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US Forest Service
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Washington DC 20250
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Date: May 22, 2023

Delivered via ELECTRONIC MAIL

This letter is in response to your Freedom of Information Act (FOIA) request dated August 2, 2021, and received August 3, 2021, by the U.S. Department of Agriculture's Forest Service Washington Office FOIA Service Center and assigned tracking number 2021-FS-WO-05090-F. You requested the following records:

A copy of the Forest Service Five-Year Deferred Maintenance Management Strategy 2018-2022.

In response to your request, we conducted a search and found 11 pages of responsive records: 11 pages are released in entirety.

The FOIA provides that requesters pay the reasonable costs for search, review, and duplication of records. Pursuant to Title 7, Code of Federal Regulations, Subtitle A, Part 1, Subpart A, Appendix A, there is no charge as the amount falls below the minimum required to collect fees.

This concludes the Forest Service's response to your FOIA request.

The FOIA provides you the right to appeal this response. Any appeal must be made in writing, within 90 days from the date of this letter to the Chief, USDA Forest Service. Additionally, due to the concerns surrounding the COVID-19 virus we are only accepting appeals electronically at this time. Please email your appeal to SM.FS.WOFOIA@usda.gov. The term "FOIA APPEAL" should be placed in capital letters on the subject line of the email along with the FOIA case number assigned to your request. To facilitate the processing of your appeal, please attach a copy of this letter to your request as well.

If you need any further assistance or would like to discuss any aspect of your request please do not hesitate to contact the FOIA Public Liaison at (202) 205-6560. Additionally, you may contact the Office of Government Information Services, National Archives and Records Administration, to inquire about the FOIA mediation services they offer. The contact information for OGIS is as follows: Office of



Government Information Services, National Archives and Records Administration, 8601 Adelphi Road-OGIS, College Park, MD 20740-6001, email ogis@nara.gov; telephone at (202) 741-5770; toll free at (877) 684-6448; or facsimile at (202) 741-5769.

Sincerely,



LESLIE
BOAK

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Leslie J. Boak, Acting Deputy Director ETG for

EHAB HANNA

Director, Engineering, Technology and Geospatial Services

Enclosures: 11 pages



March 2018

**FOREST SERVICE 5-YEAR
DEFERRED MAINTENANCE
MANAGEMENT STRATEGY
2018 - 2022**

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Introduction

The mission of the Forest Service is to sustain the health, diversity, and productivity of the nation's forests and grasslands to meet the needs of present and future generations. Additionally, the Forest Service Strategic Plan for FY2015 – 2020 contains four outcome-oriented goals:

1. Sustain Our Nation's Forest and Grasslands.
2. Deliver Benefits to the Public.
3. Apply Knowledge Globally.
4. Excel as a High-Performing Agency.

The Forest Service's portfolio of infrastructure assets enables the agency to carry out its mission and strategic goals across the 193 million acres of national forest and grasslands managed by the agency. This infrastructure serves as the foundation that makes possible the delivery of forest products to market, activities that mitigate wildfire risk, recreational opportunities connecting people to the outdoors, research activities advancing knowledge, and work space to attract and retain top employees.¹ As mission and public needs evolve, asset investment and management decisions need to reflect these changes to support current and future demands.

In addition to managing assets for current and future mission objectives, the agency is also required to properly manage assets through their entire life-cycle and is responsible for their management until disposed. Given limited resources, it is necessary for the agency to provide transparency in decisions and strategies to fulfill its mission and address its deferred maintenance backlog.

This document describes the agency's strategy to manage the Forest Service infrastructure portfolio with goals and objectives that apply comprehensively to all assets, such as transportation, dams, and facilities. It takes into consideration recommendations from previous audits, internal program reviews, and previous internal studies by the agency to address infrastructure challenges. These include, but are not limited to, the recent OIG audit on deferred maintenance, travel management, and an internal report on the Financial Sustainability of Our Facility Portfolio, among others.

The agency will focus on sustaining priority assets that are critical to the agency's mission, and diligently dispose of nonessential assets as budgets allow. This strategy documents a purposeful use of scarce funding to deliver the agency's mission and reduce the size of the agency's portfolio, which will result in a reduction to the backlog of deferred maintenance in the long-term.

¹ Portfolio management areas which supports the agency mission and goals include: 1) Forest Management, 2) Fire and Aviation Management, 3) Recreation Management, 4) Research and Development, and 5) Administration.

Background

The Forest Service stewards approximately 193 million acres of national forests and grasslands collectively referred to as the National Forest System (NFS). Within NFS, the agency owns and manages a large and diverse portfolio of infrastructure that includes:

Transportation Assets: Approximately 370,000 miles of roads, including 275,000 miles that are open to the public. Of the open roads, 65,000 miles are maintained for passenger car use; 6,000 road bridges; 151,000 miles of trails for motorized and non-motorized use; and 6,340 trail bridges.

Facilities: Approximately 40,000 Forest Service-owned administrative, fire, recreation, and research buildings² and approximately 27,000 recreational sites that include campgrounds, water and waste water systems, picnic areas, trailheads, and interpretive sites.

Dams: Approximately 500 Forest Service-owned jurisdictional dams.

Communication Sites: Approximately 1,700 sites comprise the system of communications-related infrastructure that serves the agency in the management of its natural, historic, cultural, fire, recreational, and administrative resources.

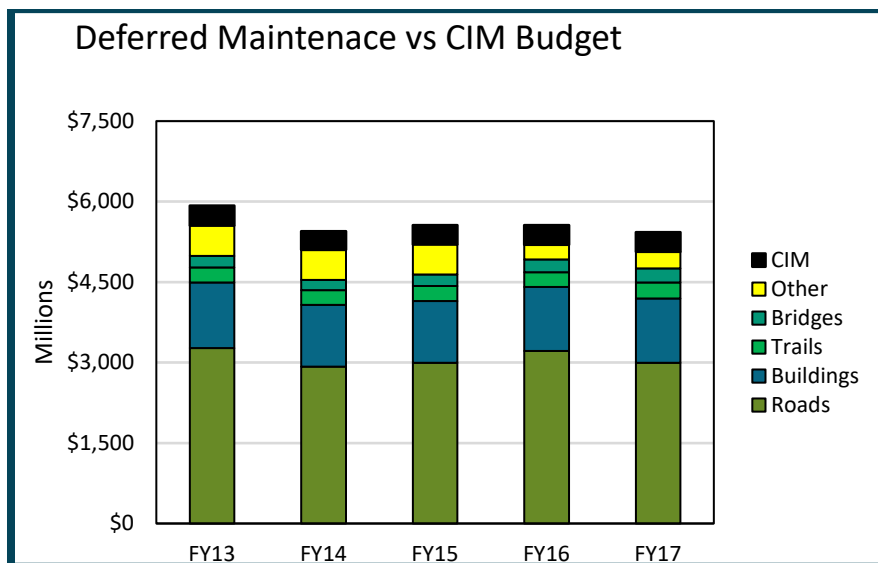
An indication used, within asset management, to evaluate the likelihood an asset will provide acceptable service through its expected life is reflected in the asset's accumulated deferred maintenance.³ Generally, a large deferred maintenance total relative to the asset's replacement value suggests the asset will likely fail or perform unsatisfactorily in the future if it has not achieved its expected life. To collect deferred maintenance data, the Forest Service conducts periodical physical condition assessment surveys. Condition assessment surveys for buildings are required to be performed on a 5-year cycle. Bridge condition surveys are conducted on a 2-year cycle. Deferred maintenance for NFS passenger car roads are determined annually from random sample surveys providing a 90% level of confidence that the actual deferred maintenance total falls within a range of $\pm 15\%$ of the calculated deferred maintenance value. Deferred maintenance is not calculated or reported for roads that are not part of the passenger-car system.

Over the last 5 years, deferred maintenance has averaged over \$5 billion, while the agency's appropriated Capital Improvement and Maintenance (CIM) budget has stayed relatively flat, averaging slightly over \$360 million. When factoring in inflationary pressures, the agency would need roughly \$400 million in 2018 to have the same purchasing power of the FY2013 budget. Yet in FY2016 and FY2017 the agency was appropriated approximately \$364 million each year.

² 17,000 buildings are toilet structures.

³ Forest Service Handbook 6509.19 CH 23 "Deferred maintenance refers to maintenance that was not performed when it should have been, or when it was scheduled, and was, therefore, put off or delayed for a future period."

	(\$ in thousands)				
	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Capital Improvement and Maintenance (CIM) Budget	\$369,800	\$350,000	\$360,374	\$364,164	\$364,014



Framework for Addressing Deferred Maintenance

Without a significant increase in CIM funding, major reductions in deferred maintenance are unlikely to occur in the short-term, given the scale of difference between the current deferred maintenance backlog and current budget realities.

As illustrated in the graph above, it is unlikely that the FS will be able to reduce the aggregate amount of deferred maintenance for several reasons. First, the gross amount that the agency receives is less than 50% of the amount needed to operate and maintain the current infrastructure if no major improvements were needed. Second, the FS has accumulated a significant backlog of deferred maintenance due to historic underfunding of maintenance and repair work and because decommissioning and disposal has not been a priority. Reducing this backlog while simultaneously providing preventive maintenance and meeting repair needs has not been feasible given the 5-year average funding levels. Third, the FS's infrastructure portfolio is aged, and maintenance and repair needs increase as assets reach and/or exceed their useful life.

To provide an infrastructure portfolio relevant to the American people, that fully supports the mission of the agency, a strategy needs to adapt favorably to current and predicted future financial realities. As such, the agency will focus the capital improvement and maintenance budget on the mission-critical set of assets that serve current and expected future mission-

critical needs, while at the same time investing funds and seeking opportunities to reduce the number of FS owned assets.



Goals and Objectives

The Forest Service's infrastructure exists to enable the agency to accomplish its mission and serve the public. However, not every asset is essential to serving the needs of the agency, and many pull resources away from more critical management activities. Although the Forest Service does not anticipate reducing the aggregate amount of deferred maintenance with current funding levels in the foreseeable future, the goals and objectives outlined below will result in moving the agency towards a more sustainable infrastructure portfolio.

Goal 1: > Rightsizing the Portfolio of Agency Owned Assets

Rightsizing is a term used in many industries and defined by Merriam-Webster's dictionary as "to undergo a reduction to an optimal size." For the Forest Service, rightsizing in the context of limited funding and fiscal uncertainties requires a long-term approach adaptable to change. Without increased funding, a rightsized portfolio of assets may not be achievable and may always be a goal the agency strives for given the demands of the public, evolving mission needs, and budget realities. The goal of ***rightsizing the portfolio of agency owned assets*** will be accomplished by tackling the problem on two fronts. First, ***prioritization of assets*** allows the agency to identify and efficiently manage the highest priority assets, and second, ***disposing of excess assets*** identifies and eliminates assets that are unneeded and that no longer support the agency's mission.

The outcome of this goal will be the gradual transformation of the current portfolio of assets into one that better-aligns with existing budget constraints and mission needs.

Objective 1.1 – Prioritization of Assets

Managing assets to ensure mission readiness is paramount to agency success and providing services the public expects. The agency needs to ensure its essential assets function at an acceptable level for their intended purpose. Prioritizing assets for maintenance and repair funding allows the Forest Service to allocate scarce financial resources towards its highest priority assets, demonstrates a rational and implementable

plan with limited funding, detects unneeded assets for elimination, and identifies assets critical to long-range mission performance and reinvestment/replacement needs.

By prioritizing assets, the Forest Service will sensibly reduce the deferred maintenance backlog on its highest priority assets first. As budgets allow and conditions of high priority assets improve, funds are expected to become available to shift towards intelligent investments to further reduce deferred maintenance on lesser priority assets. The prioritization of assets allows leaders to scrutinize decisions made regarding asset management.

To achieve this, it is important to recognize that each asset type will require its own unique prioritization methodology. The agency will develop a national methodology to segregate assets by identifying those that are mission-critical (high priority) from those that are mission-dependent, not critical (moderate priority) and those that are not mission-dependent (unneeded). Deferred maintenance will be reduced purposefully in alignment with the agency's mission.

Actions and Milestones

- Develop national criteria to prioritize assets – Jun 2018
- Develop lists of assets by priority and program area categories – Dec 2018

Objective 1.2 – Disposing of Excess Asset

As assets near the end of their expected life, maintenance demands increase significantly. When assets reach or exceed the end of their expected service life, the deferred maintenance backlog can become overwhelming and major capital investments often are required if the service life is to be extended. The Forest Service's portfolio of assets is significantly comprised of aged, damaged, irreparable and/or obsolete assets which contributes significant amounts to the agency's total deferred maintenance backlog. By targeting obsolete and/or unneeded assets for disposal, the agency will reduce liability and operating and maintenance costs associated with these deficient assets and eliminate their associated large deferred maintenance backlog.

To achieve this, the agency will plan proactively and develop a multi-year disposal schedule for the backlog of unneeded assets. The agency will develop a Five-Year Asset Disposal Plan (ADP) that will include various disposal methods associated with disposal of asset such as its sale, demolition, or change of jurisdiction. Deferred maintenance will be reduced through the implementation of the national ADP list of projects for 2019 - 2023.

Actions and Milestones

- Develop guidance to dispose of unneeded assets that includes tools, regulations, and authorities available to the unit to dispose of any number of excess infrastructure and reduced the cost of deferred maintenance – Sep. 2018
- Develop criteria and call letter to submit 5-year ADP project list to the WO – Dec. 2018
- Maintain a continuous 5-year ADP project list – 2019 and subsequent years

Goal 2: > Improved Planning and Decision Making of Investments

The Forest Service operates as a decentralized organization that allows local units flexibility to meet the needs of the local community and overcome unique land management challenges. The prioritization of infrastructure needs often focuses on local needs and inherits the spirit of decentralized management. When faced with budget and resource limitations, managing based on short-term needs is often necessary but reduces efficiencies of available funds and effectiveness of asset management over time. Shifting away from decentralized management would be challenging, require much time for cultural change to occur, and may negatively affect the agency's objectives and public services. However, by refocusing investment priorities on longer-term agency mission requirements and objectives, local priorities and needs will be required to align with the larger mission-critical needs of the agency.

The goal of **improved planning and decision making of investments** will be accomplished by a multi-year capital improvement program and by improving data quality. First, to **improve long term planning**, the agency will expand out-year planning to encompass a 5-year capital improvement program that allows the agency to find efficiencies and analyze long-term trade-offs as budget situations shift. And second, to **enhance data quality used in decision making** the agency will identify, prioritize, and improve data used as criteria in the analysis of proposed capital improvement projects which will allow for better and timelier decisions.

The outcome of achieving this goal will result in: 1) increased transparency of how and why management decisions are made given limited CIM funds, 2) improved outcomes of investments, and 3) increased likelihood of finding additional efficiencies which could free-up funds to further reduce the deferred maintenance backlog.

Objective 2.1 – Improve Long Term Planning

Historically, the Forest Service has utilized a current-year capital improvement program at the national level to fund priority projects. This current-year approach prohibited the agency from effectively developing a long-term investment strategy required to support

the agency's mission. By shifting to a multi-year planning process, the agency will be able to: a) improve transparency and intentions for appropriated funds, b) more effectively communicate long-term investment needs and decisions to OMB and Congress, and c) systematically evaluate projects for portfolio management area performance, and better identify cost-saving efficiencies and partnership opportunities on a national or regional level.

To achieve this, the agency will develop a Five-Year Capital Improvement Program (CIP). The CIP will contain a national list of projects that will address deferred maintenance for those mission-critical assets. This will improve the condition of the agency's highest priority assets through larger capital investment projects and will reduce the associated deferred maintenance backlog.

Actions and Milestones

- Develop criteria and an annual call letter to regions to submit a 5-year CIP project list to the WO – annually, starting in Dec. 2018
- Maintain a continuous 5-year CIP project list – 2019 and subsequent years

Objective 2.2 – Enhance Data Quality Used in Decision Making

Making informed decisions relies upon quality data and information. However, not all data is relevant, readily available, or used in the decision-making process. Additionally, managing data and information properly can be resource intensive and the value of the data needs to be weighed against the resource requirements to obtain and manage the data quality. By identifying, prioritizing and improving the data used in decision-making for capital investments, the agency will improve the efficacy of funding allocations.

To achieve this, it has to be recognized that maintaining data quality is a continuous lifecycle process that requires human and financial resources. The agency will inventory the existing data/information and conduct a data needs assessment for the Capital Improvement Program (CIP) process to evaluate options to address data completeness and quality. This will result in improving desired outcomes of investments and support the deferred maintenance reduction objectives.

Actions and Milestones

- Review accuracy of all Facility Master Plans and identify inaccuracies of corresponding data within Infra database for correction – Dec. 2018

- Identify data needed to support criteria for 5-year CIP project list and reduce unnecessary data gathering – Oct. 2018
- Monitor and actively reinforce data quality standards for data utilized in the CIP process continuously – 2019 and subsequent years
- Develop additional national level training to improve data stewardship – Sep. 2020