



**Board of Regents of the University
System of Georgia**

**Guidelines
For
Facilities Condition Assessment Services
For
Privatized Projects**

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I. INTRODUCTION

- A. These Guidelines are designed to be a resource for the Foundation/LLC (Landlord), Institution and Consultant to provide Facilities Condition Assessment Services (FCAS) for Public Private Ventures (PPV) and GHEFA projects. It is the goal of the University System of Georgia (USG) to maintain facilities that are physically sound, highly functional, visually attractive and safe. To assist in maintaining this goal, the Board of Regents (BOR) requires a Facilities Condition Assessment (FCA) be conducted by a third-party Consultant, periodically, to identify imminent repairs and replacements so that action plans can be developed and availability of funds confirmed. Such Facilities Condition Assessments (FCA) shall be conducted on a two and one-half (2½) to five (5) year cycle or whenever deemed necessary.
- B. Results of the FCA shall be documented in a Facilities Condition Assessment Report (FCAR). The Facilities Condition Assessment Report shall provide quantitative and qualitative data, benchmarks and metrics that determine the current physical condition and lifecycle of the facility, its building components and systems. The FCAR shall be a tool by which the Private Foundation LLC (Landlord), BOR (Tennant) and Institution can effectively plan and execute facility improvements in the most efficient and cost effective manner. The FCAR is intended to aid the Landlord, Tennant and Institution in:
- Executive Management (capital funding, strategic planning, risk analysis)
 - Fiscal Planning (program oversight, budget projections, scenarios planning, facility disposal)
 - Divisional Management (program execution, cost accounting, procurement)
 - Facilities Management (condition management, project planning, needs prioritization)
- C. The Facilities Condition Assessment Services described herein shall be performed by a Consultant composed of a team of professionals (engineers, technicians, etc.) with credentials, experience, specialized skills and a high level of technical knowledge to visually inspect, evaluate and document the condition of the materials, building components, and systems of designated facilities.
- D. The Consultant shall affirm the credentials of each team member to provide the Facilities Condition Assessment (FCA), Facilities Condition Assessment Reports (FCAR) and other Facilities Condition Assessment Services as required. The Consultant shall provide documentation of such credentials to the Landlord during the procurement phase.
- E. Unless otherwise stated herein, the processes, procedures and requirements for both, the FCA and FCAR shall be in accordance with the guidelines, standards and practices as specified by the Board of Regents (BOR) and ASTM- E2018-15. The requirements of the BOR shall supersede those of the ASTM.
- F. The R&R Reserves for the individual project shall fund the cost of the Facilities Condition Assessment Services described herein.

II. PROJECT BACKGROUND

- A. The USG Public Private Ventures (PPV) Program has a portfolio of various types of projects with over 500 facilities for Institutional use. The USG ground leases property to cooperative organizations (Foundations/LLCs) for the purpose of designing, constructing and owning a specified facility for use by the USG Institutions and students. Bond financing is obtained by the LLC (*Landlord*) to cover all related expenses at which time the LLC and Board of Regents (*Tenant*) enter into a rental agreement for durations, ranging from 10-30 years. The LLC is responsible for repayment of the bond financing by way of the rents and student fees. The USG Institution collects the rents and fees as well as managing, operating and maintaining the facility.
- B. For a complete listing of all the projects developed under the Public Private Ventures Program, please review the Board of Regents website: www.usg.edu. The following are the types of PPV and GHEFA facilities and their respective abbreviations.
- C. Facility Types:
- SH Student Housing
 - PD Parking Decks
 - REC Student Recreation Centers
 - SAC Student Activity Centers (may contain dining, bookstores, etc.)
 - DH Dining Halls
 - ATH Athletic Facilities
 - BS Bookstores
 - INST Instructional/Academic Facilities
 - OFF Office Buildings
 - RES Research Facilities

III. GUIDELINES FOR FACILITIES CONDITION ASSESSMENT SERVICES (FCAS) PROCESS

In the continuing effort to provide exceptional stewardship in sustaining physically sound, highly functional, visually attractive and safe PPV and GHEFA facilities, the Landlord, Tenant and Institution have formed a partnership to assure the Bondholders that all partners are being fiscally responsible and are providing a high level of maintenance and care for these facilities. A major responsibility of this partnership is acquiring well-qualified and experienced Consultants that will provide top-notch services and deliverables for the PPV and GHEFA facilities. The FCAS Process ensures that such Consultants are attained. This process involves three (3) phases that allow all partners to have total input and oversight throughout its duration. The following describe these three (3) key “*phases*” of the FCAS process.

A. Phase 1 - Procurement of FCAS Consultant

- 1.0 As early as nine (9) months prior to the deadline for the FCAR (see rental agreement), under the advisement of the Tenant and Institution, the Landlord shall issue a Request of Proposal (RFP) to at least three (3) Consultants that are qualified to provide Facilities Condition Assessment Services in accordance to the BOR Guidelines and ASTM E2018-15. For first time, PPV & GHEFA participants, the BOR recommends that the Consultant submit a previously completed FCAR with its proposal to aid in the RFP selection process.
 - 2.0 The RFP shall contain but not be limited to a Scope of Services including: limits of the Work; comprehensive Scope of Work; schedule for completion of the Work; deadline date for proposals; all special conditions and requirements to complete the Work.
 - 3.0 Upon receipt of the Proposals, the Landlord shall inform the Tenant and the Institution of the results of the Proposals. The Landlord shall meet with the Tenant and Institution to review these results. The Landlord, under the advisement of the Tenant and Institution, shall enter into a contract with the Consultant that best meets the qualifications and requirements for the Work to be performed.
 - 4.0 Upon execution of the contract, a mandatory meeting shall be held with the Landlord, Tenant, Institution and Consultant, prior to the commencement of the Work to review and acknowledge the Scope of Services; schedules; procedures and protocols for accessing and completing the Work.
- ❖ Note: The Georgia Department of Administrative Services (DOAS) procurement procedures are for State entities and do not apply to Foundations or other privatized entities.

B. Phase 2 - Facility Condition Assessment (FCA)

- 1.0 The Facilities Condition Assessment (FCA) shall be comprehensive, thorough and accurate. It shall be based on observations (non-destructive) and evaluations of all visible facility components and systems of the designated privatized facilities.
- 2.0 The Consultant shall travel to the Institution’s campus to interview facility staff, review documents and gather information, in order to conduct the required inspections, evaluations and analyses of the designated facilities.
- 3.0 Unless otherwise noted, the FCA shall be inclusive of the entire facility. There are cases, where some PPV or GHEFA facilities share space with non-PPV or GHEFA facilities. In such cases, the Consultant shall only observe the dedicated PPV of GHEFA areas (to be defined in the RFP).
- 4.0 The Consultant shall inspect and assess the condition of the following.
 - 4.1 Housing:
 - At least 20% of the student living units;
 - 100% of the offices, common and auxiliary areas and rooms (e.g. restrooms, kitchens, recreation-game rooms, laundry, study, etc.)
 - 100% of the HVAC, mechanical, electrical, elevator and storage rooms and closets;
 - 100% of open-air balconies, breezeways, walkways, and stairs.
 - 4.2 Non-Housing:
 - 100% of the rooms including HVAC, mechanical, electrical, storage rooms and closets.
 - 4.3 Precast Parking Decks:
 - Provide inspections of precast parking decks including all structural components. Such inspections should in accordance to the standards of the Precast/Prestressed Concrete Institute (PCI).
 - 4.4 Metal Bleachers:
 - Provide inspections for bleachers ((portable, permanent and telescopic) for student centers, multi-purpose and athletic facilities per local, state and federal codes, regulations and standards.

- 5.0 For all building components and systems, the Facilities Condition Assessment, at a minimum, shall:
- 5.1 Closely observe and identify deficiencies in the building envelope and structure, HVAC, mechanical, electrical, plumbing systems and life safety and other codes.
 - 5.2 Thoroughly observe and record the current attributes, physical condition and functionality.
 - 5.3 Determine whether deficiencies are due to lifecycle completion, excessive wear, improper use or care, factory defect or design or installation error.
 - 5.4 Prioritize and categorize all deficiencies or code violations by classification, type and severity.
 - 5.5 Identify all major repairs, replacements, routine and deferred maintenance projects.
 - 5.6 Recommend corrective action for all deficiencies or code violations.
 - 5.7 Provide a schedule for performing such corrective action.
 - 5.8 Provide an estimate of cost for such corrective action.
 - 5.9 Identify any current or future physical or financial risks.
 - 5.10 Provide the Expected Useful Life (EUL) of components and systems.
 - 5.11 Provide the Remaining Useful Life (RUL) of components and systems.
 - 5.12 Provide the Current Replacement Value (CRV) of the facility as required herein.
 - 5.13 Provide the Facilities Condition Index (FCI) and Facilities Condition Needs Index (FCNI) as required herein.
 - 5.14 Identify specific substandard maintenance and operations practices, areas of neglect, construction defects, equipment failures, damages, etc.
 - 5.15 Provide observations of the maintenance and care of the facility per Association for Physical Plant Administrators (APPA) standards for Maintenance, Custodial and Grounds and assign the applicable APPA rating.
- 6.0 Systems and Building Components to be observed may include some or all, but are not limited to, the following:
- 6.1 Primary Building Components and Systems:
 - Site Systems (utilities, roads, parking, paving, sidewalks, signage, fencing, irrigation, storm water, retaining walls, sanitary sewer/drainage systems, erosion control, landscaping, lighting systems, etc.)
 - Site Amenities (playgrounds, athletic courts, gazebos, swimming pools)
 - Building Envelope (windows, walls, thermal-moisture protection, sealants, exterior doors & hardware)
 - Roof System (roofing materials, roofing structures, dormers, gutters, leaders)
 - Structural System (foundations, framing, balconies, breeze-ways, stairways)
 - Interior Components (stairways, hallways, common and tenant areas)
 - Mechanical & HVAC Systems (heating, ventilation, air conditioning, vents, ductwork, piping, boilers, pumps)
 - Electrical Systems (distribution, lighting, emergency generators systems, service and metering)
 - Plumbing Systems (domestic water and sanitary systems, piping, plumbing fixtures)
 - Utilities (water, electricity, natural gas, sanitary sewer, storm sewer, special utility systems)
 - Conveyance Systems (escalators, passenger and freight elevators)
 - Fire & Life Safety (fire alarm, fire protection/suppression systems)
 - ADA & Code Compliance (ingress/egress, handicapped accessibility, compatibility, codes and regulations)
 - Microbial Visual Survey (water and moisture intrusion, mold, indoor air quality)
 - Furniture, Appliances, Loose Equipment and Interior Finishes
 - 6.2 Additional Systems:
 - Security Systems (intrusion alarms, motion detectors, door locks, access control, CCTV)
 - Environmental/Health (hazardous materials, air quality, water, noise, etc.)
 - Sustainability (review of facilities sustainability practices)
 - Energy Management (temperature control and monitoring)
 - IT Network Plan (voice, data, & wireless network)

7.0 Priority Classifications:

Facilities Condition Assessments (FCAs) shall prioritize all cited deficiencies by the five (5) priority classes defined as follows:

Priority 1	Immediate:	Items in this category require immediate action. A corrective action plan is needed to accomplish the corrective work.
Priority 2	Year One:	Items in this category, if not corrected expeditiously will become critical within a year. A corrective action plan is needed.
Priority 3	Year Two – Five:	Items in this category include conditions requiring routine monitoring and near-term planning and preparation.
Priority 4	Year Six – Nine:	Items in this category represent out-year improvements that require routine monitoring.
Priority 5	Year Ten:	Items in this category represent anticipated replacements/improvements due to the end of useful life, periodic monitoring is required.

8.0 Special Conditions and Exclusions:

Generally, and unless otherwise noted as additional services in the contract:

- 8.1 The Facilities Condition Assessment shall not include scientific equipment, furniture or moveable equipment.
- 8.2 The Facilities Condition Assessment shall not include asbestos inspection.
- 8.3 The Consultant must conduct *ALL* work of the Facilities Condition Assessment in a manner that is sensitive to the operations, activities and needs of the Institution and its faculty, staff, students and occupants.
- 8.4 The Facilities Condition Assessment will not require any digging, demolition, disassembly or special testing equipment.
- 8.5 If required, the Consultant's FCA team shall be able to lift ceiling tiles, open access doors or move building components in order to perform the Work. All items that are opened or moved must be returned immediately to its original condition without damage upon completion of the inspection.
- 8.6 Prior to entering into a "Facilities Condition Assessment Services" contract, Consultant must provide, at least, the minimum insurance coverages as required by the Landlord and BOR.

C. Phase 3 - Facilities Condition Assessment Report (FCAR)

- 1.0 The Facility Condition Assessment Report (FCAR) shall be a thorough, detailed documentation of the observations, results and conclusions of the required inspections. It shall capture and record the current physical condition, attributes and functionality of building components and systems, identifying all deficiencies. It shall provide recommendations for corrective action, estimates of costs, schedule for repair and replacement of deficient components and systems.
- 2.0 In addition, the FCAR shall provide accurate baseline data and metrics, valuable and useful information that can assist in strategic planning of Privatized Major Repairs & Replacements (PMRR) and Maintenance projects and in developing priorities for available Maintenance & Operations (M&O) funds and Repair & Replacement (R&R) Reserves over the next ten years.
- 3.0 Furthermore, the FCAR must identify conditions that are not in the area of the Consultant's expertise that in the opinion of the Consultant, if left unaddressed may become a potentially dangerous condition. In such cases, the Consultant shall recommend additional investigations by a third party, such as, an architect, structural engineer, mechanical engineer, electrical engineer, environmental health and safety engineer or other persons or firms that specialize in corrective action for the potentially dangerous condition.
- 4.0 The Facilities Condition Assessment Report (FCAR) shall be one continuous report consisting of two divisions:
 - Division I - Executive Report
 - Division II - Technical Report
- 5.0 These are the major components of the Facilities Condition Assessment Report. Reference Section IV for the outline and details.
 - A. FCAR Cover Sheet
 - B. Letter of Introduction
 - C. Table of Contents
 - D. Executive Report Cover Sheet
 - E. Division I - Executive Report
 - F. Cover Sheet – Technical Report
 - G. Division II - Technical Report

6.0 The FCAR shall include those components and systems that are near the end of their lifecycle but it is not expected to identify minor, inexpensive repairs or other maintenance items that are clearly part of the operating budget.

7.0 As a part of the Facilities Condition Assessment Report, the Consultant must complete Exhibit D, "Recommendation for Additional Investigations" found in the Executive Report'. The FCA Field Inspector must pay special attention to conditions that may undermine the soundness of the structure and pose threats to the health and safety of the Institution. Examples of such conditions are:

- Water intrusion
- Excessive Moisture and Mold
- Damaged Balconies, Open Air Stairs, Walkways, and Breezeways
- Defects with Building Envelope
- Structural Settling (cracks in concrete, interior or exterior walls, and windows)
- Framing Issues
- Springy or Unlevelled Floors
- Site or Storm Water Drainage
- Non-compliance with Building and Life Safety Code

8.0 Special Reports

Mandatory "Special Reports" are required for the following PPV facility types:

- Student Housing with Balconies, Open-Air Stairs and Breezeways
- Precast Parking Decks
- Facilities with Metal Bleachers

Such Special Reports shall be included in the Executive Report of the FCAR as Exhibit E. The Special Report for each facility type shall be as follows.

8.1 Student Housing with Balconies, Open-Air Stairs and Breezeways

These facilities have a greater probability of water intrusion and associated problems, such as, structural degradation and mold. A Special Report for student housing shall be provided that documents the current physical condition of open-air balconies, stairs, walkways, and breezeways and makes recommendations for corrective action.

A Qualified Professional shall perform a visual inspection of 100% of balconies, open-air stairs and breezeways to determine if there is evidence of potential structural or environmental issues. A Qualified Professional is a person who is trained in the design and construction of structural building components and is knowledgeable of Life Safety, building, environmental and other codes.

If any structural or environmental issues are found, the Qualified Professional shall immediately notify the Landlord, Tenant and Institution of such issues. In addition, the Qualified Professional shall provide a statement of opinion on whether the observed condition warrants additional investigation to assess the extent & severity of the issue and whether immediate safety measures are needed.

Although, the BOR has no template for the Student Housing Special Report. The intent is straightforward. The Special Report shall include a "Statement" that affirms that a Qualified Professional has visually inspected 100% of the open-air balconies, stairs, walkways, and breezeways. It shall describe the condition of such building components and provide recommendations, photos and other documentation to attest to the current condition of the inspected building components especially those with any potential structural or environmental issues.

8.2 Precast Parking Decks

A Special Report or Periodic Structural Audit shall be an in-depth FCAR for precast parking decks. It shall assess and document the physical condition of the parking deck and all of its structural components. The Periodic Structural Audit shall be based on Sections 2.3 and 2.5 of the "Maintenance Manual for Precast Parking Structures" published by the Precast/Prestressed Concrete Institute (PCI). A Professional Engineer with precast parking deck design and repair experience shall perform the Periodic Structural Audit. If no such team member is qualified to perform the audit, the Consultant shall obtain a third party firm with the required credentials to perform the audit.

The "Periodic Structural Audit" shall identify current and potential problems that can accelerate the deterioration of the parking structure. It shall include descriptions, photos of any deficiencies, areas of concern, any drawings and documentation of all field repairs and any deviations from the design drawings. The Periodic Structural Audit must provide corrective action for any such deficiencies or area of concern.

At a minimum, it shall include a visual inspection of major structural components such as:

- Bearing Regions – Check for cracking, bearing pad performance and adequate bearing area.
- Ledges, Pockets and Daps – Inspect for cracking, spalling and deterioration.
- Connection Protection Areas – Inspect for cracking and spalling.
- Deck Flange-to-Flange – Check welds and concrete for distress.
- Grouted Joints – Inspect for soundness and deterioration.
- Topping and Pour Strip Conditions – Check for de-laminations, cracking and ponding.
- Double Tee Joint Sealants – Inspect sealant for condition and adhesion and signs of leakage.
- Expansion Joints – Inspect integrity and load transfer mechanism and signs of leakage.

8.3 Metal Bleachers

A mandatory Special Report shall be included in the FCAR that assesses and documents the current condition of metal bleachers (permanent, portable and telescopic). The Special Report shall acknowledge that inspections were conducted by qualified personnel and shall be in accordance to the 2012 NFPA 101 Life Safety Code and "Rules And Regulations Of The Safety Fire Commissioner Chapter 120-3-3 Rules And Regulations For The State Minimum Fire Safety Standards" as specified in the Official Code of Georgia Annotated (O.C.G.A.) Section 25-2-4.

At a minimum, the Special Report for metal bleachers shall include:

- Identification of deficiencies in guardrails, handrails, structural members, non-skid surfaces on the floorboards, stairs and walkways that can cause injury or harm to users.
 - Identification of damaged, corroded, deteriorated, loosened and missing components.
 - Recommendations of corrective action for all deficiencies and estimated costs for such corrective action.
 - Documentation of self-performed inspections, repair and preventive maintenance efforts by the staff of the Foundation including the date of the inspection and the signature of the person who conducted each inspection.
 - Documentation of third-party biennial inspections by a professional engineer, registered architect or individual certified by the manufacturer.
- ❖ The Consultant shall immediately inform the Landlord, Tenant and Institution of any conditions in the bleachers that can cause immediate harm to users.

9.0 Deliverables:

9.1 Facility Condition Assessment Report (Draft Version):

In accordance to the BOR Guidelines and ASTM E2018-15, the Consultant shall prepare a draft FCAR for review by the Landlord, Tenant and Institution, prior to payment to the Consultant. The Draft shall be identified as such and have the current date. A mandatory meeting shall be held to review the draft FCAR to confirm that the Scope of Services was completed as required and to consent to the accuracy of the contents of the report. Meeting attendees shall be:

- Landlord - LLC Representative
- Tenant - Board of Regents Representative
- Institution - USG Institution Representative
- Consultant – Consultant

9.2 Prior to the review meeting, the "Draft Version" of the FCAR shall be delivered in electronic pdf file to:

- Landlord - LLC Representative
- Tenant - Board of Regents Representative
- Institution - USG Institution Representative

9.3 Validation of Facility Condition Assessment Report (Final Version)

After the recommended corrections and modifications from the Landlord, Tenant and Institution have been incorporated into the draft FCAR, the Consultant shall distribute the revised FCAR to each for final review and validation.

A meeting will be scheduled with the Consultant, Landlord, Tenant and Institution to approve the Final FCAR. After final approval, the Consultant shall provide an electronic pdf file of the Final FCAR shall be issued to the following.

- Landlord - LLC Representative
- Tenant - Board of Regents Representative
- Institution - USG Institution Representative

❖ The Landlord or Institution may request a hard copy of the FCAR in addition to the electronic file.

IV. FACILITIES CONDITION ASSESSMENT REPORT (FCAR) OUTLINE

The Outline and contents of the Facilities Condition Assessment Report (FCAR) shall be as follows.

A. FCAR Cover Sheet

Provide a Cover Sheet that identifies the Facilities Condition Assessment Report, including:

- Facilities Condition Assessment Report (Title)
- Photo of facility (Satellite or Elevation)
- Institution's Name
- Name of project, Address (City-State-Zip Code)
- Current Date of Report
- FCAS Vendor Information (Name, Address, Telephone Number, Preparer)

B. Letter of Introduction

Provide letter explaining the purpose of the project addressed to Foundation or Foundation's Representative.

C. Table of Contents

Provide a Table of Contents that includes all components of the Facilities Condition Assessment Report.

D. Executive Report Cover Sheet

Provide a Cover Sheet for the Executive Report that includes:

- Division I - Executive Report
- Institution's Name
- Name of project, Address (City-State-Zip Code)
- Current Date of Report
- FCAS Vendor Information (Name, Address, Telephone Number, Preparer)
- Elevation Photo of facility

E. Division I - Executive Report

- 1.0 The Executive Report of the Facilities Condition Assessment Report is for the Landlord and BOR management teams. It shall be in accordance with the BOR "Facilities Condition Assessment Report Template". The information, data and metrics shown in the template are not factual and are for reference only. The Consultant must not deviate from the template's outline, categories, exhibits and appendices.
- 2.0 The Executive Report shall be a summary of the Facilities Condition Assessment that includes observations, results and conclusions that describe the current physical condition of the facility, identify and prioritize the critical deficiencies, recommend corrective action, estimate associated costs and provide other relevant data and metrics pertaining to the facility.
- 3.0 The Executive Report shall contain information that is accurate, useful and reliable in order to aid the Landlord, Institution and the BOR in forecasting, planning and budgeting the repairs, replacements and maintenance needs for the facility for the next ten (10) years.
- 4.0 The Executive Report shall describe the level of maintenance and custodial care of the facility according to the standards of the Association of Physical Plant Administrators (APPA).

The outline for the Executive Report shall be as follows.

1. **General Description:**
Provide a narrative containing the facility's name, location, type, square footage, use, age, other attributes and pertinent and historical information describing the facility.
2. **General Physical Condition:**
Provide the overall condition of the facility components and systems describing any Privatized Major Repairs & Replacements (PMRR) and Maintenance critical needs with an estimated cost of repairs and replacements for the next ten years.
3. **Priorities 1 And 2 Needs:**
Identify and describe all critical Priority 1 & 2 deficiencies, provide corrective actions and associated estimate of costs.
4. **Recommendation for Additional Investigations:**
Identify any facility component or system that the Field Inspector observes may cause concern regarding the soundness of the structure, the systems, and/or threats to the overall health and safety of the occupants, if left uncorrected.
5. **Recent Capital Improvements:**
Describe any recent capital improvements including the year and associated costs.
6. **Current Replacement Value (CRV):**
Provide current replacement value of the property or facility using one of the accepted methods for calculating the value. Do not use insurance values (See Division V, Section E).
7. **Special Reports:**
If applicable, acknowledge inclusion of a Special Report for any of the following type of facilities. If any such report is included, please provide the name of the report, its results and recommendations. If not, state no Special Report is required.
 - Student Housing with Balconies, Open-Air Stairs and Breezeways
 - Precast Parking Decks
 - Facilities with Metal Bleachers

Exhibits:

Fully complete the following exhibits. Do not modify exhibits.

- Exhibit A Facility Information Form
- Exhibit B List of Deficiencies – By Priority & Building Components
- Exhibit C-1 10-Year Projected PMRR Expenses – By Year
- Exhibit C-2 10-Year Projected Maintenance & Other Expenses – By Year
- Exhibit D Recommendations for Additional Investigations
- Exhibit E Special Reports (If Applicable)

Appendices:

Fully complete Appendix A for all recommended Privatized Major Repairs & Replacements (PMRR) Expenses and Appendix B for all recommended Maintenance and Other Expenses (OE) for the next 10 years. Provide estimates of costs for each recommended item. Provide Special Reports for applicable items.

- Appendix A 10-Year Projected PMRR Expenses
- Appendix B 10-Year Cost Projected Maintenance & Other Expenses

F. Cover Sheet – Technical Report

Provide a Cover Sheet for the Technical Report that includes:

- Division II – Technical Report (Title)
- Institution's Name
- Name of project, Address (City-State-Zip Code)
- Current Date of Report
- FCAS Vendor Information (Name, Address, Telephone Number, Preparer)
- Elevation Photo of facility

G. Division II - Technical Report

- 1.0 The Technical Report is the BOR's term for the industry's standard condition assessment report. The Technical Report is primarily for the Foundation/LLC (Landlord) and Institution. It shall be an accurate, useful and reliable tool for managing and operating the PPV and GHEFA facility for the next ten (10) years.
 - 2.0 The Landlord and Institution shall have the oversight and approval of the Technical Report. The Consultant shall provide a report whose format style and content including data, metrics and supporting documentation is agreeable to the Landlord and Institution.
 - 3.0 The Technical Report shall be based on the ASTM- E2018-15, its Annex and Appendices. It shall be a detailed analysis of the observations, results and conclusions of the Facilities Condition Assessment, such that, the Landlord and Institution can effectively identify, prioritize, finance, schedule and implement projects for repair, replacement and maintenance of the facility components and systems.
 - 4.0 Additionally, the Technical Report shall include exhibits, certificates and supporting documentation (photographs, drawings, logs, charts, tables and formulas, etc.), any capital improvements, unusual deteriorating conditions and current replacement value of the property or facility. For all capital improvements, it shall provide a description of the improvement and the associated cost.
 - 5.0 Photographs shall be of non-conforming building components or systems. Photos shall include captions that identify the deficient item, its location and the section of the FCAR that describes the deficiency in detail.
 - 6.0 The Technical Report shall include the Facilities Condition Index (FCI) and Facilities Condition Needs Index (FCNI). The calculations for the FCI and FCNI shall be in accordance to the BOR Guidelines. Do not include or reference the FCI or FCNI in the Executive Report.
- ❖ Under certain circumstances, the Landlord and Institution may require additional information in the Technical Report to establish baseline data and benchmarks in order to better plan and forecast Privatized Major Repairs & Replacements (PMRR) and Maintenance projects.

The following is an outline of the minimum contents for the Technical Report. With the approval of the Landlord and Institution, the Consultant can modify the order of this outline. The Landlord, Tenant or Institution can add to these requirements as deemed necessary.

- A. Executive Summary
 - 1.0 General Description
 - 2.0 General Physical Condition
 - 3.0 Opinions of Costs
 - 4.0 Recommendations and Discussion
- B. Purpose and Scope
- C. System Description and Observations
 - Overall General Description
 - 1.0 Site Systems
 - 1.1 Topography
 - 1.2 Storm Water Drainage
 - 1.3 Access and Egress
 - 1.4 Parking
 - 1.5 Paving and Curbing
 - 1.6 Landscaping and Appurtenances
 - 1.7 Retaining Walls
 - 1.8 Fencing
 - 1.9 Signage

- 2.0 Site Amenities
 - 2.1 Site Amenities
 - 2.2 Recreational Facilities
 - 2.3 Trash Enclosures
 - 2.4 Exterior Landings, Stairs, Railings, And Bollards

- 3.0 Building Envelope
 - 3.1 Façades and Storefronts

- 4.0 Roof System
 - 4.1 Roofing

- 5.0 Structural System
 - 5.1 Design Criteria
 - 5.2 Foundation System
 - 5.3 Building Frame and Deck Surface

- 6.0 Interior Components
 - 6.1 Interior Walls
 - 6.2 Interior Doors and Frames
 - 6.3 Ceilings
 - 6.4 Floors
 - 6.5 Interior Stairs

- 7.0 Mechanical and HVAC Systems
 - 7.1 Heating
 - 7.2 Equipment
 - 7.3 Air Conditioning and Ventilation
 - 7.4 Distribution
 - 7.5 Controls Systems

- 8.0 Electrical Systems
 - 8.1 Electrical Service and Metering
 - 8.2 Distribution

- 9.0 Plumbing Systems
 - 9.1 Plumbing Fixtures
 - 9.2 Supply and Waster Production
 - 9.3 Domestic Hot Water Production

- 10.0 Utilities
 - 10.1 Water
 - 10.2 Electricity
 - 10.3 Natural Gas
 - 10.4 Sanitary Sewer
 - 10.5 Storm Sewer
 - 10.6 Special Utility Systems

- 11.0 Conveyance Systems
 - 11.1 Elevators
 - 11.2 Escalators

- 12.0 Fire and Life Safety
 - 12.1 Sprinklers and Standpipes
 - 12.2 Alarm Systems
 - 12.3 Other Systems

- 13.0 ADA and Code Compliance
 - 13.0 Americans with Disabilities Act (ADA), Title III
 - 13.1 Exterior Accessibility
 - 13.2 Interior Accessibility
 - 13.3 Code Classification
 - 13.4 Certificates of Occupancy and Building Permits
 - 13.5 Government Agency Review
 - 13.6 Means of Egress

- 14.0 Visual Microbial Survey
 - 14.1 Visual Microbial Survey

- 15.0 Furniture, Fixtures, And Equipment
 - 15.1 Furniture
 - 15.2 Fixtures
 - 15.3 Equipment
 - 15.4 Mattresses

- 16.0 Additional Considerations

- 17.0 Documents Reviewed

- 18.0 Out of Scope Considerations

- 19.0 Facility Condition Index (FCI), Facilities Condition Needs Index (FCNI) and Opinions of Costs

- 20.0 Exhibits & Supporting Documentation (Minimum items are listed)
 - Exhibit A - Vicinity Map
 - Exhibit B - Site Plan
 - Exhibit C - Flood Plain Determination Report
 - Exhibit D - Certificate of Occupancy
 - Exhibit E - Photographs
 - Exhibit F - Professional Resumes

V. TERMINOLOGY, DEFINITIONS, CLASSIFICATIONS

A. Expense Classifications

The Facilities Condition Assessment Report shall identify and prioritize all deficiencies found in facility components and systems that need repair and replacement. Recommendations for repair and replacement of facility components and systems shall not be based primarily on the Expected Useful Life (EUL) but on the actual condition of such component or system at the time of the visual inspection or observation. For the purposes of this Facilities Condition Assessment Report, cited deficiencies shall be categorized within one of the following classifications according to the definition provided below.

B. Privatized Major Repairs & Replacement Expenses:

- 1.0 PMRR – Privatized Major Repairs & Replacements Expenses (Formerly Capital Renewal):

Expenses for major repairs and replacements of a privatized facility's components and systems (roofs, HVAC, electrical and plumbing systems) that have predictable lifecycles and have a maintenance cycle in excess of one year. They extend the life and retain the usable condition of facilities, its components and systems. They are not normally in the annual operating budget. To be classified as Privatized Major Repairs & Replacements (PMRR) expenses, the work must meet all of the following criteria:

 - a. Is a major activity that has a maintenance cycle in excess of one year (e.g., replace roofs, paint the building exterior, resurface roads);
 - b. Is an activity that extends the useful life and retains the usable condition of an associated capital asset (e.g., replacement of an HVAC system);
 - c. Is a replacement or major repair of a facility's component or system whose cost is at least \$100,000 within a single year as it reaches the end or nears the end of its useful life (e.g., the replacement of flooring).

- 2.0 Exceptions - If the following items meet the criteria of Paragraph 1.0c, they can be classified as PMRR expenses.
- a. Replacement or repair of furniture, appliances, loose equipment and interior finishes that are not typically categorized as Privatized Major Repairs & Replacements.
 - b. Plant Adaptation expenses to adapt the facility to evolving or changing standards. Examples include compliance with changing codes (e.g., handicapped accessibility) and improvements occasioned by the adoption of modern technology (e.g., the use of personal computer networks).

C. Operations & Maintenance (O&M) Expenses:

1.0 RM - Routine Maintenance Expenses:

Expenses for planned maintenance and scheduled work usually comprised of minor to moderate repairs or replacement to keep the facility functioning properly and visually attractive for the use of its occupants. It is often characterized by its routine or recurring nature. Routine Maintenance can also be described as the day-to-day efforts to control deterioration of facilities (upkeep) through scheduled repetitive activities (e.g. interior painting, replace finishes) periodic scheduled work (e.g., inspections and equipment adjustments) and minor repairs made on an as-needed basis.

To be classified as a Routine Maintenance Expense the work must meet the following criteria:

- a. Is an activity normally contained in the Maintenance & Operations budget;
- b. Is a replacement or repair of facility's individual component or system that has failed and in total, amounts to less than \$100,000 or 25 percent of the original cost of facility components and systems within a single year (e.g., the replacement of a limited number of doors or hot water heaters or flooring)

❖ Exclusions: Do not include expenses related to preventive maintenance (e.g. filter changes, equipment adjustments).

2.0 PM – Preventive Maintenance Expenses:

Expenses attributed to a planned, controlled program having procedures that schedule periodic inspection, cleaning, lubrication, adjustment, minor repair, reporting, data recording as well as performance testing and analysis necessary to minimize breakdown of building components and systems and maximize the reliability, performance and life cycle of facility components and systems.

Preventive maintenance is designed to produce cost savings by:

- a. Reducing the downtime of critical systems and equipment.
- b. Extending the life of facilities and equipment.
- c. Improving equipment reliability.
- d. Ensuring proper equipment operation.
- e. Improving the overall appearance of facilities.

❖ Routine Maintenance (RM), Preventive Maintenance (PM) expenses are paid from Operations & Maintenance (O&M) funds that are retained by the project revenues.

D. Other Expenses (OE):

1.0 On occasion, there are unanticipated repairs, replacements, and improvements to the facility whose expenses are not paid from either R&R Reserves or Operations & Maintenance funds. The following activities are typically funded from other fund sources.

- a. Warranty Claims: Work required to repair or replace materials, building components, equipment or systems that have failed and are still under a contractor or manufacturer's warranty. Typically paid by the contractor or manufacturer.
- b. Insurance Claims: Corrective work caused by unforeseen events such as storms, fires, flood, water damage, etc. that are normally covered by insurance.
- c. Programmatic Alterations: Occasionally the will request physical alterations or reconfigurations to the facility to help with program or operational needs. These expenses are typically funded via increased rents, a one-time R&R Reserves adjustment or contributions from service providers.

E. Current Replacement Value (CRV)

CRV is defined as the estimated cost of materials, supplies, and labor required to replace a facility at its existing size and functional capability, and to meet applicable regulatory codes. When estimating CRV, it should be assumed that code compliant materials and systems will be used to replace the existing asset. CRV is to be estimated for reconstructing an asset as it currently sits, without modifications or improvements. The cost of planning/design, and project management must be included

in the CRV. Special study costs, such as geotechnical, hydraulic and hydrologic, permits, and applicable taxes and special assessments should also be included in the value. The value of the property/land and furnishings and equipment are not to be included. There are three methods for calculating the CRV. They are as follows:

1.0 Method A: (Preferred)

In most cases, the most consistent method for determining the CRV is to use the original project costs (minus the cost of FF&E) and apply historic cost indices to inflate the costs to today's dollars. There will sometimes be changes in construction techniques and building codes that require additional expense. Building codes are updated on a three-year cycle and invariably incorporate new safety measures that add to the cost. Fire sprinklers in dormitories may have been optional ten years ago, no more. Forty years ago, the building may not have included smoke or fire detectors, only pull stations. Twenty years ago, a building may have been constructed without any Internet infrastructure.

2.0 Method B:

Use BOR or square foot cost data for recent new construction of similar facilities.

3.0 Method C:

Use the RSMean or Whitestone or Marshall & Swift square foot cost data to estimate the value of individual buildings using the general descriptions of buildings and cost ranges; the horizontal infrastructure (sidewalks, parking, and utility distribution) can be estimated at a percent of the building value (s with little campus-owned infrastructure should reduce this number accordingly).

F. Facility Condition Index (FCI) & Facility Condition Needs Index (FCNI)

The Facility Condition Index (FCI) and Facility Condition Needs Index (FCNI) are formulas for determining the condition of facilities. Both formulas are based on industry standards. They are the ratio between the Current Replacement Value (CRV) (denominator) and the total costs of repairs and replacements (numerator) over a period of time. For the purpose of the BOR FCAR, the following are the formulas for the FCI & FCNI.

1.0 Facility Conditions Index (FCI):

For the purpose of the BOR FCAR, the Facilities Condition Index (FCI) calculations shall be:

$$FCI = \frac{\text{Projected Major Repairs \& Replacements + Maintenance + Other Expenses (10 Years)}}{\text{Current Replacement Value of the Facility (CRV)}}$$

2.0 Facility Condition Needs Index (FCNI):

For the purpose of the BOR FCAR, the Facilities Condition Needs Index (FCNI) calculations shall be:

$$FCNI = \frac{\text{Projected Major Repair \& Replacement Expenses (10 Years)}}{\text{Current Replacement Value of the Facility (CRV)}}$$

3.0 FCI & FCNI Scoring System:

The FCI & FCNI can be classified as good, fair, or poor based on the following values:

<0.05 = Good 0.06 to 0.10 = Fair >0.10 = Poor

The Consultant shall not include the FCI or FCNI in the BOR Executive Report.

VI. ATTACHMENTS – BOR Guidelines for Facilities Condition Assessment Services for Privatized Projects

- A. Attachment A - BOR Facilities Condition Assessment Report Template (Includes Exhibits & Appendices)
- B. Attachment B - Appendix A – 10 Year Projected PMRR Expenses (Excel Version)
- C. Attachment C - Appendix A – 10 Year Maintenance & Other Expenses (Excel Version)
- D. Attachment D - APPA Standards (Maintenance, Custodial & Grounds).
- E. Attachment E - ASTM E2018—15 Baseline Property Condition Assessment Process.