

Saint Paul BOMA News

BOMA's mission is to provide leadership to the commercial real estate industry through advocacy, education, research, and professional networking.

September 2020 Vol. 6, No. 9

In This Issue:

- → September Membership Meeting 2020
- → Chair's Report
- → Superintendents Meeting
- → Trivia Challenge & Chair Yoga
- → Recycling your E-Waste
- → How China disrupted the Recycling & Waste Industry
- → 2020 Golf Tournament Winners
- → 2020 Market Report Meeting
- → COVID-19 Commercial Impact
- → Upcoming Courses

Upcoming Events

September

Membership Meeting-9/14

Superintendents Meeting – 9/16

Trivia Challenge - Date TBD

Chair Yoga – Date TBD

Market Report Meeting – 10/19

Newsletter sponsored by:



How do you properly budget amidst a pandemic?

COVID-19 has presented innumerable challenges for the commercial real estate industry, many of which have direct financial impacts to the assets we lease and manage. With budget season upon us, how can you develop a sound operating budget that reduces expenses, but also keeps services intact to remain in compliance with our duties to perform for tenants and owners alike? And where will there be more significant increases as we make changes to our cleaning practices and adjust mechanical systems in response to industry expert recommendations?

Our September 14th Membership Meeting at Harriet Island Pavilion will tackle these tough questions by allowing members to listen in on a panel discussion with our valued Service Partners who will talk about new technologies and best practices in the post-COVID world that can be factored into your 2021 budget!

Mini-Expo

BOMA will be holding a Mini-Expo in conjunction with the September Membership Meeting. While this event will not be on the scale of the traditional Expo, there will still be opportunity for professional networking and product/service promotion before and after the panel discussion.

One Hour CEU Approved

Date:

Monday, September 14th 2020

Time:

11:30 - Mini Expo - Opens

12:00 - Lunch Starts

12:30 – 1:30 Program

1:30 - 2:00 - Mini Expo

Location:

Harriet Island/Clarence W. Wigington Pavilion

200 Dr Justus Ohage Blvd, St Paul, MN 55107

Cost:

\$20.00 member registration - ZOOM

\$25.00 non member - ZOOM

\$30.00 member registration

\$40.00 non member

REGISTER HERE

CHAIR'S REPORT - David Ketcham



Hello everyone – The BOMA Staff, board of directors and committees have been working hard to drive value to all our members through education and networking events. We want to ensure that our members on the management side get appropriate educational opportunities in order to maintain their real estate credentials while giving them access to incredible service partnerships that can benefit their properties. Speaking as a service provider, I need opportunities to connect with property management professionals to promote the services my company can provide. This is the delicate balance that every professional association needs to tackle. The pandemic really threw a monkey wrench in how we conduct association business. Education has moved online, and networking opportunities are being conducting by video chat.

St. Paul BOMA has taken the value challenge seriously. We have already begun providing our monthly accredited general meetings, both exclusively via Zoom and a hybrid Zoom/Inperson model. After consulting with our Special Events Committee and our board of directors, we have built some strong networking events that should provide a unique opportunity to connect our membership. By now, you've all received invitations to join us for an online team trivia competition and an "Office Chair Yoga" session. I strongly encourage all of you to participate, have fun and most importantly connect with your fellow BOMA members! I am delighted that BOMA has made the effort to plan and execute these opportunities. They will truly be unique and continue to fulfill our promise to drive value to our membership.

I would also like to take an opportunity to welcome Samantha Davis to the St. Paul BOMA team. Samantha is the new Marketing and Communications Coordinator, and she has been doing a great job! Welcome, Samantha.

David

Superintendents Meeting

Richard D. Hermans, PE HFDP, will be discussing the Epidemic Task Force Guidance on building readiness for re-occupation during the Pandemic. His primary focus will be on building ventilation and filtration to prevent virus transmission.

Mr. Hermans is a past plant engineer at the University of Minnesota, past General Manager of Operations and Maintenance at St. Paul Public Schools, past applications manager and trainer at McQuay International (now Daikin), and was the manager of Mechanical Engineering Design at AECOM Minneapolis (formerly Ellerbe Becket) until his retirement in 2018. He is now active in ASHRAE as a member of the Society Board of Directors and the Research Lead on the Epidemic Task Force.

Date: Wednesday, September 16th, 2020

Time: 12:30 to 1:30pm Location: Zoom On-line

Cost: FREE

Education: SMT/SMA/RPA/FMA CPD's

Coming Soon...

Trivia Challenge

Teams of 4-5 BOMA members balanced between building professionals and vendors will compete by answering questions about Minnesota, St. Paul, commercial real estate, BOMA, and more. Winning teams earn prizes, and more importantly, bragging rights. Each event will be quick—15 to 20 minutes. Take a break this fall and have some fun with your fellow BOMA members with Trivia Challenge.

Chair Yoga

The BOMA office has enlisted the help of a certified yoga instructor to lead 20-30 minute Zoom sessions of chair yoga. No need for leotards and a mat. You can do this from your office or home. This will be a great way to get introduced to yoga, a proven way for people to reduce stress. And we all can benefit from learning methods to deal with the pressures of our lives these days. Yoga also increases mobility, strength, and flexibility. Think of all the things you can do with improvement in those areas!

We do not have dates set for these events because we want to find out what works best for our members' schedules. If you're interested in participating in one or both of these social events, please send an email to Samantha Davis by Friday September 11 at stpaulboma@bomastpaul.org to indicate which event (s) you would like to attend. We'll then send out a survey to gauge everyone's availability and confirm dates.

Certified Manager of Commercial Properties



Jump-start your career in commercial property management with the Certified Manager of Commercial Properties[™] (CMCP[™]) certification!





During the August BOMA member meeting, fellow member Tom Heuer from Aspen Recycling reviewed different areas of the recycling industry. We watched a video provided by Eureka Recycling which took you through various steps in the recycling process and though it was briefly touched upon, E-Waste and Universal Waste didn't get much attention. While often related, Universal Waste applies to a broad range of hazardous materials such as batteries or mercury powder, whereas Electronic Waste refers to the trash generated from our excess, broken, and obsolete electronic devices. Both require proper handling and disposal. The process of recovering reusable resources from electronic waste is referred to as electronics recycling. Often, "e-waste" refers to whole electronic equipment or parts that could be marketable for reuse or could be recycled to recover valuable materials. This includes large items such as TVs and computers and smaller items like keyboards, cell phones and LED lightbulbs.

There is a great need for businesses and companies to take a more proactive approach in their environmental practices. Business owners should work actively to redefine what corporate responsibility means to them. We cannot ignore the reality of how intentional efforts in our universal and e-waste recycling practices can save the environment from toxic materials. Nor should we ignore how our actions have the ability to push the government to force environmental policy change that benefits everyone.

Consumers in the United States dump phones containing over sixty million dollars in gold and silver every year. Worldwide, 20 to 50 million metric tons of electronics are discarded annually. Unfortunately, only about 12-20% of this electronic equipment is recycled. Electronics recycling conserves natural resources, recovers valuable materials for the production of new items, reduces pollution and cuts greenhouse gas emissions. This process has the ability to make a positive impact on the world of sustainability. At Recycle Technologies, we process all e-waste in-house and we make sure our customers receive a Certificate of Recycling and/or Certificate of Destruction ensuring they are no longer held liable for their disposed of items.



Recycling Your E-Waste

Another specialization following the Reduce-Reuse-Recycle principle is ITAD (Information Technology Asset Disposition). This focuses squarely on the "reuse" portion of our mantra. The goal of ITAD is to refurbish retired technology in a secure manner. For example, Recycle Technologies currently sends our data-wiped, approved e-waste to SJ Computers. SJ Computers is a Microsoft authorized refurbisher and authorized re-seller of Dell, HP, Lenovo and Acer products. Our relationship with SJ Computers can be a huge benefit to our clients, as our ITAD customers can make 30% of the profit from reselling their refurbished electronics.

Reduce, Reuse or Recycle, as responsible consumers we have an obligation to make informed, educated decisions on how we use and dispose of our electronic and universal waste. We all contribute to e-waste; we should know how to recycle it.









How China disrupted the Waste and Recycling Industry:

Tom Heuer, Director of Business Development with Aspen Waste, shares insight on a change that has affected millions across the globe

Written by BOMA Marketing & Communications Coordinator Samantha Davis

We've all heard the saying, "One man's trash is another man's treasure", and this universal truth can have a variety of meanings in different contexts. Tom Heuer of Aspen Waste gave Greater St. Paul BOMA members a new perspective on the saying when he joined us for the August 10th Membership Meeting. As Director of Business Development for the company, he carries a great deal of expertise on waste and recycling. He shared some insight on a massive shift in the industry that explains why households across the globe have seen their waste and recycling bills increase. Some of us don't pay it much attention. We throw our recyclables in the bin, pay our monthly bill, and keep it moving. For others, every dollar counts, and we notice when they go missing. So, what major shift has taken place and how does it affect us?

During his presentation, Heuer broke it down in simple terms. He described China as a once burgeoning economy that accepted everyone's trash from around the world. For about 25 years, China accepted approximately 50% of the most difficult items to recycle from around the world with the most common being plastic bags, plastic film, and tarps. China took in around 15-20 million tons of waste and used cheap labor to sort through it all and pick out the valuables. The United States and many other countries were literally getting paid to dump the trash they didn't know what to do with into China!

But as Heuer put it, "In 2018, China decided they didn't want to be the world's dumping ground anymore." They came up with the National Sword Policy which stated they would only accept items 99.5% free of contaminants. China created the disruptive policy for environmental and economic reasons, citing that too many items were ending up in the landfill.

The result?

An economic struggle for other countries. The U.S., for example, used to get paid \$20-\$40 per ton of difficult recyclables a couple years ago. Now, we're paying around \$60-\$70 per ton to process those same materials. A \$100 swing to the negative as Heuer mentioned. Yikes! Consequently, waste bills have increased for households and the U.S. has been forced to seek new solutions after almost three decades of depending on China.



It's not all bad news though! The National Sword Policy has prevented a substantial amount of waste from sitting in China's landfills and has pushed countries to find alternative waste solutions.

Heuer described how over the past 10-15 years, governments, municipalities and counties have been calling for requirements that recycling streams accept more materials. China's switch to the National Sword Policy has created more of an urgency to move the recycling needle and increase the diversion rate. The government has had to step in and create solutions for recycling centers to process more of those difficult items that China always accepted.

Furthermore, policies have been put in place to crack down on excess waste. For example, waste companies (such as Aspen) get charged a contamination fee when trucks show up to the processing centers with items such as plastic bags, plastic film, and tarps.

Here in Minnesota, garbage companies have stepped up to the plate by working with the State of Minnesota, its counties, and recycling centers to form a consortium for a uniform set of policies on what materials can be accepted. The consortium has addressed Wish-Cycling, which Heuer emphasized as a major factor in contributing to residual/excess waste and therefore driving up the cost of processing recycling.

What is Wish-Cycling and how can we all be a part of the solution? Heuer painted a clear picture in his presentation: When you throw a non-recyclable item into your recycling bin, you actually increase your carbon footprint because instead of the waste item going directly to a landfill, it has to be pulled out at the recycling center and re-routed to the landfill, which extends the whole process. That's the definition and pitfall of Wish-Cycling in a nutshell.

With that in mind, below are some tips from Heuer on how to avoid Wish-Cycling:

- Pay attention to labels! More often than not, you can figure out if an item is recyclable by reading the numbers.
- The plastic bag inside your cereal box? It's garbage.
- Don't throw your PPE (Personal Protection Equipment) into the recycling.
- Black plastic is problematic and has to be trashed.
- Rinse your recyclable containers before tossing in the bin.
- If you have an item that's made of multiple types of plastic, throw it away unless you're willing to take the time to separate it out.
- Using Heuer's direct words: When in doubt, throw it out!

Golf Tournament Winners

Congrats to our winners of the Greater Saint Paul BOMA 33rd Annual Golf Tournament at Prestwick Golf Course on Monday, July 20^{th!}





Tony Marchiafava (Left) and Tory Schmidt Not Pictured - David Grandbois, Mike Retterath



Hold the date: October 19, 2020

St. Paul BOMA will be releasing the 26th edition of the Market Report during our luncheon meeting on October 19th. In addition to the latest updates on the downtown office and residential numbers, our keynote speaker will be Michael Broder of Brightline Strategies (see article on the next page). Mr. Broder will be unveiling the results of a national study on the impact of COVID-19 on the commercial real estate industry.

Register Now



Michael Broder President & CEO





COVID-19 Commercial Impact

What will be the long-term impact of COVID-19 on the commercial real estate market? That's the million-dollar question that Michael Broder, founder of Brightline Strategies, set out to determine. His management consulting firm conducted a study during April of 2020 on some commercial tenants based on the following goals.

- Understand the impact of COVID-19 on commercial office users/tenants, the extent to which their businesses have been affected, and what this means for their workplace experience.
- Quantify the risks commercial office owners/operators face as a result of coronavirus (economic, retention, tenant health and wellness).
- Determine if/how commercial office tenants' values have changed when assessing shared/common amenities, building physical features and service elements as a result of the pandemic.
- Explore the possibility of tenants reducing their square footage due to business impacts vs. seeking larger, more socially distanced spaces, including planned design changes/practices that facilitate reopening in the safest, most effective way possible.

The results of this study were presented at the BOMA International Conference in July. While commercial office will still be in demand, the total amount of space needed by tenants may be impacted. Henry Chamberlain, CEO of BOMA International, saw the value in this research and has worked with Brightline Strategies to increase the number of markets being surveyed. Brightline recently invited St. Paul BOMA buildings to participate in this new and expanded study. The new study will be released by early October and Mr. Broder will share the results at the October 19 Market Report meeting.

Upcoming Educational Classes

Energy Management and Controls – SMT

Start Date: Wednesdays, September 23rd to Oct 28th 6:00 PM – 9:00 PM (Six

weeks total)

Cost: \$855 Member / \$955 Non-member

Location: Town Square Tower, 445 Minnesota Street, Conf. Center off of Lobby

Skyway

Energy Management and Controls includes a number of key concepts and discussions that teach fundamental maintenance and energy management control aspects that will enable you to run your building operations in a cost-efficient manner. You will develop an understanding of the operation of heating, cooling, humidification, and dehumidification control applications, and learn about variable air volume design and building pressurization control devices. You will also develop the skills and knowledge to perform a cost-benefit analysis of HVAC, electric, and lighting systems and to create an energy management program for your facility.

Upon successful completion of this course, learners will be able to:

- Apply an energy management plan to your building's systems
- Evaluate new systems with a concentration on retrofitting
- Describe traditional and alternative energy systems and their integration with other building systems
- Discuss how to use programmable logic controllers and other resources to optimize your system
- Develop, implement, and manage an innovative preventive maintenance program

Key topic areas: control system basics • auxiliary and electronic controls and their application to heating, cooling, humidifying, and volume control • computerized automatic control systems • factors determining energy consumption in HVAC, electronic, and lighting systems • preventive maintenance measures in energy management • energy management control system applications

Upcoming Educational Classes

<u>Fundamentals of Facilities Management – FMA</u>

Start Date: Mondays, September 21st – October 26th * 6:00 PM – 9:00 PM (Six

weeks total)

Cost: \$975 Member/ \$1,075 Non-member

Location: Town Square Tower, 445 Minnesota Street, Conf. Center off of Lobby

Skyway

Fundamentals of Facilities Management includes a number of key concepts and applications that are designed to provide the base from which you can build a career in facilities management. Successful facility managers must have business savvy supported by a broad scope of technical knowledge. Therefore, you will gain an understanding of the importance of facilities management to business organizations and operations, while also learning strategies for internal marketing. You will learn how to structure and manage operations and maintenance programs, and how to manage personnel effectively to control workloads. You will likewise acquire project management and leadership skills crucial to your success.

Upon successful completion of this course, learners will be able to:

- Demonstrate the importance of facilities management to business organizations
- Structure and manage operations and maintenance programs
- Manage internal and outsourced personnel effectively to control workloads
- Align facilities operations with information management, cost controls, and investment and budgeting strategies
- Make effective decisions and apply insight into information analysis methods
- Manage a successful project, with you as a team leader

Key topic areas: principles of information management • investment, cost controls, and budgeting strategies • operating levels of facilities activities • outsourcing principles • benefits of leasing vs. ownership

Contact <u>Denise</u> for more information or call 651.291.8888

OFFICERS:

David Ketcham, Chair

Greg Sharpe, Vice Chair

Heide Kempf-Schwarze, Treasurer

DIRECTORS:

Jerry Hersman, Immediate Past Chair

Clint Blaiser

Iulio Fesser

Bill Huepenbecker

Jean Krueger

Jordan Roberdeau

STAFF:

Joe Spartz, President

Samantha Davis, Editor

Denise Jenkins, Co-Editor

Rhonda Pape, Co-Editor

Greater Saint Paul BOMA

First National Bank Building 332 Minnesota Street, W2950 St. Paul, MN 55101 Phone: 651-842-4023 Fax: 651-291-1031

www.bomastpaul.org









Greater Saint Paul BOMA Newsletter published monthly by Greater Saint Paul BOMA

Statements and opinions in editorials or articles written by the publisher and staff do not necessarily represent the opinion of BOMA or its membership. Articles October be reproduced only by written authority of the editor.

DISCLAIMER: All advertisements are accepted and published upon the representation that the Agency or Advertiser is authorized to publish the entire contents and subject matter thereof. The Agency and/or Advertiser will identify and hold harmless to the publishers, the employees and agents of the publisher from any advertisement including claims or suits for defamation, libel, violation of rights of privacy, plagiarism, and copyright infringement.