

Yuma Proving Ground Hot Weather Test Track EUL Opportunity

Meeting

Detroit, MI

March 17, 2006



U.S. Army Corps
of Engineers



ALVAREZ & MARSAL
REAL ESTATE ADVISORY SERVICES, LLC

Agenda

Schedule

Overview of EUL Process and Timeline.....	9:00 – 9:30 AM EST
Existing Facilities and Condition at YPG.....	9:30 – 10:00 AM EST
Army Needs and Requirements.....	10:00 – 10:30 AM EST
Industry Issues and Concerns.....	10:30 – 12:00 PM EST
• Vehicle Types, Weights, Speeds	
• Priority/Emergency/Joint/Mixed Use	
• Track Design and Orientation	
• Security and Access	
• Site Size and Location	
Lunch.....	12:00 – 1:00 PM EST
Wrap-up.....	1:00 – 2:00 PM EST



Participants

Bob Penn, US Army Corps of Engineers
Rod Chavez, US Army Corps of Engineers
William Farrell, US Army ATEC
Mike Zwiebel, US Army ATEC/DTC
Graham Stullenbarger, US Army YPG

Tim Conder, General Motors
Debra Homic Hoge, General Motors
Rob Thom, General Motors
Bob Holso, General Motors
Frank Konath, General Motors
Michael Berg, Jones Lang LaSalle

Jay Brown, Alvarez & Marsal
Dennis Stout, Alvarez & Marsal
Rick Hammond, R&M Consultants

James Marsella, Volkswagon
Bill Davidson, Volkswagon
Cliff French, Wilcox



What is Enhanced Use Leasing?

- Enhanced Use Leasing is a tool in the military's arsenal providing an alternative to traditional approaches of acquiring, constructing or upgrading facilities
- It leverages DoD assets that are currently available, but not excess to the Military's needs
- Government receives rent in cash and/or in-kind services at no-less-than the fair market value of the asset



Why Does Army Lease?

- Off-set declining Operation & Maintenance budgets
- Attract tenants who are synergistic with the installation's mission
- Avoid cost of maintaining or razing old buildings
- Free-up space for new goals and objectives

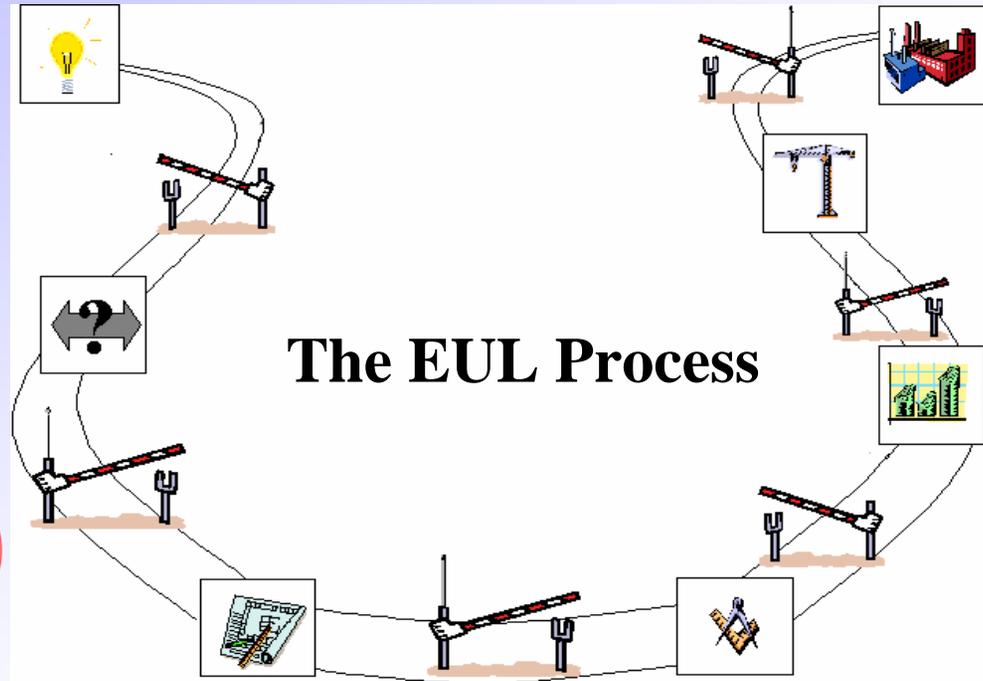


How Does Army Lease?

- **Competitive (Advertising) Process**
- **Source Selection Process**
- **Negotiation Process**



Program Description



Identify Available Non-Excess Assets

Finalize & Close With Developer

Perform Market/Feasibility Study

Develop Business & Leasing Plan

Develop NOL/RFQ

Evaluate Proposals



Benefits of EUL to Army

- Unleashes captive value from property
- Provides for needed development
- Attracts synergistic tenants who complement missions of Yuma Proving Ground
- Supplements under-funded O&M
- Provides in-kind funding source for needed and unfunded capital improvements
- Stimulates local job market
- Improves community relations



Anticipated Project Schedule

Milestones	Current Schedule (Subject to Change)
Draft NOL Issued	January 2006
Industry Forum	21 March 2006
Final NOL Issued	27 March 2006
Proposals Due	30 April 2006
Successful Offeror Selected	31 May 2006
B&L Plan Finalized	TBD
Execute Lease with Developer	TBD
Construction Begins	TBD



Yuma Proving Ground Existing Facilities/Infrastructure

Map and aerial photo of YPG



Yuma Proving Ground Existing Facilities/Infrastructure

- Dynamometer Track

Photos



Yuma Proving Ground Existing Facilities/Infrastructure

- EUL Site characteristics
- Existing Terrain Slopes:
 - 1% North-South
 - 0.5% East –West
- Soils are generally comprised of riverine outwash deposits.
- Soils are considered highly susceptible to erosion.

Map Layout



Yuma Proving Ground Existing Facilities/Infrastructure

- Access to the Site may be either from:
 - the south via existing YPG road network, or
 - the north from State Highway 95.
- Utilities to Site will need to be provided.



Army Needs

- Paved track for sustained high-speed, high-temperature testing of heavy* wheeled vehicles
 - Sustained loads up to 160k lbs; axle weight up to 30k
- Gravel track
 - Sustained loads up to 228k lbs; axle weight up to 30k lbs
- Paved lateral acceleration pad
 - Sustained loads up to 228k lbs; axle weight up to 30k lbs
- Pavement of existing dynamometer course

* 85% of Army's wheeled vehicle testing < 80k lbs



Army Needs (Cont'd)

- Relocation of “drop zones”
- Unrestricted priority use
- Secured fencing around the EUL area



Significant Industry Concerns

- Weight requirements
- Track design and orientation
- “unrestricted priority use” and “emergency situations”
- Testing of tracked vehicles
- Sharing of test courses
- Mixed testing of cars and military vehicles
- Security requirements and employee access

