include all building purchase costs, land acquisition costs, and design costs.

Assumed federal appropriations for year 2 and 3 are assumed equal to the total construction and contract administration costs proportioned according to the amount of work completed each year.

APPENDIX F – Life Cycle Cost Analysis (Continued)

Table 3 -- ANNUAL EXPENDITURES AND REVENUES

	Existing	Renew	New Lease	Service 1 st	Purchase	Construct
Lease payment initial term	\$23,905	\$76,593	\$107,796	\$107,796	N/A	N/A
Renewal period lease payment	\$23,905	\$76,593	\$124,380	\$124,380	N/A	N/A
Real Estate Taxes	*	*	*	*	\$6,000	\$8,292
Insurance	*	*	*	*	\$6,963	\$8,292
Building Maintenance	*	*	*	*	\$10,445	\$12,438
Utilities	\$4,630	\$8,704	\$8,292	\$8,292	\$8,704	\$8,292
Operations Costs	\$3,700	\$6,963	\$8,292	\$8,292	\$6,963	\$8,292
Lease Administration	\$359	\$1,149	\$1,617	\$1,617	N/A	N/A
Total Initial Annual Costs	\$32,594	\$93,409	\$125,997	\$125,997	\$39,074	\$45,606
Total Renewal Annual Cost	\$32,594	\$93,409	\$142,581	\$142,581	\$39,074	\$45,606
Residual Value					\$415,406	\$3,065,997

* =Included in Lease Contract

Notes:

Real estate taxes for Morton county Kansas = market value x 25% assesment rate x mill levy (0.120 assumed)

Imputed real estate taxes for purchase alternative = \$200,000 value x 25% x .120 = \$6,000

Imputed real estate taxes for new construction alternative assumed to equal to \$1 per square foot of gross building area

Imputed insurance costs for purchase and construction alternative are assumed to be equal to \$1.00/ gross SF.

Building Maintenance costs for lease alternatives are assumed to be incorporated in the lease rate and paid by the landlord.

Building Maintenance costs for purchase and construct alternatives are assumed to be equal \$1.50/SF of gross building area.

Utility cost for existing leased office for 2005 equaled \$4630.11 for water, sewer, trash, electric and gas. (\$1.23/SF)

Utility costs for all existing buildings are assumed to equal \$1.25 per square foot of gross building area

Utility costs for all new alternatives assumed equal to \$1 per square foot of gross building area.

Operational costs for the existing leased office includes the janitorial contract (FY06 = \$3700) (\$0.98/SF)

Operational costs for all other alternatives are assumes to be \$1/sf of gross building area.

Lease Administration costs are assumed to be equal to 1.5% of the fixed term annual lease rate.

No Residual Building Value for lease alternatives because these options remain the property of the landlord.

Residual Building Value for purchase alternative is equal to the cost to purchase the building in current dollars inflated 3% per year to the end of the life cycle. (Note that 3% inflation is conservatively lower than the 20 year nominal interest rate)

Residual Building Value for construction alternative is assumed equal to 3% return per year on the cost to construct the building in current time (\$204/sf x gross area) + land value (Does not count inflation of CIP cost pools, design or CA in inflation)

APPENDIX F – Life Cycle Cost Analysis (Continued)

TABLE 4 -- ANNUAL CASH FLOW

ANNUAL PAYMENTS						
Year	Existing Lease	Renew Lease	New Lease	Service First	Purchase	Construct
1	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$353,354	-\$300,496
2	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$675,934	-\$1,838,514
3	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$39,074	-\$45,606
4	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$39,074	-\$45,606
5	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$39,074	-\$45,606
6	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$39,074	-\$45,606
7	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$39,074	-\$45,606
8	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$39,074	-\$45,606
9	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$39,074	-\$45,606
10	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$39,074	-\$45,606
11	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$39,074	-\$45,606
12	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$39,074	-\$45,606
13	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$39,074	-\$45,606
14	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$39,074	-\$45,606
15	-\$32,594	-\$93,409	-\$125,997	-\$125,997	-\$39,074	-\$45,606
16	-\$32,594	-\$93,409	-\$142,581	-\$142,581	-\$39,074	-\$45,606
17	-\$32,594	-\$93,409	-\$142,581	-\$142,581	-\$39,074	-\$45,606
18	-\$32,594	-\$93,409	-\$142,581	-\$142,581	-\$39,074	-\$45,606
19	-\$32,594	-\$93,409	-\$142,581	-\$142,581	-\$39,074	-\$45,606
20	-\$32,594	-\$93,409	-\$142,581	-\$142,581	-\$39,074	-\$45,606
Residual Value	\$0	\$0	\$0	\$0	\$415,406	\$3,065,997

Notes:

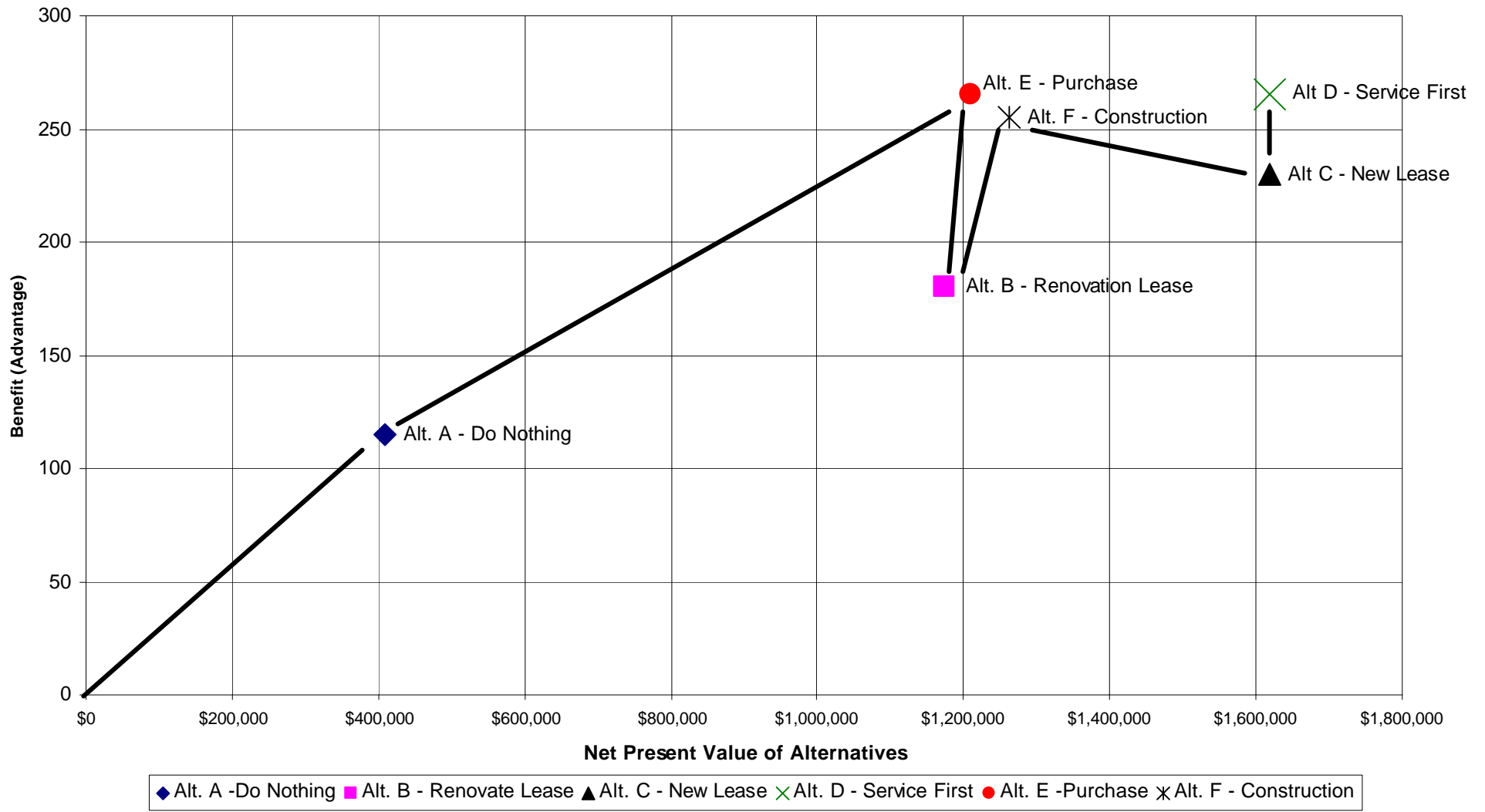
- * Total annual cashflow equals the annual operating expenses plus any construction expenses for that alternative.
- * Annual operating expenses are assumed to be for the full amount during design and construction years.
- * All values shown on the cashflow table are total expenses except the residual value of the alternative is a positive income value.
- * Interest accrued during construction (Table 2) is assumed as a positive cashflow for the affected year.

Table 5 - SUMMARY

	Existing Lease	Renew Lease	New Lease	Service First	Purchase	Construct
Net Present Value	-\$409,658	-\$1,174,012	-\$1,618,731	-\$1,618,731	-\$1,209,885	-\$1,261,734

APPENDIX G – Alternative Cost Versus Benefit Graph

Cimarron N.G. Office Alternative Benefit Vs. Cost



APPENDIX H – Alternative Annual Expenses

	Alternative A Existing Lease	Alternative B Renew Lease	Alternative C New Lease	Alternative D New Service First Lease	Alternative E Purchase Building	Alternative F Construct New Building
Annual Lease Cost to FS	\$23,905	\$76,593	\$107,796	\$107,796	\$0	\$0
District Utilities	\$4,630	\$8,704	\$8,292	\$8,292	\$8,704	\$8,292
District Operational Costs	\$3,700	\$6,963	\$8,292	\$8,292	\$6,963	\$8,292
Lease Administration Costs	\$359	\$1,149	\$1,617	\$1,617	\$0	\$0
FMCP09 (\$1.5/SF)	\$0	\$0	\$0	\$0	\$10,445	\$12,438
TOTAL ANNUAL EXPENSES	\$32,594	\$93,409	\$125,997	\$125,997	\$26,111	\$29,022

Notes: Lease Rates = Alternative A 3,763 SF x \$6.35 /SF = \$23,905 Actual
 Alternative B 6,963 SF x \$11.00 /SF = \$76,593 Assumed
 Alternative C 8,292 SF x \$13.00 /SF = \$107,796 Assumed
 Alternative D 8,292 SF x \$13.00 /SF = \$107,796 Assumed

Utilities = Alternative A 3,763 SF x \$1.23 /SF = \$4,630 Actual
 Alternative B 6,963 SF x \$1.25 /SF = \$8,704 Assumed
 Alternative C 8,292 SF x \$1.00 /SF = \$8,292 Assumed
 Alternative D 8,292 SF x \$1.00 /SF = \$8,292 Assumed
 Alternative E 6,963 SF x \$1.25 /SF = \$8,704 Assumed
 Alternative F 8,292 SF x \$1.00 /SF = \$8,292 Assumed

Operational Costs = Alternative A 3,763 SF x \$0.98 /SF = \$3,700 Actual
 Alternative B 6,963 SF x \$1.00 /SF = \$6,963 Assumed
 Alternative C 8,292 SF x \$1.00 /SF = \$8,292 Assumed
 Alternative D 8,292 SF x \$1.00 /SF = \$8,292 Assumed
 Alternative E 6,963 SF x \$1.00 /SF = \$6,963 Assumed
 Alternative F 8,292 SF x \$1.00 /SF = \$8,292 Assumed

Lease Admin Costs = Alternative A \$23,905 x 1.5% = \$359 Assumed
 Alternative B \$76,593 x 1.5% = \$1,149 Assumed
 Alternative C \$107,796 x 1.5% = \$1,617 Assumed
 Alternative D \$107,796 x 1.5% = \$1,617 Assumed

Forest Maintenance Cost Pools
 Alternative E 6,963 SF x \$1.50 /SF = \$10,445 Assumed
 Alternative F 8,292 SF x \$1.50 /SF = \$12,438 Assumed

APPENDIX I – Draft Prospectus

INTRODUCTION

The Cimarron National Grassland District Office in Elkhart, Kansas requires an office facility to conduct administrative duties and serve the public.

DESCRIPTION OF PROJECT

General

The project provides adequate office space and engine storage space to effectively operate the Cimarron National Grassland.

Objectives

The objectives of this project are to provide an office facility that minimizes health, safety and welfare concerns, serves the public, minimizes annual operating costs and accomplishes these objectives in a timely manner.

General Location Requirements

The project will be located at 242 US Highway 56 East in Elkhart, Kansas.

Space/Functional Needs

Refer to the Preliminary Project Analysis for minimum space requirements.

SUMMARY OF PRELIMINARY PROJECT ANALYSIS

The Cimarron National Grassland conducted a Preliminary Project Analysis in January 2006 to determine the best office location and financing option for the Cimarron National Grassland District office.

Alternatives Considered During Preliminary Project Analysis

- Renew existing office lease.
- Renew the existing office lease to include an additional 3200 SF warehouse and renovations by the landlord.
- Lease a new building in Elkhart, Kansas on US Highway 56.
- Lease a new building in Elkhart on US Highway 56 with the FSA and NRCS.
- Purchase the leased office building and neighboring 3200 SF warehouse and renovate to meet the District's needs.
- Construct a new building in Elkhart, Kansas on National Grassland Pasture 33 meeting the District's needs.

The alternative to purchase and renovate the leased office building and neighboring warehouse was identified as the most advantageous and cost effective alternative for the Cimarron National Grassland during the Preliminary Project Analysis.

PROJECT FUNDING

The project renovations will be programmed by the Capital Investment Program (CIP).

DEVELOPMENT CONSIDERATIONS

The project consists of renovations to an existing 3,763 square foot metal office building and a 3200 square foot metal warehouse building including parking modifications to meet the minimum requirements of the Cimarron National Grassland.

Existing Structure

The existing office and warehouse facilities are structurally sound. Approximately fourteen to fifteen employee work stations will fit within the existing configuration of the office building walls with minor modification to interior walls and the restrooms. An additional five employee work stations will be required within the warehouse structure to meet the District's minimum requirements. The conference room, GIS room and VIS reception will be housed in the main office building. The engine storage garage, fire cache, water lab, exercise area and storage areas will be located in the warehouse facility. Mezzanine storage may be required in the warehouse to meet all District storage requirements. An approximate 1000 square foot addition to the main office building may increase the functionality of the site by allowing all required office and warehouse spaces to be housed on the ground floor.

Functional modifications are needed in the Visitor Information Services/reception area. Building electrical, lighting, and communications should be upgraded during renovations to provide consistent infrastructure within the building and addition. The mechanical systems will require modifications for efficiency and increased load. Approximately six inches of ceiling depth is available for mechanical duct work. The facility may be a prime candidate for a geothermal unit to eliminate HVAC duct work.

Building Addition

The proposed office addition will expand from the west end of the existing structure. The building is a thirty-five foot wide pre-engineered metal "Butler" building that could be increased up to forty feet in length. The addition would allow space for all District required office support areas or allow all employees to be in one building. New heating venting and air conditioning will be required for the building addition or could be sized for the entire structure.

Parking Modifications

Parking areas must be asphalt surfaced to increase the functionality of the parking areas. Additional signing and stripping will be required to assist large vehicle parking (RV, trailer, etc.).

PROFESSIONAL SERVICES REQUIRED

Professional design services will be required for architectural, structural engineering, electrical engineering, mechanical engineering, civil engineering and landscape architecture.

PROPOSED OFFICE LAYOUT



LEGEND

- EXISTING WALLS
- NEW WALLS

PROPOSED ENGINE STORAGE LAYOUT

