

A large, faint, light blue graphic of a Ferris wheel is positioned on the left side of the slide. A sign is attached to the wheel's structure, with the text "CUSTOMERS FIRST!" written vertically on it.

2007
WEST COAST CUSTOMER WORKSHOP

April 16-18 Seattle, Washington

Census 2010: Census & GSA Working in Tandem

CUSTOMERS FIRST!

2007 WEST COAST CUSTOMER WORKSHOP

Agenda

Topic 1: Census' Mission.

Topic 2: Census' Past Experience with GSA during the 1980, 1990 and 2000 Censuses.

Topic 3: Census Bureau's and GSA's Joint Partnership for 2010.

Topic 4: Lessons Learned: Become Familiar with Basic Leasing Terminology & Actions.

Topic 1: Census Bureau's Mission

- Adopted in 1787, Article 1, Section 2 of the U.S. Constitution mandates:
 - “Representatives and direct taxes shall be apportioned among the several states which may be included in this Union, according to their Respective numbers....The actual enumeration shall be made within three years, and within every subsequent term of 10 years, in such a manner, as they shall be directed by law”.
 - Since 1790 we have been taking a census every 10 years.

From 1790 to 2010

- 1790 – Horse and buggy with Federal Marshalls
 - Took 9 years to tabulate finding for approximately 5 million people.
- 2010 – Census is almost entirely automated:
 - Handheld Computers.
 - Collecting GPS Coordinates for each structure.
 - Hire approximately 500,000 field enumerators (Census Takers) throughout the country.
 - Takes 4 months to tabulate over 300 million residents to meet the December 31, 2010 deadline for Apportionment.

Why is the Census so Important?

- Apportionment and Redistricting of 435 Congressional Seats.
- Distribution of billions of Federal funds to state, local and tribal governments using 50 formulae for over 1000 grant programs.
- Census is used as a benchmark for State funds distribution.
- Accurate Local Statistical data for planning by local businesses & social service providers.
- Data for Community Planning.

The Price is Right! All Census Data are free at www.census.gov

Topic 2: Census' Past Experience with GSA during the 1980, 1990 & 2000 Censuses

1980 Historical Perspective of the GSA and Census Relationship

- GSA leased approximately 400 District Offices and 12 Regional Census Centers.
- Space was delivered by GSA to Census late. In fact, late was the norm. This caused logistical and operational problems for the 1980 Census, delaying critical field operations.
- The 1980 experience was characterized by soporific inertia and ended up being quite acrimonious. In other words, it got real ugly.
- End result was that Census Bureau decided to do its own leasing for the 1990 Census.

1990 Historical Perspective of the GSA and Census Relationship

- The Census Bureau trained its staff in each Regional Census Center.
- One regional staff member in each region was issued a Special Decennial Warrant to serve as the Real Property Contracting Officer.
- Census leased the Regional Census Centers and their District Offices.
- Nationally there were 13 Regional Census Centers and approximately 450 District Offices.
- The 1990 space leasing process went very well according to GAO and OIG reports.

2000 Historical Perspective of the GSA and Census Relationship

- A lot of resistance to go back to GSA for the 2000 Census from Census folks who remembered the problems in 1980 and wanted to go on our own again.
- Census folks pointed to the very positive experience in 1990 when we did our own leasing which many thought should be repeated for 2000.
- One big difference: The Census staff with the experience for the most part had retired and very few staff with true hands-on experience were left at Census.

How GSA Woo-ed Census Back

- Some key staff at the Census Bureau (Stan Moore, etc...) and some very good GSA staff (Ken Kelcheur, Nan Wauchop, Ron Dovel, etc...) started talking about having GSA do Census' Space leasing.
- Census did not have the same level of staff with expertise who could handle the leasing as proven with the 1998 Dress Rehearsal Local Census Offices.
- GSA had recently embarked in a customer service oriented philosophy from top down and had reorganized itself with the slogan "Not the same GSA that your grandfather used to know."
- GSA learned Census' core mission and promised to leverage all GSA's resources and expertise for the Census.

BRIEF CHRONOLOGY

THE CENSUS/GSA PARTNERSHIP

- Over the course of 20 years from 1980 to 2000 “The Taxi Driver attitude of ‘Are you talking to me?’” changed to a cheap remake of the “The Way We Were”.
- Census and GSA went to marriage counseling to mend fences.
 - October, 1997 -- Partnership proposed with Census.
 - November - December, 1997 -- GSA presentations to Census Regional Directors.
 - January, 1998 -- Census accepts GSA partnership proposal.

PHASE I:

ACQUIRE 402 CFOs and 130 ELCOs

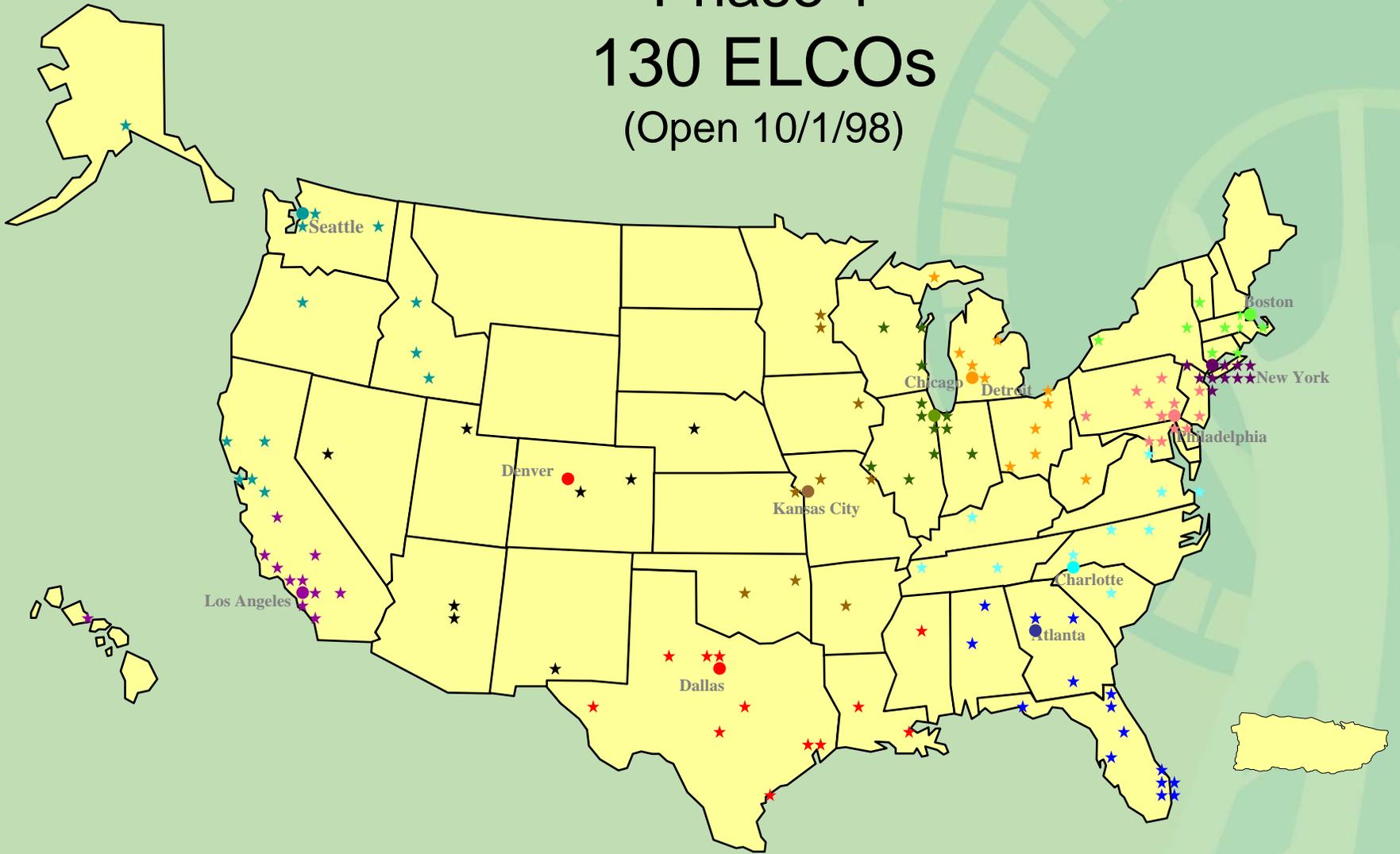
- February, 1998 -- Phase I partnership agreement signed. Partnership roll-out conference held.
- February - March, 1998 -- Acquire space for CFOs and ELCOs.
- We had a separate agreement for each Phase which acted as a test period in getting back together.
- Each Census Region still had one staff member who had a Special Decennial Warrant to serve as a Real Property Contracting Officer in 2000.

PHASE I:

ACQUIRE 402 CFOs and 130 ELCOs

- Delivery of Initial Offices
 - June - September, 1998 -- CFOs open to support Address Listing in Rural Area-- 310 rural CFOs open to support Address Listing (500 USF).
 - Only opened for approximately 6 months.
 - December, 1998 - March, 1999-- 92 urban CFOs open to support Block Canvassing (500 USF).
 - Only opened for approximately 6 months.
 - October, 1998 -- 130 ELCOs open (7500 to 10,000 USF).
 - Open for approximately 2½ years.

Phase 1 130 ELCOs (Open 10/1/98)

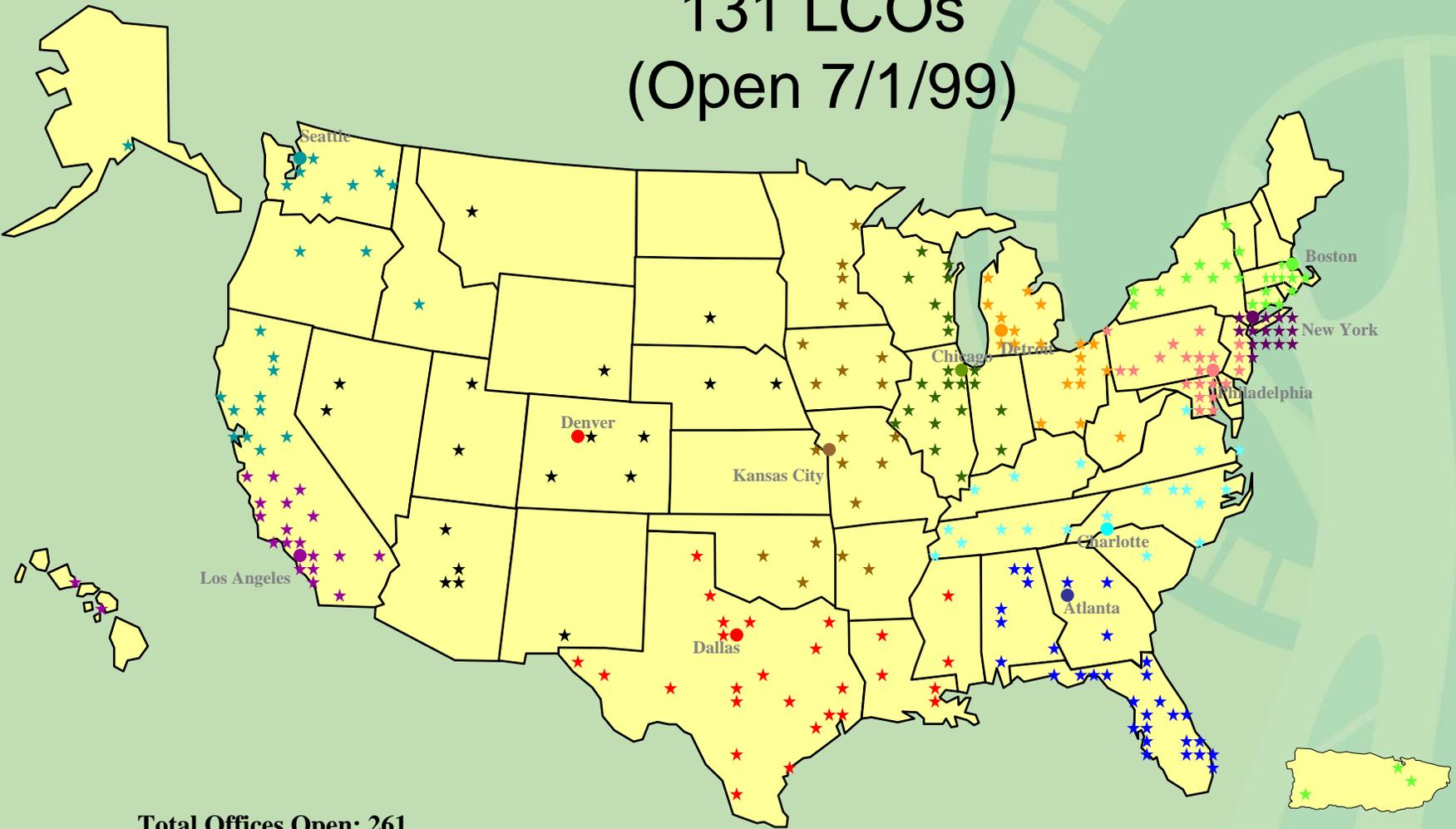


PHASE 2:

ACQUIRE 390 LCOs and 13 ACEROs

- Phase I passed with a B+/A-
- Trust was re-established.
 - November, 1998 -- Agreement to continue with Phase II partnership.
- Census and GSA decided that GSA would delivery the 390 LCOs in three distinct waves.

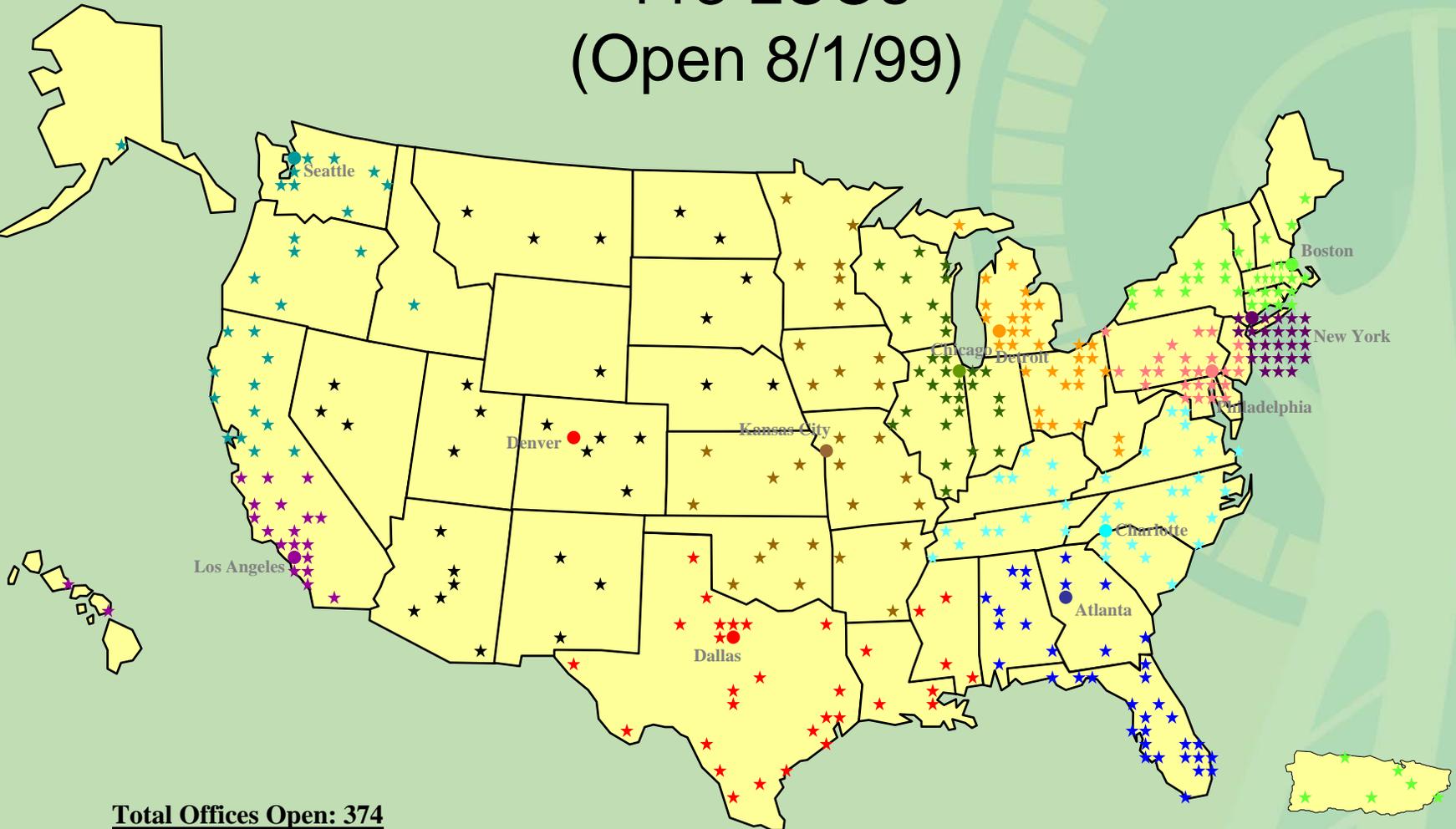
Phase 2: Wave 9 131 LCOs (Open 7/1/99)



Total Offices Open: 261

CUSTOMERS FIRST!

Phase 2: Wave 10 113 LCOs (Open 8/1/99)



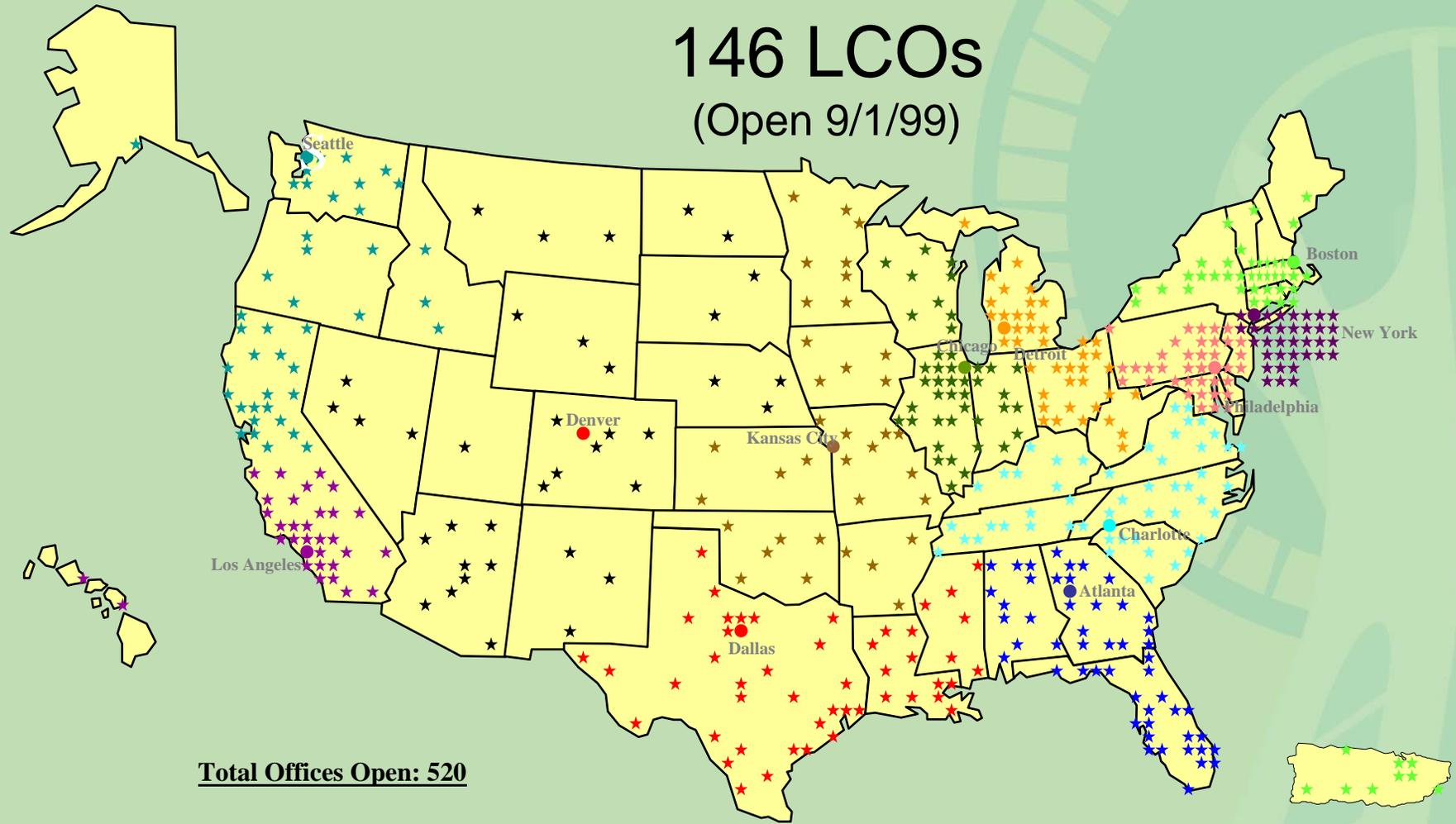
Total Offices Open: 374

CUSTOMERS FIRST!

Phase 2: Wave 11

146 LCOs

(Open 9/1/99)



Total Offices Open: 520

CUSTOMERS FIRST!

CENSUS 2000 OFFICE SPACE FACTS AND FIGURES

- Space acquired for 1,027 facilities.
- Over 100 acres of space.
- \$129,000,000 for rent and amortized build-outs.
- \$12,000,000 for lump-sum build-outs.

TELECOMMUNICATIONS

FACTS AND FIGURES

- Over 850 miles of telephone wire.
- 630 data lines.
- 30,000 + phone lines.
- 17,000 telephones installed.
- 26,000 jacks installed.
- 37,000 orders for telephone service.

SUPPLIES

FACTS AND FIGURES

- 113,365 pieces of furniture.
- 1,311 fax machines.
- 663 copiers.
- 520 typewriters, paper shredders, and hand trucks.
- Over 7,700 miles of paper clips.

THE BOTTOM LINE

CENSUS / GSA PARTNERSHIP

- IT WORKED WELL!!
- Acquired 520 LCOs, 402 CFOs, 92 Block Canvassing Offices, and 13 ACEROs.
- Safe, flexible, and functional office space.
- No opening or closure delayed by telecommunications.
- Efficient movement of massive amounts of data daily.
- Offices opened fully supplied.

Topic 3: Census Bureau's and GSA's Joint Partnership for 2010

- 2000 Partnership with GSA has lead to the 2010 Partnership with GSA.
- National
 - We will have 12 Regional Census Centers.
 - 500+ Local Census Offices.
- Seattle
 - 1 Regional Census Center (27,877 usf).
 - 34-35 Local Census Offices (Approx. 6500 sq ft.)

2000 vs. 2010 Leasing Infrastructure

- Census 2000's Major Players

- Census
- GSA
 - GSA-PBS
 - GSA-FTS (telecommunications)
 - GSA-FSS (Supplies)
- Unisys (Automation Equipment)

- The 2010 Census's Major Players

- Census
- Harris Corporation = FDCA Contractor (All telecom—Voice and data)
- Harris' 5 other subcontractors
- GSA
 - GSA-PBS
 - GSA-FSS (Supplies)
- DHS-FPS Security
- GSA National Brokers

GSA and Census Tailored Relationship for Duties and Accountabilities

- Census
 - Will create the overall plans (HQ Space and ROs).
 - Set milestones for dates for deliverables. (HQ Space)
 - Create internal procedures and controls to ensure the deliverables. (HQ Space)
 - Will define space and furniture needs. (HQ Space).
 - RCCs will be the first space acquisition and accountability for GSA.
- GSA
 - Will meet critical milestone dates set by Census.
 - Will commit to leasing 100% of RCCs, ELCOs, and LLCOs at all locations for the 2010 Census.
 - GSA will accept RCC & PR Area Office in November 2007. Rent starts in 11/07.
 - Census will occupy after Harris does its installation and furniture is delivered on 1/1/08.

Planning RCCs/LCOs: Establish Division of Labor-Who's Responsible?

- **Census**

- Define the Area of Consideration (Census Regional Offices Census).
- Will prepare block diagram for RCC floor plan. (HQ Space & ROs).
- Will develop electrical requirements (HQ Space w/ Harris).
- Will develop build-out specifications and special requirements (HQ Space).
- Will develop space tracking system (HQ Space).
- Will develop telecommunication requirements for Harris.

- **GSA**

- GSA will designate a Regional Project Manager to work with Census.
- Will provide a National Broker for Census.
- Will prepare advertisements w/ Census Regional office to solicit potential lessors.
- GSA will verify electrical requirements & installation; testing is done to Census' specifications and in working order upon delivery of space.

GSA's Role at Regional Level

- Identifies RCC site options and conducts Market Surveys with Census.
- Provides to the Census Bureau an Initial Occupancy Agreement (OA) that estimates the average cost for space in the local market.
- Occupancy Agreement signed by Regional Director.
- Solicits offers from selected sites for RCC.
- Evaluate and Negotiate Offers.
- Awards Lease.
- Manages build-out of RCC.
- Manages property and administers leases.
- Coordinates w/ lessor to install Security Alarm equipment.

Working in Tandem with GSA

- Become acquainted with the Leasing process steps:
 - Step 1: Hold a Kick off meeting with GSA to establish roles and responsibilities (SFO & your Special Requirements (SR)) & Initial OA.
 - Step 2: Do Windshield Surveys before Developing your Area of Consideration.
 - Step 3: Delineate your Area of Consideration.
 - Step 4: GSA ad placement.
 - Step 5: Conduct Market Surveys.
- Steps Continued:
 - Step 6: GSA issue SFO.
 - Step 7: GSA conducts negotiations.
 - Step 8: Final Revised Proposal (FRP).
 - Step 9: Award & (Interim OA).
 - Step 10: Pre-Construction Mtg. and Design & Intent Drawings.
 - Step 11: Buildout.
 - Step 12: Accepting the space & Punchlist & (Final OA).

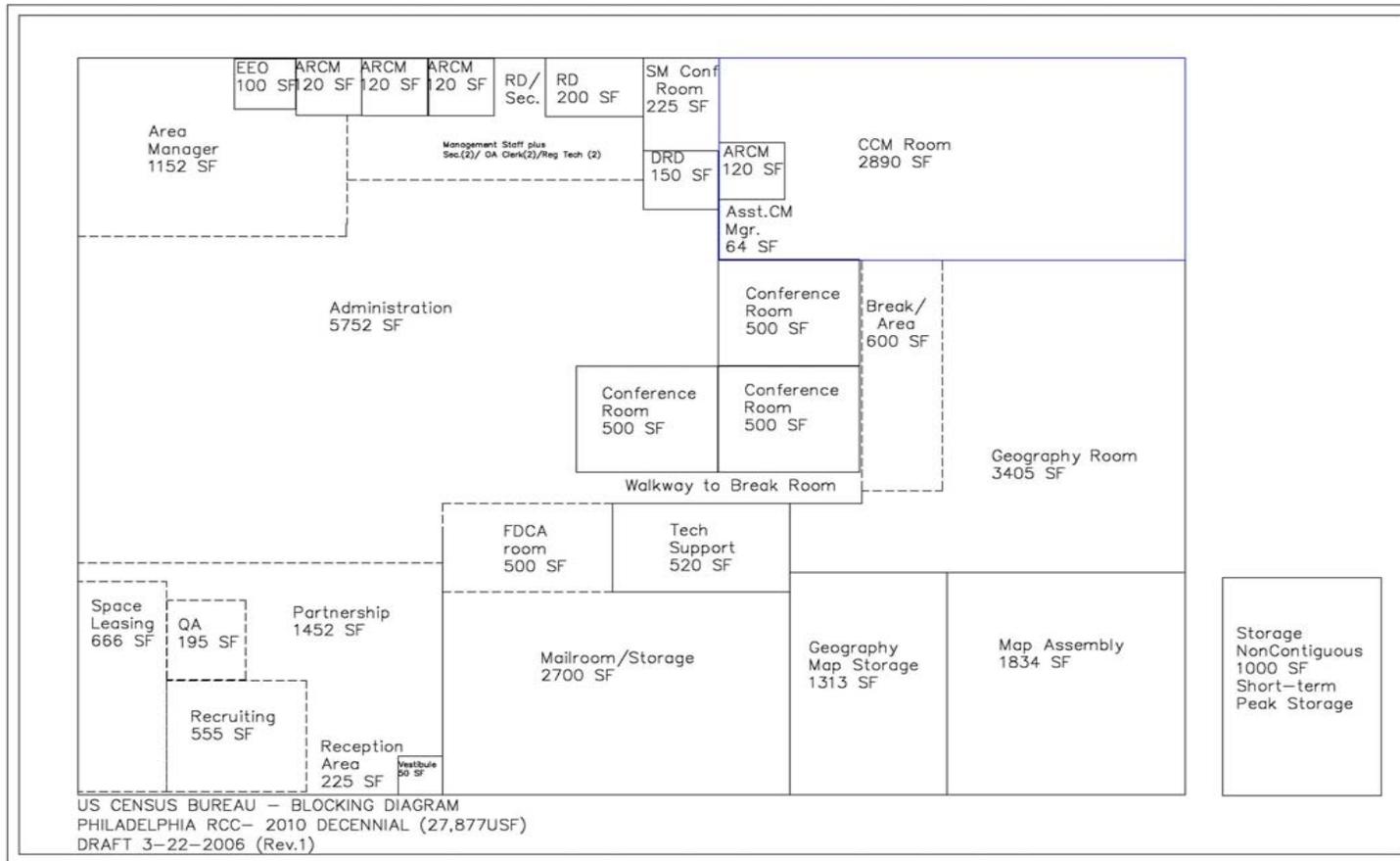
Your Agency's Unique Requirements

- Step 1: Kick off Meeting
 - Discuss Your Location Policy:
 - **Census Bureau's Location Policy.**
 - Possible obstacle
 - **Congressional Districts is a criterion for LCOs, not RCCs.**
 - Discuss GSA Rules and Adherence to Executive Orders:
 - **Central Business District waiver (Executive Order 12072).**
 - Makes it easier to find available space—larger AOC.
 - Effects the Local Census Offices more than the RCC.
 - **Floodplain (Executive Order 11988).**
 - (Critical versus Non-Critical Action Agency).

Floor Block Diagram

- Step 1: Kick Off
- Discuss the generic layout of your space:
 - Seattle's block diagram of RCC layout (approx. 28,000 usable square feet).
 - RCC space requirements:
 - Type of Property & Public Image (A or B Space).
 - Provide sample building types of acceptable RCC space.
 - Discuss your desire for entire space on one floor or your openness to have the space split between two floors.

2010 RCC – Single Floor Block Plan



CUSTOMERS FIRST!

Draft SFO

- Standard SFO clauses will be used for the most part. Be sure to have GSA indicate which requirements (paragraphs) are Shell Rate vs. TI expenses:
 - Summary Information
 - Award Factors
 - Miscellaneous
 - General Architectural
 - Architectural Finishes
 - Mechanical, Electrical & Plumbing
 - Services, Utilities & Maintenance
 - Safety and Environmental Management
- Your Agency's Special Requirements

Step 7: Negotiations and Step 8: FRP

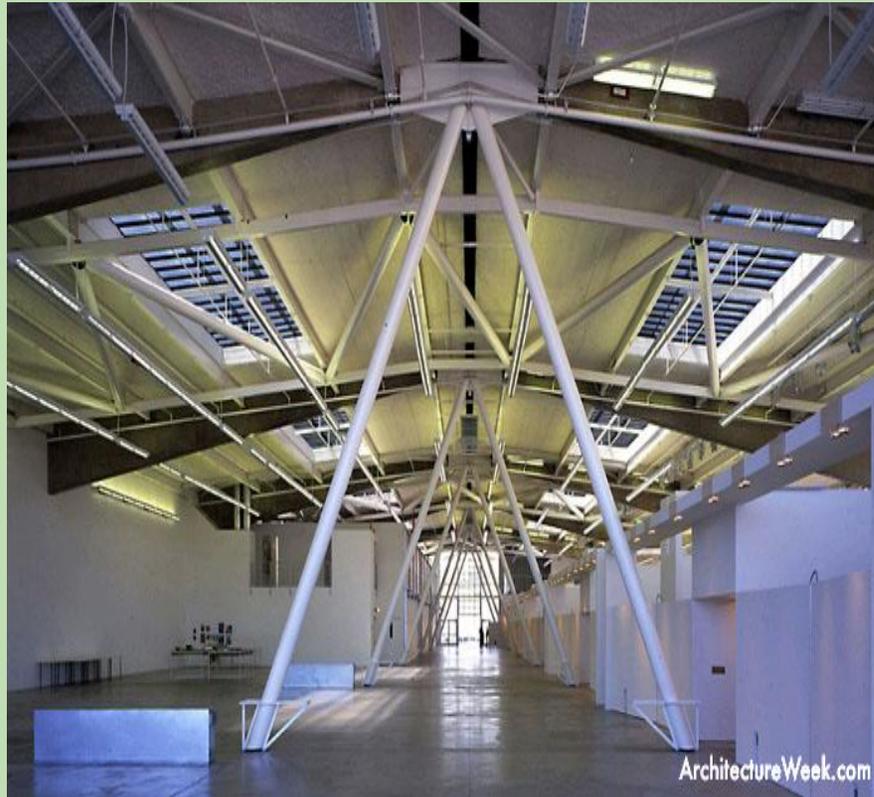
- Who will conduct negotiations?
 - GSA Realty Specialist (CO).
- Best and Final Offers (BAFO) or Final Revised Proposals (FRP)
 - How long for lessors to submit their Final Revised Proposals (BAFOs)?
 - How long for the final evaluation by GSA Review Board Panel?

Future Meetings to Discuss Buildout Schedule after the Award- Steps 10 & 11

- Discuss the Buildout:
 - Pre-Construction Meeting
 - Discuss overall timetable for construction.
 - Buildout payment—amortized in monthly rental payment. No lump sum.
 - Approval of change orders and chain of command to effect.
 - Periodic inspections of buildout while in progress.
 - Local wait time for permits and city inspections.



Buildout Overview: Census Example



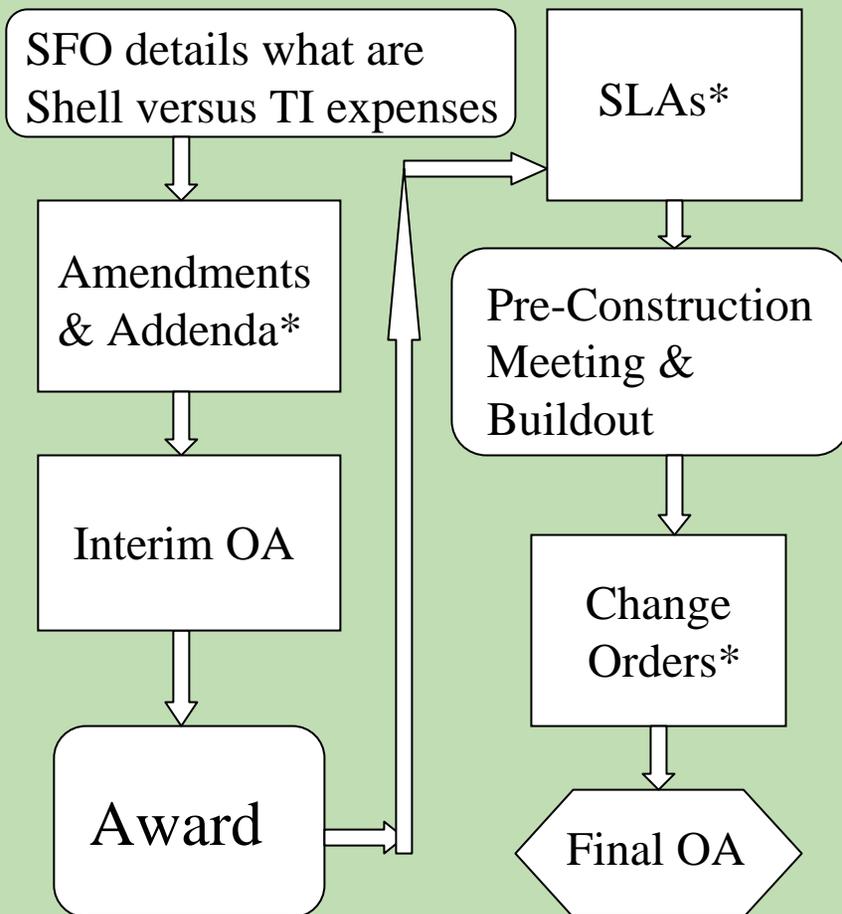
Important: Never accept a key from the lessor until the space is accepted or take “additional space”. Don’t get schmoozed!

- GSA Awards Lease w/ RD’s concurrence (OA) *(Mar 07)*.
- Floorplans and Final Design and Intent Drawings (DIDs) *(Apr 07-May 07) (60/90 Days)*.
 - Autocad .dwg file extensions
- Census monitoring of RCC build-out *(Jun 07-Nov 07)*.
- Accepts RCC with GSA after acceptance inspection. *(Nov 07)*.
- Census will coordinate delivery of furniture *(Nov 07)*.
- Harris’ telecommunication installation *(Nov-Dec 07)*.

If Communications Breakdown:

- Remember that GSA is customer service oriented.
- If communication breaks down between GSA and you, take action immediately.
 - Refer to Roles and Responsibilities that was established at the Kick-off meeting.
 - Discuss the problem at hand.
 - Obtain a date that further discussion will occur or when the problem will be resolved.
 - Never accept a response of “We’ll take care of it.”
 - Find out who is taking care of the problem and when (date) the problem will be resolved. (Trust, but verify.)
 - Call your GSA’s contacts immediate supervisor after discussing with your Regional Director/Administrator.

Topic 4: Lessons Learned



- As a GSA Customer, you must understand basic leasing terminology & actions.
- What are Shell Rate expenses versus Tenant Improvement (TI) expenses in the SFO?
- What is an Amendment to the SFO and when to expect?
- What are Supplemental Lease Agreements (SLAs)?
- When to expect Occupancy Agreements (OA)?
- When do Change Orders occur?

* Amendments, Addenda, SLAs and Change Orders occur only when needed/authorized by GSA & Tenant Agency.

Your SFO specifies which expenses are Shell Rate versus Tenant Improvements.

- The building shell is the base building system and the finished common areas that bound the tenant areas.
- Where the building shell ends is the beginning point of tenant improvements.
- Your agency's special requirements' expenses are charged against your Tenant Improvement (TI) Allowance.
- There exists a fire wall between Shell and TI expenses.
- If a move from a shell rate to TI expense is agreed upon, make sure to get written documentation from GSA of the move and written concurrence by you agreeing to the move.
 - Written documentation and written approval from the tenant agency protects you and GSA, stopping any finger-pointing when the final bills for the buildout come in.

Shell Rate to TI Expenses: Make sure there is an Amendment or SLA

- The analogy is akin to:
 - The lessor agrees to rent a ballpark to you, promising to provide stands, field's landscaping, restrooms and the bats, balls and gloves as part of the shell rental rate.
 - You arrive at the ballpark and he now wants you to pay for the landscaping, renovations to the restrooms and equipment that he promised was part of his shell rental rate (e.g.; \$20/sq ft).
 - Any expenses that are moved from Shell to TI, in effect, provide the lessor additional profit above and beyond the original signed contractual agreement (Lease).



Amendments & Addenda

- What are Amendments & Addenda to the SFO?
 - Amendments & Addenda occur when there is a change or addition to the SFO after it has been issued to all offerors and before Final Revised Proposals (FRPs) are received.
 - The change in the amendments or the addition in the addendum affects all prospective offerors.
 - All offerors must be issued the same information/details about the change in the SFO, so that all offerors are given the same opportunity for fair competition.
 - Examples that would cause an amendment to the SFO:
 - GSA decides to change the date that all offers are to be received from February 12, 2007 to March 3, 2007.
 - An addendum on the number of overtime hours for HVAC from the original estimate in the SFO/SR from 2000 hours to 2500 hours.

Occupancy Agreements

- GSA will normally provide an initial, interim and final Occupancy Agreement (OA) to your agency.
- The OA provides an estimate of the total costs and square footage rate at critical times during the space leasing process.
 - The Initial OA—Details the local market rate (\$xx.xx sq ft).
 - The Interim OA:
 - Correctly identifies the location of leased space and term of lease.
 - Indicate exact square footage in Usable and Rentable terms.
 - Indicate total estimated monthly rent – (Your agency’s financial obligation)-- Shell Rate, PBS Fee, Amortized TI.
 - The Final OA—The bottom line of what the space costs.
 - The real deal—What you agency will pay for the space.

Supplemental Lease Agreement (SLA)

- Supplemental Lease Agreements (SLAs) are addenda to the lease. The lease stays in effect.
 - Normally SLAs are administrative in nature and will not need you input, but you should receive a copy of the SLA from GSA.
 - SLAs are issued to document changes not called out in the lease (i.e.; change in total square footage, beneficial occupancy date, etc...).
 - If such a request occurs, it will be made via a SLA after the lease is awarded and before the pre-construction meeting when the bids for the buildout are received by GSA/Broker.
 - ***But an SLA would be needed, if an attempt is made to move a shell rate expense to a TI expense. Shell expenses should remain as shell expenses.***

Important: Know the difference of accepting some existing finishes “as is” versus accepting the entire space “as is”.

Change Orders

- What are Change Orders?
 - A change order is a change or addition that is needed during the buildout that was not specified in the SFO or the Special Requirements.
 - Agency's staff cannot approve Change Orders; only GSA has the authority to approve Change Orders.
 - If the lessor's general contractor asks if you can approve a change or addition to the SFO/SR, refer him/her to your GSA contact for the buildout.
 - Once your GSA contact approves the Change Order, the Change Order authorizes the modification using the Supplemental Lease Agreement, GSA Form 276.

Change Orders and Their Relation to SLAs

- Apparent versus Actual Authority to instruct contractor to make changes outside of the scope of work (Lease and/or Special Requirements).
 - GSA only has the actual authority to indebted the government for work outside of the Lease or Special Requirements.
 - Your agency's head does not have actual authority to approve change orders.
- Any additional work or material changes outside of the Lease or your Special Requirements (SR) must be approved by the GSA Contracting Officer.

In Conclusion

- Working with GSA is a win-win situation for your agency in leasing space with two caveats:
 - You must do your part to ensure that you define your requirements and specifications accurately.
 - Learn & understand basic leasing terminology.
- GSA brings resources and expertise about the local market place that your agency simply does not have.
- Work in tandem with excellent communication will yield the best results for a very positive experience.

Contact Information:
Michael Burns
U.S. Census Bureau
michael.p.burns@census.gov
(206) 381-6207

West Coast Customer Workshop (WCCW)