

**Memorandum of Understanding
Between [Agency], «SubDepartment», «Division» and
Department of Administrative Services
For FY2009 Routine Maintenance Funding**

July 15, 2008

The Department of Administrative Services has received an appropriation of \$3,000,000 for FY2009 from the Iowa General Assembly for "routine maintenance of state buildings and facilities, notwithstanding section 8.57, subsection 6, paragraph c" of the Iowa Code. In accordance with this appropriation, the Department of Administrative Services agrees to allocate \$x,xxx.xx to [Agency], for the purposes of performing specific routine maintenance work at facilities under the control of [Agency]. An initial distribution will be forwarded to the agency upon signing of the MOU. The balance will be forwarded upon approval of the Department of Administrative Services and the Department of Management.

Funds will be transferred as follows:

\$x,xxx.xx	33% upon execution of this Memorandum of Understanding
\$x,xxx.xx	67%
\$x,xxx.xx	Total Allocation

[Agency] agrees to perform this work in accordance with the language of the appropriation, the definition for routine maintenance developed by the Governor's Vertical Infrastructure Advisory Committee and the Department of Administrative Services (as outlined in the Advisory Committee's "Strategic Plan of Action for Preserving Iowa's Buildings and Monuments" including the revised definitions dated July 10, 2006) and the attached memo from the Vertical Infrastructure Advisory Committee dated July 12, 2008.

[Agency] agrees to develop a routine maintenance plan for performing this work. This plan shall be available upon request for review by the Department of Administrative Services, the Legislative Services Agency, the Department of Management or others.

[Agency] agrees to maintain an accounting of this work using I/3 (Integrated Information for Iowa) and using the following account codes:

09	0001			RM09	204	0301
FY	FUND	AGENCY	APPROP	ORG	REVENUE CLASS	REVENUE SOURCE

TERMINATION DUE TO NON-APPROPRIATION: Notwithstanding any other provision of this Agreement, if funds anticipated for the continued fulfillment of this Agreement are at any time not forthcoming or insufficient, either through the failure of the State to appropriate funds, discontinuance or material alteration of the program for which funds were provided, then the Department of Administrative Services shall have the right to terminate this Agreement without penalty by giving not less than thirty (30) days written notice documenting the lack of funding, discontinuance, or program alteration.

Signed and dated:

Authorized Signature (date)

Authorized Signature (date)

Name and Title

Mollie Anderson, Director

Name and Title

[Agency],

Department of Administrative Services

Iowa Vertical Infrastructure Advisory Committee

Memorandum

To: Agencies, Institutions and Divisions Receiving FY2009 Routine Maintenance Funds
From: Iowa Vertical Infrastructure Advisory Committee
Dennis Bennett, Member
Gary Benshoof, Member
Les Holland, Member
Mary Krier, Member
Eve Palmer, Member
Dan Prymek, Member
Terry Slinde, Member
Re: Routine Maintenance Funds for FY2009
Date: July 15, 2008

For FY2009 the Governor recommended and the General Assembly has approved an appropriation of \$3 million for Routine Maintenance statewide. The members of the Vertical Infrastructure Advisory Committee would like to provide a reminder regarding their opinion on the types of expenditures that should be funded with this appropriation and guidance to agency directors and their staffs as they prepare to use these funds.

The Committee's definition of Routine Maintenance is as follows: "Expenditures made for the regular upkeep of physical properties (i.e. Land, Buildings, and Equipment) including recurring, preventive and on-going maintenance necessary to delay or prevent the failure of critical and non-critical building systems and equipment. For purposes of this definition, building operational costs are not considered routine maintenance. Tangible personal property as defined in [the committee's 'Routine Maintenance Definition' document, revised July 10, 2006] shall not be eligible for routine maintenance funds."

The types of expenditures the Committee intends to include in routine maintenance fall into two general categories: 1) materials to be used by staff members to perform routine maintenance and 2) outsourced specialty work to meet the definition of routine maintenance. Here are some examples of the committee's intent:

Material costs include:

- Furnace and air conditioning materials such as filters, fan belts, coil cleaners, refrigerant
- Exterior maintenance materials such as sealants, paint, caulk, roofing materials, flashing, mortar, and concrete
- Water treatment chemicals for boilers, chillers, and cooling towers
- Plumbing materials such as washers, o-rings, toilet flush valve diaphragms, pump seals.
- Electrical materials such as lamps, ballasts, circuit breakers, fuses, outlets, switches.

Outsourced specialty work includes:

- Elevator maintenance
- Chiller oil and vibration analysis, eddy current testing, and megger testing
- Boiler inspections and pressure testing
- Electrical system infrared scans

A general rule of thumb for the cost of routine maintenance is that the cost of the materials and specialty contracts is roughly equal to the cost of the in-house staff labor. This can be determined by reviewing the experience and exchange reports of various building management groups such as the Building Owners and Managers Association (BOMA), the International Facility Management Association (IFMA) and the Institute of Real Estate Management (IREM).

The intent of funding routine maintenance is to give staff the materials needed to accomplish the extension of building service life as efficiently as possible, and avoid calling outside service vendors for work the in-house staff could self perform if they simply had the materials. The intent is not to take away new construction work from contractors in their area.

Members of the General Assembly face many demands as they make important spending decisions each year. Maintenance funding—and its impact on building service life—is explained to them at the start of each legislative session as part of the appropriations process. The Vertical Infrastructure Advisory Committee welcomes the assistance of facility representatives in explaining this program to individual legislators over the course of the year as occasions arise.