

» What Works

By Robin Suttell

Sunbelt service center directors reap benefits of cost-saving initiatives

For the past several years, funding provided to operate federal buildings has been tight. So tight, in fact, that the coffers lacked necessary funds to perform all of the services required to keep properties in Atlanta-based U.S. General Services Administration's (GSA) Southeast Sunbelt Region in tip-top shape.

"We had not washed windows in buildings in several years, and some of our valued customers were starting to complain," says William R. Godfrey, district manager of the region's property management division. "We needed budget relief."

The director of the property management division, Steve Leonard, sought approval from the senior leadership of the region's Public Buildings Service to offer a cost-savings incentive program to the 12 service center directors responsible for the operations of about 162 federally owned facilities within the region.

Godfrey, who supervises the service center directors, explains that the incentive allows the directors to spend \$1 on projects for every \$3 of hard savings they could identify in their budgets. "He asked us to get creative and to come up with savings," Godfrey says.

Godfrey notes that the GSA nationwide has used a budget-to-performance program that requires the facilities teams to meet benchmarks. The new program, which is being enacted only in the Southeast Sunbelt Region, is an extension of that program.

The cost-saving incentive program was introduced to directors in the spring of 2003 and has been implemented slowly throughout the region's property management division.

Godfrey says: "We feel that a year from now, we should have it fully implemented. It has made a huge difference in the number of savings initiatives identified by the service centers."

The incentive program is being promoted on all levels within the property management division. Even the region's 11 entry-level property management interns have a stake in developing savings initiatives and have been tasked with finding ways to locate cost savings in operating budgets and plans.

C. Michael Scroggins, facilities branch chief for the GSA's Public Buildings Service, says the benefits realized by the program have thus far reached beyond mere energy savings. Directors are improving relationships with utilities providers by negotiating contracts and getting the best product.

"You have to go out to the provider and ask, 'What can you do for me?' Sometimes you can save \$10,000 to \$20,000 right off the bat," Scroggins says.

Those savings add up to property improvements throughout the region. Service center managers evaluate their greatest needs and apply the \$1 for every \$3 saved to a myriad of activities from window cleaning to commissioning equipment.

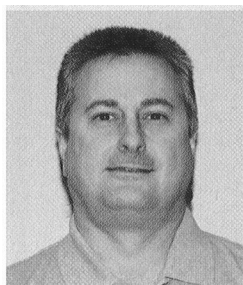
At the Atlanta Federal Center, the facilities team there met a quick return on their investment. They recommissioned the building's energy management control systems at a cost of \$50,000. In the first 7 months following the recommissioning, utility costs have decreased by nearly \$100,000 (or \$14,000



William R. Godfrey

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» Supervises eight service centers responsible for the management of approximately 30 million square feet of leased and owned space.



C. Michael Scroggins

» Facilities Branch Chief, Public Buildings Service (PBS), U.S. General Services Administration, Southeast Sunbelt Region.

» Provides technical and administrative support to all service centers in eight states. Has spent 6 years with the federal government and more than 22 years in engineering. Recipient of the Regional Administrators Hero Award for work done on 9/11.

per month).

Tenant comfort also has improved. Hot/cold complaint calls from tenants have decreased 35 percent from the previous year. And, some of the equipment now can be operated for fewer hours, resulting in less wear-and-tear and maintenance costs.

At another facility, the Peachtree Summit Building in Atlanta, the facilities team broadened its competitive base by refining the scope of work and tightening its vendor selection process. As a result, the facilities department closely scrutinized its custodial contracts and wound up cutting costs by nearly \$300,000 per year.

"Once our contractors realize this is an ongoing process, they are going to be more likely to put prices out there that will stand the scrutiny and work with us to help us operate more efficiently," Godfrey says. "The main thing we've learned is that you can't accept everything at face value. Just because you have a contract that works well, you need to take a closer look at it."

Scroggins agrees and offers up this advice: "Small amounts of savings can really add up over a year," he says. "Don't just push them aside." **B**

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