

***A COMPARATIVE
COST ANALYSIS FOR CORPORATE
INFORMATION ASSURANCE
OPERATIONS
2008***

The Boyd Company, Inc.
Location Consultants
Princeton, NJ

TABLE OF CONTENTS

TABLE OF CONTENTS

COMPARATIVE OPERATING COST ANALYSIS: EXECUTIVE SUMMARY AND NOTES.....1

 INTRODUCTION..... 2

 ABOUT BOYD 3

 ABOUT INFORMATION ASSURANCE..... 3

 COMPARATIVE INFORMATION ASSURANCE LOCATIONS 4

 COMPARATIVE ANNUAL LABOR COSTS.....6

 COMPARATIVE ELECTRIC POWER COSTS 6

 COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS..... 7

 COMPARATIVE AD VALOREM AND SALES TAX COSTS 7

 COMPARATIVE HEATING AND AIR CONDITIONING COSTS 7

 COMPARATIVE CORPORATE TRAVEL COSTS 7

 TOTAL ANNUAL OPERATING COST RANKING..... 8

 ECONOMIC ANALYSIS: COMPARATIVE OPERATING COST EXHIBITS 10

COMPARATIVE OPERATING COST ANALYSIS: NEW ENGLAND REGION.....11

 EXHIBIT I: COMPARATIVE ANNUAL OPERATING COST SUMMARY..... 12

 EXHIBIT II: COMPARATIVE ANNUAL LABOR COSTS 13

 EXHIBIT III: COMPARATIVE ELECTRIC POWER COSTS 15

 EXHIBIT IV: COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS 16

 EXHIBIT V: COMPARATIVE AD VALOREM AND SALES TAX COSTS 17

 EXHIBIT VI: COMPARATIVE HEATING AND AIR CONDITIONING COSTS 18

 EXHIBIT VII: COMPARATIVE CORPORATE TRAVEL COSTS 19

COMPARATIVE OPERATING COST ANALYSIS: MIDDLE ATLANTIC REGION20

 EXHIBIT I: COMPARATIVE ANNUAL OPERATING COST SUMMARY..... 21

 EXHIBIT II: COMPARATIVE ANNUAL LABOR COSTS 22

 EXHIBIT III: COMPARATIVE ELECTRIC POWER COSTS 24

 EXHIBIT IV: COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS 25

 EXHIBIT V: COMPARATIVE AD VALOREM AND SALES TAX COSTS 26

 EXHIBIT VI: COMPARATIVE HEATING AND AIR CONDITIONING COSTS 27

 EXHIBIT VII: COMPARATIVE CORPORATE TRAVEL COSTS 28

COMPARATIVE OPERATING COST ANALYSIS: SOUTHEAST REGION.....29

 EXHIBIT I: COMPARATIVE ANNUAL OPERATING COST SUMMARY..... 30

 EXHIBIT II: COMPARATIVE ANNUAL LABOR COSTS 31

 EXHIBIT III: COMPARATIVE ELECTRIC POWER COSTS 33

 EXHIBIT IV: COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS 34

 EXHIBIT V: COMPARATIVE AD VALOREM AND SALES TAX COSTS 35

 EXHIBIT VI: COMPARATIVE HEATING AND AIR CONDITIONING COSTS 36

 EXHIBIT VII: COMPARATIVE CORPORATE TRAVEL COSTS 37

COMPARATIVE OPERATING COST ANALYSIS:

| | |
|--|----|
| FLORIDA EAST COAST REGION | 38 |
| EXHIBIT I: COMPARATIVE ANNUAL OPERATING COST SUMMARY..... | 39 |
| EXHIBIT II: COMPARATIVE ANNUAL LABOR COSTS | 40 |
| EXHIBIT III: COMPARATIVE ELECTRIC POWER COSTS | 42 |
| EXHIBIT IV: COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS | 43 |
| EXHIBIT V: COMPARATIVE AD VALOREM AND SALES TAX COSTS | 44 |
| EXHIBIT VI: COMPARATIVE HEATING AND AIR CONDITIONING COSTS | 45 |
| EXHIBIT VII: COMPARATIVE CORPORATE TRAVEL COSTS | 46 |

COMPARATIVE OPERATING COST ANALYSIS:

| | |
|--|----|
| FLORIDA GULF COAST REGION | 47 |
| EXHIBIT I: COMPARATIVE ANNUAL OPERATING COST SUMMARY..... | 48 |
| EXHIBIT II: COMPARATIVE ANNUAL LABOR COSTS | 49 |
| EXHIBIT III: COMPARATIVE ELECTRIC POWER COSTS | 51 |
| EXHIBIT IV: COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS | 52 |
| EXHIBIT V: COMPARATIVE AD VALOREM AND SALES TAX COSTS | 53 |
| EXHIBIT VI: COMPARATIVE HEATING AND AIR CONDITIONING COSTS | 54 |
| EXHIBIT VII: COMPARATIVE CORPORATE TRAVEL COSTS | 55 |

COMPARATIVE OPERATING COST ANALYSIS:

| | |
|--|----|
| EAST NORTH CENTRAL REGION | 56 |
| EXHIBIT I: COMPARATIVE ANNUAL OPERATING COST SUMMARY..... | 57 |
| EXHIBIT II: COMPARATIVE ANNUAL LABOR COSTS | 58 |
| EXHIBIT III: COMPARATIVE ELECTRIC POWER COSTS | 60 |
| EXHIBIT IV: COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS | 61 |
| EXHIBIT V: COMPARATIVE AD VALOREM AND SALES TAX COSTS | 62 |
| EXHIBIT VI: COMPARATIVE HEATING AND AIR CONDITIONING COSTS | 63 |
| EXHIBIT VII: COMPARATIVE CORPORATE TRAVEL COSTS | 64 |

COMPARATIVE OPERATING COST ANALYSIS:

| | |
|--|----|
| WEST NORTH CENTRAL REGION | 65 |
| EXHIBIT I: COMPARATIVE ANNUAL OPERATING COST SUMMARY..... | 66 |
| EXHIBIT II: COMPARATIVE ANNUAL LABOR COSTS | 67 |
| EXHIBIT III: COMPARATIVE ELECTRIC POWER COSTS | 69 |
| EXHIBIT IV: COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS | 70 |
| EXHIBIT V: COMPARATIVE AD VALOREM AND SALES TAX COSTS | 71 |
| EXHIBIT VI: COMPARATIVE HEATING AND AIR CONDITIONING COSTS | 72 |
| EXHIBIT VII: COMPARATIVE CORPORATE TRAVEL COSTS | 73 |

COMPARATIVE OPERATING COST ANALYSIS:

SOUTH CENTRAL REGION..... 74

 EXHIBIT I: COMPARATIVE ANNUAL OPERATING COST SUMMARY..... 75

 EXHIBIT II: COMPARATIVE ANNUAL LABOR COSTS 76

 EXHIBIT III: COMPARATIVE ELECTRIC POWER COSTS 78

 EXHIBIT IV: COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION
 COSTS 79

 EXHIBIT V: COMPARATIVE AD VALOREM AND SALES TAX COSTS 80

 EXHIBIT VI: COMPARATIVE HEATING AND AIR CONDITIONING COSTS 81

 EXHIBIT VII: COMPARATIVE CORPORATE TRAVEL COSTS 82

COMPARATIVE OPERATING COST ANALYSIS: MOUNTAIN REGION..... 83

 EXHIBIT I: COMPARATIVE ANNUAL OPERATING COST SUMMARY 84

 EXHIBIT II: COMPARATIVE ANNUAL LABOR COSTS 85

 EXHIBIT III: COMPARATIVE ELECTRIC POWER COSTS 87

 EXHIBIT IV: COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION
 COSTS 88

 EXHIBIT V: COMPARATIVE AD VALOREM AND SALES TAX COSTS 89

 EXHIBIT VI: COMPARATIVE HEATING AND AIR CONDITIONING COSTS 90

 EXHIBIT VII: COMPARATIVE CORPORATE TRAVEL COSTS 91

COMPARATIVE OPERATING COST ANALYSIS:

PACIFIC NORTHWEST REGION 92

 EXHIBIT I: COMPARATIVE ANNUAL OPERATING COST SUMMARY..... 93

 EXHIBIT II: COMPARATIVE ANNUAL LABOR COSTS 94

 EXHIBIT III: COMPARATIVE ELECTRIC POWER COSTS 96

 EXHIBIT IV: COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION
 COSTS 97

 EXHIBIT V: COMPARATIVE AD VALOREM AND SALES TAX COSTS 98

 EXHIBIT VI: COMPARATIVE HEATING AND AIR CONDITIONING COSTS 99

 EXHIBIT VII: COMPARATIVE CORPORATE TRAVEL COSTS 100

COMPARATIVE OPERATING COST ANALYSIS:

NORTHERN CALIFORNIA REGION 101

 EXHIBIT I: COMPARATIVE ANNUAL OPERATING COST SUMMARY..... 102

 EXHIBIT II: COMPARATIVE ANNUAL LABOR COSTS 103

 EXHIBIT III: COMPARATIVE ELECTRIC POWER COSTS 105

 EXHIBIT IV: COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION
 COSTS 106

 EXHIBIT V: COMPARATIVE AD VALOREM AND SALES TAX COSTS 107

 EXHIBIT VI: COMPARATIVE HEATING AND AIR CONDITIONING COSTS 108

 EXHIBIT VII: COMPARATIVE CORPORATE TRAVEL COSTS 109

COMPARATIVE OPERATING COST ANALYSIS:
SOUTHERN CALIFORNIA REGION..... 110

- EXHIBIT I: COMPARATIVE ANNUAL OPERATING COST SUMMARY..... 111
- EXHIBIT II: COMPARATIVE ANNUAL LABOR COSTS 112
- EXHIBIT III: COMPARATIVE ELECTRIC POWER COSTS 114
- EXHIBIT IV: COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION
COSTS 115
- EXHIBIT V: COMPARATIVE AD VALOREM AND SALES TAX COSTS 116
- EXHIBIT VI: COMPARATIVE HEATING AND AIR CONDITIONING COSTS 117
- EXHIBIT VII: COMPARATIVE CORPORATE TRAVEL COSTS 118

**COMPARATIVE OPERATING
COST ANALYSIS:**

EXECUTIVE SUMMARY AND NOTES

**COMPARATIVE OPERATING COST ANALYSIS:
EXECUTIVE SUMMARY AND NOTES**

Introduction

In the following Boyd analysis, major operating costs scaled to a representative 100-worker corporate information assurance center are presented for a series of 60 comparative sites in the U.S. Annual operating cost totals are ranked in summary Exhibit I.

Annual operating costs were projected solely for comparative purposes, with only major geographically-variable factors being considered. Those costs not varying significantly with geography, including relocation and start-up expenses, were not considered. The Boyd analysis focuses on those key geographically-variable cost elements considered to be most pivotal within the corporate site selection process. Geographically-variable operating cost differentials are current for the **2008** planning period.

Operating costs are scaled to a hypothetical 100,000 sq. ft. corporate information assurance center. The analysis provides an independent and authoritative point of reference for the corporate planner's assessment of comparative operating cost levels in each of the surveyed sites. The format of the cost exhibits will allow the corporate planner to further tailor the cost data, occupancy assumptions and staffing levels to reflect alternate scales of operation and growth expectations.

About Boyd

Founded in 1975, The Boyd Company provides independent location counsel to leading U.S. and overseas corporations. Devoted exclusively to corporate mobility, Boyd clients include Time, Inc., Progressive Insurance, Aventis, Hewlett-Packard, Mayne Pharma, Philips, Pitney Bowes, MCI and numerous other **FORTUNE 500** firms.

About Information Assurance

According to the National Security Agency (NSA), information assurance involves protecting and defending information and information systems by “ensuring their availability, integrity, authentication, confidentiality, and non repudiation.” As the nation’s dependence upon computers and networks continues to grow, its vulnerability to cyber attacks from hackers, fraudsters, organized crime, and terrorist elements is on the rise. Natural disasters, as seen in the destructive Gulf Coast hurricanes of 2005, pose a constant threat to regional and national computer and information security.

In response to the escalating problems of identity theft, unauthorized access to proprietary information, system penetration, computer theft by hackers as well as to heightened federal privacy, transaction, and security regulations, many U.S. corporations have identified data security as a top priority concern and are factoring this issue heavily into their strategic planning. Information assurance is projected by The Boyd Company to be the next major wave of corporate re-engineering, capital spending and site selection planning in 2008 and the years beyond for a broad range of industries.

Comparative Information Assurance Center Locations

For purposes of comparative economic analysis, major geographically-variable operating costs have been projected by Boyd for a series of 60 U.S. cities. Surveyed cities represent all regions of the country and house major concentrations of corporate headquarters, administrative back office and I.T. support operations. These 60 U.S. cities are listed below:

New England Region

- Boston, Massachusetts
- Providence, Rhode Island
- Springfield, Massachusetts
- Hartford, Connecticut
- Stamford, Connecticut

Middle Atlantic Region

- New York, New York
- Rochester, New York
- Philadelphia, Pennsylvania
- Pittsburgh, Pennsylvania
- Wilmington, Delaware

Southeast Region

- Atlanta, Georgia
- Charlotte, North Carolina
- Winston-Salem, North Carolina
- Memphis, Tennessee
- Birmingham, Alabama

Florida East Coast Region

- Orlando, Florida
- Jacksonville, Florida
- Palm Beach County, Florida
- Broward County, Florida
- Miami, Florida

Florida Gulf Coast Region

- Lee County, Florida
- Sarasota/Bradenton, Florida
- Tampa/ St. Petersburg, Florida
- Ft. Walton/Destin, Florida
- Pensacola, Florida

East North Central Region

- Cleveland, Ohio
- Cincinnati, Ohio
- Chicago, Illinois
- Detroit, Michigan
- Milwaukee, Wisconsin

West North Central Region

- Kansas City, Missouri
- Minneapolis/St. Paul, Minnesota
- Des Moines, Iowa
- Omaha, Nebraska
- Sioux Falls, South Dakota

South Central Region

- Tulsa, Oklahoma
- Dallas, Texas
- San Antonio, Texas
- Houston, Texas
- New Orleans, Louisiana

Mountain Region

- Denver, Colorado
- Phoenix, Arizona
- Salt Lake City, Utah
- Albuquerque, New Mexico
- Colorado Springs, Colorado

Pacific Northwest Region

- Seattle, Washington
- Spokane, Washington
- Portland, Oregon
- Salem, Oregon
- Eugene/Springfield, Oregon

Northern California Region

- San Francisco, California
- San Jose, California
- Santa Rosa, California
- Oakland, California
- Vallejo/Fairfield/Napa, California

Southern California Region

- Los Angeles/Long Beach, California
- Orange County, California
- San Diego, California
- Ventura, California
- Santa Barbara/ Santa Maria, California

Comparative Labor Costs

Annual costs for labor, including positions in data security, e-commerce, network systems, telecom, web security, fraud detection and prevention and other support groups are presented in Exhibit II. Costs are based on a representative mix of job descriptions for the model 100-worker information assurance center.

Comparative labor costs for management were not included as these costs would tend not to vary as significantly by geography, but rather by individual company compensation practices. Fringe benefit costs are included as a percent of annual base payroll costs and are assumed to include all statutory benefits, pay for time not worked, and company-sponsored benefits.

Comparative Electric Power Costs

Comparative annual electric power costs are presented in Exhibit III. Annual costs reflect high volume rate schedules of the various utilities serving each of the 60 surveyed areas.

Comparative Land Acquisition and Construction Costs

Exhibit IV presents comparative costs for the purchase of commercially-zoned land and the construction of new information assurance center space in each of the 60 surveyed locations.

Comparative Ad Valorem and Sales Tax Costs

Exhibit V presents comparative ad valorem (property) tax costs in each of the 60 surveyed sites scaled to the land and building specifications of the model information assurance center. Also presented in this exhibit are comparative local and state sales tax costs based on a fixed annual purchase of supplies, furnishings, equipment and other taxable goods.

Comparative Heating and Air Conditioning Costs

Exhibit VI presents comparative annual costs for heating and air conditioning based on variances in climatic conditions and energy costs in the surveyed locations.

Comparative Corporate Travel Costs

Comparative annual on-site corporate travel costs in each of the 60 surveyed cities are presented in Exhibit VII. Costs include corporate traveler lodging, meals, local transportation and other business travel incidentals. Figures are indicative of local business travel cost structures expected to be incurred by management, technical support, regulators and other employee visitations to each of the 60 surveyed information assurance sites.

Total Annual Operating Cost Ranking

Taken from summary Exhibit I is an overall cost ranking of the 60 surveyed information assurance center sites.

| Information Assurance Center Location | Total Annual Operating Costs |
|--|---|
| New York, NY | \$29,563,896 |
| San Francisco, CA | \$25,377,403 |
| San Jose, CA | \$23,327,049 |
| Los Angeles, CA | \$22,677,069 |
| Orange County, CA | \$22,318,689 |
| San Diego, CA | \$22,082,768 |
| Miami, FL | \$21,778,755 |
| Stamford, CT | \$21,277,450 |
| Santa Barbara/Santa Maria, CA | \$21,228,514 |
| Oakland, CA | \$20,787,554 |
| Boston, MA | \$20,617,898 |
| Ventura, CA | \$20,536,009 |
| Broward County, FL | \$20,476,879 |
| Chicago, IL | \$19,616,387 |
| Hartford, CT | \$19,204,955 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

| Information Assurance Center Location | Total Annual Operating Costs |
|--|---|
| Vallejo/Fairfield/Napa, CA | \$19,105,329 |
| Santa Rosa, CA | \$19,032,876 |
| Palm Beach County, FL | \$18,830,066 |
| Phoenix, AZ | \$18,499,104 |
| Philadelphia, PA | \$18,126,775 |
| Detroit, MI | \$18,042,343 |
| Seattle, WA | \$17,437,999 |
| Denver , CO | \$16,984,736 |
| Dallas, TX | \$16,674,489 |
| Houston, TX | \$16,582,097 |
| Providence, RI | \$16,354,285 |
| Minneapolis/St. Paul, MN | \$16,338,504 |
| Portland, OR | \$16,203,083 |
| Wilmington, DE | \$16,097,254 |
| Cincinnati, OH | \$16,064,094 |
| Pittsburgh, PA | \$15,636,250 |
| Cleveland, OH | \$15,610,245 |
| Atlanta, GA | \$15,580,082 |
| Tampa/ St. Petersburg, FL | \$15,411,197 |
| Spokane, WA | \$15,358,663 |
| New Orleans, LA | \$15,303,152 |
| Kansas City, MO | \$15,226,407 |
| Springfield, MA | \$15,163,128 |
| Rochester, NY | \$15,105,337 |
| Salt Lake City, UT | \$15,080,376 |
| Milwaukee, WI | \$15,074,614 |
| Colorado Springs, CO | \$15,072,886 |
| Albuquerque, NM | \$14,877,229 |
| Salem, OR | \$14,837,283 |
| Memphis, TN | \$14,828,716 |
| Orlando, FL | \$14,725,419 |
| Eugene/Springfield, OR | \$14,678,075 |
| Sarasota/ Bradenton, FL | \$14,656,380 |
| Omaha, NE | \$14,470,063 |
| Lee County, FL | \$14,383,833 |
| Jacksonville, FL | \$14,257,551 |
| San Antonio, TX | \$14,241,901 |
| Birmingham, AL | \$14,178,443 |
| Charlotte, NC | \$13,988,092 |
| Des Moines, IA | \$13,908,526 |
| Winston-Salem, NC | \$13,728,922 |
| Tulsa, OK | \$13,643,397 |
| Pensacola, FL | \$13,194,747 |
| Ft. Walton/ Destin, FL | \$13,094,131 |
| Sioux Falls, SD | \$12,449,665 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**ECONOMIC ANALYSIS: COMPARATIVE OPERATING
COST EXHIBITS**

***COMPARATIVE OPERATING COST ANALYSIS I:
New England Region***

- **Boston, Massachusetts**
- **Providence, Rhode Island**
- **Springfield, Massachusetts**
- **Hartford, Connecticut**
- **Stamford, Connecticut**

**EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)**

| | Providence RI | Boston MA | Springfield MA | Hartford CT | Stamford CT |
|--|--------------------------|----------------------|---------------------------|------------------------|------------------------|
| Labor Costs (2) | | | | | |
| Weighted Average Annual Earnings | \$63,609 | \$69,100 | \$62,220 | \$67,718 | \$71,585 |
| Annual Base Payroll Costs | \$6,360,900 | \$6,910,000 | \$6,222,000 | \$6,771,800 | \$7,158,500 |
| Fringe Benefits | \$2,353,533 | \$2,556,700 | \$2,302,140 | \$2,505,566 | \$2,648,645 |
| Total Annual Labor Costs | \$8,714,433 | \$9,466,700 | \$8,524,140 | \$9,277,366 | \$9,807,145 |
| Electric Power Costs (3) | \$884,616 | \$1,279,248 | \$854,153 | \$1,343,210 | \$1,343,210 |
| Amortization Costs (4) | \$4,801,582 | \$6,964,719 | \$4,339,918 | \$6,297,570 | \$7,358,998 |
| Property and Sales Tax Costs (5) | \$1,288,922 | \$2,051,052 | \$858,533 | \$1,428,081 | \$1,871,786 |
| Heating and Air Conditioning Costs (6) | \$443,524 | \$600,183 | \$423,245 | \$639,117 | \$658,161 |
| Corporate Travel Costs (7) | \$221,208 | \$255,996 | \$163,139 | \$219,611 | \$238,150 |
| Total Annual Geographically- Variable Operating Costs | \$16,354,285 | \$20,617,898 | \$15,163,128 | \$19,204,955 | \$21,277,450 |

NOTES:

- (1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.
- (2) See Exhibit II.
- (3) See Exhibit III.
- (4) See Exhibit IV.
- (5) See Exhibit V.
- (6) See Exhibit VI.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Providence RI | Boston MA | Springfield MA | Hartford CT | Stamford CT |
|------------------------------------|------------------------------|--------------------------|----------------------|---------------------------|------------------------|------------------------|
| I.T. Group | | | | | | |
| Data Security Analyst | 8 | \$74,630 | \$81,072 | \$73,001 | \$79,451 | \$83,989 |
| Data Security Analyst, Sr. | 4 | \$95,311 | \$103,539 | \$93,231 | \$101,469 | \$107,264 |
| Data Security Analyst Manager | 1 | \$115,194 | \$125,139 | \$112,681 | \$122,637 | \$129,640 |
| EDP Auditor | 3 | \$73,806 | \$80,177 | \$72,196 | \$78,573 | \$83,061 |
| EDP Auditor, Sr. | 1 | \$90,804 | \$98,642 | \$88,823 | \$96,669 | \$102,190 |
| I.S. Security Manager | 1 | \$122,327 | \$132,888 | \$119,659 | \$130,231 | \$137,668 |
| Information Technology Auditor I | 3 | \$59,354 | \$64,479 | \$58,060 | \$63,189 | \$66,798 |
| Information Technology Auditor II | 1 | \$73,033 | \$79,337 | \$71,439 | \$77,750 | \$82,191 |
| Information Technology Auditor III | 1 | \$91,642 | \$99,554 | \$89,643 | \$97,563 | \$103,135 |
| Network Systems Group | | | | | | |
| Network Administrator I | 3 | \$55,811 | \$60,628 | \$54,593 | \$59,415 | \$62,809 |
| Network Administrator II | 1 | \$67,360 | \$73,175 | \$65,890 | \$71,712 | \$75,808 |
| Network Administrator III | 1 | \$80,360 | \$87,298 | \$78,608 | \$85,551 | \$90,438 |
| Network Engineer I | 3 | \$72,232 | \$78,468 | \$70,657 | \$76,899 | \$81,290 |
| Network Engineer II | 1 | \$84,730 | \$92,045 | \$82,882 | \$90,204 | \$95,356 |
| Network Engineer III | 1 | \$102,348 | \$111,184 | \$100,116 | \$108,961 | \$115,183 |
| Network Security Systems Manager | 1 | \$107,663 | \$116,957 | \$105,313 | \$114,618 | \$121,165 |
| Security Administrator | 4 | \$88,258 | \$95,878 | \$86,333 | \$93,960 | \$99,326 |
| Systems Administrator | 3 | \$80,802 | \$87,777 | \$79,039 | \$86,022 | \$90,934 |
| Systems Administrator, Sr. | 1 | \$98,205 | \$106,683 | \$96,062 | \$104,549 | \$110,521 |
| Telecom Group | | | | | | |
| Telecommunications Engineer I | 3 | \$61,825 | \$67,161 | \$60,474 | \$65,817 | \$69,577 |
| Telecommunications Engineer II | 1 | \$74,981 | \$81,454 | \$73,345 | \$79,825 | \$84,383 |
| Telecommunications Engineer III | 1 | \$87,455 | \$95,005 | \$85,548 | \$93,105 | \$98,422 |
| Telecommunications Manager | 1 | \$112,595 | \$122,314 | \$110,138 | \$119,868 | \$126,714 |
| Test Engineer I | 3 | \$63,086 | \$68,532 | \$61,709 | \$67,161 | \$70,997 |
| Test Engineer II | 1 | \$75,410 | \$81,919 | \$73,763 | \$80,281 | \$84,866 |
| Test Engineer III | 1 | \$84,918 | \$92,248 | \$83,064 | \$90,403 | \$95,566 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Providence RI | Boston MA | Springfield MA | Hartford CT | Stamford CT |
|---------------------------------------|------------------------------|--------------------------|----------------------|---------------------------|------------------------|------------------------|
| Information Web Security Group | | | | | | |
| Records Technician I | 8 | \$31,462 | \$34,176 | \$30,774 | \$33,493 | \$35,406 |
| Records Technician II | 4 | \$42,675 | \$46,359 | \$41,744 | \$45,432 | \$48,026 |
| Records Technician III | 1 | \$47,195 | \$51,268 | \$46,164 | \$50,242 | \$53,112 |
| Fraud Prevention Associate I | 8 | \$40,377 | \$43,862 | \$39,495 | \$42,985 | \$45,440 |
| Fraud Prevention Associate II | 4 | \$46,155 | \$50,138 | \$45,147 | \$49,136 | \$51,942 |
| Fraud Prevention Associate III | 1 | \$61,122 | \$66,397 | \$59,787 | \$65,069 | \$68,785 |
| Fraud Prevention Manager | 1 | \$79,461 | \$86,320 | \$77,727 | \$84,594 | \$89,425 |
| Web Security Administrator | 3 | \$101,620 | \$110,394 | \$99,404 | \$108,186 | \$114,365 |
| Web Security Manager | 1 | \$141,946 | \$154,200 | \$138,849 | \$151,116 | \$159,747 |
| Support Group | | | | | | |
| Administrative Assistant | 6 | \$41,005 | \$44,545 | \$40,110 | \$43,654 | \$46,148 |
| Secretary I | 4 | \$30,685 | \$33,332 | \$30,014 | \$32,665 | \$34,531 |
| Secretary II | 4 | \$33,678 | \$36,587 | \$32,945 | \$35,855 | \$37,903 |
| Executive Secretary | 2 | \$45,841 | \$49,799 | \$44,842 | \$48,803 | \$51,590 |
| Total Workers | 100 | | | | | |
| Weighted Average Annual Earnings (1) | | \$63,609 | \$69,100 | \$62,220 | \$67,718 | \$71,585 |
| Total Annual Base Payroll Costs | | \$6,360,900 | \$6,910,000 | \$6,222,000 | \$6,771,800 | \$7,158,500 |
| Fringe Benefits (2) | | \$2,353,533 | \$2,556,700 | \$2,302,140 | \$2,505,566 | \$2,648,645 |
| Total Annual Labor Costs | | \$8,714,433 | \$9,466,700 | \$8,524,140 | \$9,277,366 | \$9,807,145 |

NOTES:

- (1) For mature information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 100 worker center.
- (2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS ⁽¹⁾**

| Location | Electric Utility Company | Annual Electric Power Cost (1) | Annual Cost Per kWh (cents) |
|------------------------|-------------------------------------|---|--|
| Providence, RI | Narragansett Electric Company | \$884,616 | 11.34 |
| Boston, MA | Boston Edison Company | \$1,279,248 | 16.40 |
| Springfield, MA | Western Massachusetts Electric | \$854,153 | 10.95 |
| Hartford, CT | Connecticut Light and Power Company | \$1,343,210 | 17.22 |
| Stamford, CT | Connecticut Light and Power Company | \$1,343,210 | 17.22 |

NOTES:

- (1) Based on assumed monthly demand of 1,000 kW and 650,000 kWh monthly consumption.
Annual costs reflect comparative industrial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

| | Providence RI | Boston MA | Springfield MA | Hartford CT | Stamford CT |
|---------------------------------------|--------------------------|----------------------|---------------------------|------------------------|------------------------|
| Site Acquisition: No. of Acres | 50 | 50 | 50 | 50 | 50 |
| Cost per Acre (1) | \$290,000 | \$702,500 | \$203,000 | \$585,000 | \$790,000 |
| Site Improvement Cost (2) | -- | -- | -- | -- | -- |
| Total Land Cost | \$14,500,000 | \$35,125,000 | \$10,150,000 | \$29,250,000 | \$39,500,000 |
| Construction Cost (3) | \$14,646,183 | \$16,161,789 | \$14,270,860 | \$15,208,243 | \$15,822,392 |
| Machinery and Equipment | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 |
| Total Project Investment | \$49,146,183 | \$71,286,789 | \$44,420,860 | \$64,458,243 | \$75,322,392 |
| Project Amortization | | | | | |
| Cost of Funds (Interest) | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |
| Payment Factor (4) | 0.0977 | 0.0977 | 0.0977 | 0.0977 | 0.0977 |
| Total Annual Amortization Cost | \$4,801,582 | \$6,964,719 | \$4,339,918 | \$6,297,570 | \$7,358,998 |

NOTES:

- (1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 100,000 sq. ft. information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts ® construction cost index data.
- (4) Assumes 25-year level amortization payments at 8.5 percent.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

| | Providence RI | Boston MA | Springfield MA | Hartford CT | Stamford CT |
|--|--------------------------|----------------------|---------------------------|------------------------|------------------------|
| Real Property Tax Cost | | | | | |
| Land Cost (1) | \$14,500,000 | \$35,125,000 | \$10,150,000 | \$29,250,000 | \$39,500,000 |
| Building Cost (2) | \$14,646,183 | \$16,161,789 | \$14,270,860 | \$15,208,243 | \$15,822,392 |
| Total | \$29,146,183 | \$51,286,789 | \$24,420,860 | \$44,458,243 | \$55,322,392 |
| Effective Tax Rate (3) | \$26.21 | \$32.68 | \$19.80 | \$22.00 | \$25.70 |
| Real Property Tax Cost | \$763,922 | \$1,676,052 | \$483,533 | \$978,081 | \$1,421,786 |
| Sales Tax Cost | | | | | |
| Taxable Goods Purchases | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 |
| Sales Tax Rate (Percent) | 7.00 | 5.00 | 5.00 | 6.00 | 6.00 |
| Total Annual Sales Tax Cost (4) | \$525,000 | \$375,000 | \$375,000 | \$450,000 | \$450,000 |
| Total Annual Ad Valorem and Sales Tax Costs | \$1,288,922 | \$2,051,052 | \$858,533 | \$1,428,081 | \$1,871,786 |

NOTES:

- (1) See Exhibit IV.
- (2) See Exhibit IV.
- (3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS

| | Providence RI | Boston MA | Springfield MA | Hartford CT | Stamford CT |
|---|------------------|------------------|-------------------|------------------|------------------|
| Space Heating | | | | | |
| Heating Degree Days | 7,498 | 5,621 | 6,599 | 6,450 | 5,461 |
| Annual Cost (1) | \$268,993 | \$291,327 | \$228,557 | \$351,315 | \$297,267 |
| Air Conditioning | | | | | |
| Cooling Degree Days | 532 | 661 | 623 | 584 | 735 |
| Annual Cost (2) | \$174,531 | \$308,856 | \$194,688 | \$287,802 | \$360,894 |
| Total Heating and Air Conditioning Costs | \$443,524 | \$600,183 | \$423,245 | \$639,117 | \$658,161 |

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 100,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 100,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

| Location | Per Diem Cost (1) | Annual Travel Days (2) | Total Annual Corporate Travel Cost |
|------------------------|------------------------------|-----------------------------------|---|
| Providence, RI | \$354.50 | 624 | \$221,208 |
| Boston, MA | \$410.25 | 624 | \$255,996 |
| Springfield, MA | \$261.44 | 624 | \$163,139 |
| Hartford, CT | \$351.94 | 624 | \$219,611 |
| Stamford, CT | \$381.65 | 624 | \$238,150 |

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 12 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS II:
Middle Atlantic Region***

- **New York, New York**
- **Rochester, New York**
- **Philadelphia, Pennsylvania**
- **Pittsburgh, Pennsylvania**
- **Wilmington, Delaware**

**EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)**

| | New York NY | Rochester NY | Wilmington DE | Philadelphia PA | Pittsburgh PA |
|---|------------------------|-------------------------|--------------------------|----------------------------|--------------------------|
| Labor Costs (2) | | | | | |
| Weighted Average Annual Earnings | \$71,425 | \$62,038 | \$63,480 | \$64,693 | \$61,178 |
| Annual Base Payroll Costs | \$7,142,500 | \$6,203,800 | \$6,348,000 | \$6,469,300 | \$6,117,800 |
| Fringe Benefits | \$2,642,725 | \$2,295,406 | \$2,348,760 | \$2,393,641 | \$2,263,586 |
| Total Annual Labor Costs | \$9,785,225 | \$8,499,206 | \$8,696,760 | \$8,862,941 | \$8,381,386 |
| Electric Power Costs (3) | \$1,186,812 | \$653,496 | \$528,694 | \$584,808 | \$824,088 |
| Amortization Costs (4) | \$12,322,762 | \$4,147,172 | \$5,797,146 | \$6,418,515 | \$4,730,938 |
| Property and Sales Tax Costs (5) | \$5,211,995 | \$1,316,884 | \$574,308 | \$1,685,683 | \$1,028,089 |
| Heating and Air Conditioning Costs (6) | \$701,491 | \$304,037 | \$300,398 | \$351,442 | \$465,367 |
| Corporate Travel Costs (7) | \$355,611 | \$184,542 | \$199,948 | \$223,386 | \$206,382 |
| Total Annual Geographically-Variable Operating Costs | \$29,563,896 | \$15,105,337 | \$16,097,254 | \$18,126,775 | \$15,636,250 |

NOTES:

- (1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.
- (2) See Exhibit II.
- (3) See Exhibit III.
- (4) See Exhibit IV.
- (5) See Exhibit V.
- (6) See Exhibit VI.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | New York NY | Rochester NY | Wilmington DE | Philadelphia PA | Pittsburgh PA |
|------------------------------------|------------------------------|------------------------|-------------------------|--------------------------|----------------------------|--------------------------|
| I.T. Group | | | | | | |
| Data Security Analyst | 8 | \$83,801 | \$72,787 | \$74,478 | \$75,902 | \$71,777 |
| Data Security Analyst, Sr. | 4 | \$107,024 | \$92,958 | \$95,118 | \$96,936 | \$91,669 |
| Data Security Analyst Manager | 1 | \$129,352 | \$112,351 | \$114,963 | \$117,159 | \$110,792 |
| EDP Auditor | 3 | \$82,876 | \$71,983 | \$73,655 | \$75,063 | \$70,985 |
| EDP Auditor, Sr. | 1 | \$101,962 | \$88,560 | \$90,619 | \$92,351 | \$87,333 |
| I.S. Security Manager | 1 | \$137,361 | \$119,307 | \$122,080 | \$124,414 | \$117,653 |
| Information Technology Auditor I | 3 | \$66,649 | \$57,889 | \$59,235 | \$60,367 | \$57,087 |
| Information Technology Auditor II | 1 | \$82,008 | \$71,230 | \$72,885 | \$74,278 | \$70,242 |
| Information Technology Auditor III | 1 | \$102,905 | \$89,380 | \$91,457 | \$93,205 | \$88,140 |
| Network Systems Group | | | | | | |
| Network Administrator I | 3 | \$62,668 | \$54,431 | \$55,697 | \$56,761 | \$53,677 |
| Network Administrator II | 1 | \$75,638 | \$65,696 | \$67,224 | \$68,508 | \$64,785 |
| Network Administrator III | 1 | \$90,235 | \$78,375 | \$80,196 | \$81,729 | \$77,289 |
| Network Engineer I | 3 | \$81,110 | \$70,449 | \$72,086 | \$73,464 | \$69,472 |
| Network Engineer II | 1 | \$95,143 | \$82,639 | \$84,559 | \$86,175 | \$81,493 |
| Network Engineer III | 1 | \$114,927 | \$99,822 | \$102,142 | \$104,095 | \$98,438 |
| Network Security Systems Manager | 1 | \$120,894 | \$105,004 | \$107,444 | \$109,498 | \$103,548 |
| Security Administrator | 4 | \$99,105 | \$86,079 | \$88,080 | \$89,763 | \$84,886 |
| Systems Administrator | 3 | \$90,732 | \$78,806 | \$80,638 | \$82,180 | \$77,715 |
| Systems Administrator, Sr. | 1 | \$110,274 | \$95,781 | \$98,006 | \$99,879 | \$94,452 |
| Telecom Group | | | | | | |
| Telecommunications Engineer I | 3 | \$69,423 | \$60,298 | \$61,700 | \$62,878 | \$59,462 |
| Telecommunications Engineer II | 1 | \$84,194 | \$73,128 | \$74,828 | \$76,258 | \$72,115 |
| Telecommunications Engineer III | 1 | \$98,203 | \$85,296 | \$87,278 | \$88,946 | \$84,113 |
| Telecommunications Manager | 1 | \$126,433 | \$109,816 | \$112,367 | \$114,514 | \$108,292 |
| Test Engineer I | 3 | \$70,839 | \$61,528 | \$62,958 | \$64,162 | \$60,675 |
| Test Engineer II | 1 | \$84,677 | \$73,547 | \$75,257 | \$76,695 | \$72,528 |
| Test Engineer III | 1 | \$95,352 | \$82,820 | \$84,745 | \$86,364 | \$81,671 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| | Number of Workers | New York NY | Rochester NY | Wilmington DE | Philadelphia PA | Pittsburgh PA |
|---------------------------------------|------------------------------|------------------------|-------------------------|--------------------------|----------------------------|--------------------------|
| Job Title | | | | | | |
| Information Web Security Group | | | | | | |
| Records Technician I | 8 | \$35,327 | \$30,684 | \$31,397 | \$31,997 | \$30,258 |
| Records Technician II | 4 | \$47,919 | \$41,621 | \$42,589 | \$43,402 | \$41,044 |
| Records Technician III | 1 | \$52,993 | \$46,029 | \$47,098 | \$47,998 | \$45,390 |
| Fraud Prevention Associate I | 8 | \$45,339 | \$39,380 | \$40,295 | \$41,065 | \$38,833 |
| Fraud Prevention Associate II | 4 | \$51,825 | \$45,014 | \$46,060 | \$46,941 | \$44,389 |
| Fraud Prevention Associate III | 1 | \$68,631 | \$59,610 | \$60,996 | \$62,163 | \$58,785 |
| Fraud Prevention Manager | 1 | \$89,226 | \$77,498 | \$79,300 | \$80,816 | \$76,424 |
| Web Security Administrator | 3 | \$114,110 | \$99,112 | \$101,416 | \$103,354 | \$97,737 |
| Web Security Manager | 1 | \$159,390 | \$138,441 | \$141,658 | \$144,366 | \$136,522 |
| Support Group | | | | | | |
| Administrative Assistant | 6 | \$46,044 | \$39,992 | \$40,921 | \$41,704 | \$39,438 |
| Secretary I | 4 | \$34,454 | \$29,926 | \$30,621 | \$31,207 | \$29,510 |
| Secretary II | 4 | \$37,819 | \$32,848 | \$33,612 | \$34,255 | \$32,393 |
| Executive Secretary | 2 | \$51,476 | \$44,710 | \$45,748 | \$46,623 | \$44,090 |
| Total Workers | 100 | | | | | |
| Weighted Average Annual Earnings (1) | | \$71,425 | \$62,038 | \$63,480 | \$64,693 | \$61,178 |
| Total Annual Base Payroll Costs | | \$7,142,500 | \$6,203,800 | \$6,348,000 | \$6,469,300 | \$6,117,800 |
| Fringe Benefits (2) | | \$2,642,725 | \$2,295,406 | \$2,348,760 | \$2,393,641 | \$2,263,586 |
| Total Annual Labor Costs | | \$9,785,225 | \$8,499,206 | \$8,696,760 | \$8,862,941 | \$8,381,386 |

NOTES:

- (1) For mature information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 100 worker center.
- (2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS (1)**

| Location | Electric Utility Company | Annual Electric Power Cost (1) | Annual Cost Per kWh (cents) |
|-------------------------|---------------------------------|---|--|
| New York, NY | Consolidated Edison Company | \$1,186,812 | 15.22 |
| Rochester, NY | Rochester Gas and Electric | \$653,496 | 8.38 |
| Wilmington, DE | Conectiv Energy | \$528,694 | 6.78 |
| Philadelphia, PA | PECO Energy Company | \$584,808 | 7.5 |
| Pittsburgh, PA | Duquesne Power | \$824,088 | 10.57 |

NOTES:

- (1) Based on assumed monthly demand of 1,000 kW and 650,000 kWh monthly consumption.
Annual costs reflect comparative industrial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

| | New York NY | Rochester NY | Wilmington DE | Philadelphia PA | Pittsburgh PA |
|---------------------------------------|------------------------|-------------------------|--------------------------|----------------------------|--------------------------|
| Site Acquisition: No. of Acres | 50 | 50 | 50 | 50 | 50 |
| Cost per Acre (1) | \$1,750,400 | \$189,560 | \$520,000 | \$603,000 | \$287,500 |
| Site Improvement Cost (2) | -- | -- | -- | -- | -- |
| Total Land Cost | \$87,520,000 | \$9,478,000 | \$26,000,000 | \$30,150,000 | \$14,375,000 |
| Construction Cost (3) | \$18,608,573 | \$12,970,023 | \$13,336,191 | \$15,546,163 | \$14,048,112 |
| Machinery and Equipment | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 |
| Total Project Investment | \$126,128,573 | \$42,448,023 | \$59,336,191 | \$65,696,163 | \$48,423,112 |
| Project Amortization | | | | | |
| Cost of Funds (Interest) | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |
| Payment Factor (4) | 0.0977 | 0.0977 | 0.0977 | 0.0977 | 0.0977 |
| Total Annual Amortization Cost | \$12,322,762 | \$4,147,172 | \$5,797,146 | \$6,418,515 | \$4,730,938 |

NOTES:

- (1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 100,000 sq. ft. information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 8.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

| | New York NY | Rochester NY | Wilmington DE | Philadelphia PA | Pittsburgh PA |
|--|------------------------|-------------------------|--------------------------|----------------------------|--------------------------|
| Real Property Tax Cost | | | | | |
| Land Cost (1) | \$87,520,000 | \$9,478,000 | \$26,000,000 | \$30,150,000 | \$14,375,000 |
| Building Cost (2) | \$18,608,573 | \$12,970,023 | \$13,336,191 | \$15,546,163 | \$14,048,112 |
| Total | \$106,128,573 | \$22,448,023 | \$39,336,191 | \$45,696,163 | \$28,423,112 |
| Effective Tax Rate (3) | \$43.28 | \$31.10 | \$14.60 | \$25.40 | \$17.70 |
| Real Property Tax Cost | \$4,593,245 | \$698,134 | \$574,308 | \$1,160,683 | \$503,089 |
| Sales Tax Cost | | | | | |
| Taxable Goods Purchases | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 |
| Sales Tax Rate (Percent) | 8.25 | 8.25 | 0.00 | 7.00 | 7.00 |
| Total Annual Sales Tax Cost (4) | \$618,750 | \$618,750 | \$0 | \$525,000 | \$525,000 |
| Total Annual Ad Valorem and Sales Tax Costs | \$5,211,995 | \$1,316,884 | \$574,308 | \$1,685,683 | \$1,028,089 |

NOTES:

- (1) See Exhibit IV.
- (2) See Exhibit IV.
- (3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

**EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS**

| | New York NY | Rochester NY | Wilmington DE | Philadelphia PA | Pittsburgh PA |
|---|------------------------|-------------------------|--------------------------|----------------------------|--------------------------|
| Space Heating | | | | | |
| Heating Degree Days | 4,848 | 6,719 | 4,940 | 4,865 | 5,278 |
| Annual Cost (1) | \$233,881 | \$177,131 | \$106,481 | \$114,886 | \$176,941 |
| Air Conditioning | | | | | |
| Cooling Degree Days | 1,068 | 531 | 992 | 1,104 | 948 |
| Annual Cost (2) | \$467,610 | \$126,906 | \$193,917 | \$236,556 | \$288,426 |
| Total Heating and Air Conditioning Costs | \$701,491 | \$304,037 | \$300,398 | \$351,442 | \$465,367 |

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 100,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 100,000 sq. ft. of information assurance center space.

EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS

| Location | Per Diem Cost (1) | Annual Travel Days (2) | Total Annual Corporate Travel Cost |
|-------------------------|------------------------------|-----------------------------------|---|
| New York, NY | \$569.89 | 624 | \$355,611 |
| Rochester, NY | \$295.74 | 624 | \$184,542 |
| Wilmington, DE | \$320.43 | 624 | \$199,948 |
| Philadelphia, PA | \$357.99 | 624 | \$223,386 |
| Pittsburgh, PA | \$330.74 | 624 | \$206,382 |

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 12 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS III:
Southeast Region***

- **Winston-Salem, North Carolina**
- **Charlotte, North Carolina**
- **Memphis, Tennessee**
- **Birmingham, Alabama**
- **Atlanta, Georgia**

**EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)**

| | Winston-Salem NC | Charlotte NC | Memphis TN | Birmingham AL | Atlanta GA |
|---|-----------------------------|-------------------------|-----------------------|--------------------------|-----------------------|
| Labor Costs (2) | | | | | |
| Weighted Average Annual Earnings | \$58,941 | \$60,845 | \$60,633 | \$58,527 | \$60,764 |
| Annual Base Payroll Costs | \$5,894,100 | \$6,084,500 | \$6,063,300 | \$5,852,700 | \$6,076,400 |
| Fringe Benefits | \$2,180,817 | \$2,251,265 | \$2,243,421 | \$2,165,499 | \$2,248,268 |
| Total Annual Labor Costs | \$8,074,917 | \$8,335,765 | \$8,306,721 | \$8,018,199 | \$8,324,668 |
| Electric Power Costs (3) | \$332,052 | \$332,052 | \$303,630 | \$418,224 | \$489,516 |
| Amortization Costs (4) | \$4,102,433 | \$4,055,908 | \$4,403,359 | \$4,130,106 | \$5,054,838 |
| Property and Sales Tax Costs (5) | \$815,269 | \$829,272 | \$1,351,592 | \$1,080,375 | \$1,157,008 |
| Heating and Air Conditioning Costs (6) | \$215,048 | \$238,485 | \$266,161 | \$343,796 | \$347,864 |
| Corporate Travel Costs (7) | \$189,203 | \$196,610 | \$197,253 | \$187,743 | \$206,188 |
| Total Annual Geographically-Variable Operating Costs | \$13,728,922 | \$13,988,092 | \$14,828,716 | \$14,178,443 | \$15,580,082 |

NOTES:

- (1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.
- (2) See Exhibit II.
- (3) See Exhibit III.
- (4) See Exhibit IV.
- (5) See Exhibit V.
- (6) See Exhibit VI.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Winston-Salem NC | Charlotte NC | Memphis TN | Birmingham AL | Atlanta GA |
|------------------------------------|------------------------------|-----------------------------|-------------------------|-----------------------|--------------------------|-----------------------|
| I.T. Group | | | | | | |
| Data Security Analyst | 8 | \$69,153 | \$71,386 | \$71,139 | \$68,667 | \$71,291 |
| Data Security Analyst, Sr. | 4 | \$88,316 | \$91,169 | \$90,852 | \$87,695 | \$91,048 |
| Data Security Analyst Manager | 1 | \$106,741 | \$110,188 | \$109,806 | \$105,991 | \$110,042 |
| EDP Auditor | 3 | \$68,390 | \$70,598 | \$70,353 | \$67,908 | \$70,505 |
| EDP Auditor, Sr. | 1 | \$84,140 | \$86,857 | \$86,555 | \$83,547 | \$86,741 |
| I.S. Security Manager | 1 | \$113,350 | \$117,012 | \$116,606 | \$112,554 | \$116,857 |
| Information Technology Auditor I | 3 | \$55,000 | \$56,776 | \$56,578 | \$54,613 | \$56,700 |
| Information Technology Auditor II | 1 | \$67,673 | \$69,858 | \$69,616 | \$67,197 | \$69,766 |
| Information Technology Auditor III | 1 | \$84,916 | \$87,659 | \$87,355 | \$84,321 | \$87,543 |
| Network Systems Group | | | | | | |
| Network Administrator I | 3 | \$51,714 | \$53,385 | \$53,199 | \$51,351 | \$53,314 |
| Network Administrator II | 1 | \$62,416 | \$64,432 | \$64,209 | \$61,977 | \$64,346 |
| Network Administrator III | 1 | \$74,462 | \$76,867 | \$76,600 | \$73,939 | \$76,765 |
| Network Engineer I | 3 | \$66,931 | \$69,093 | \$68,853 | \$66,462 | \$69,002 |
| Network Engineer II | 1 | \$78,513 | \$81,048 | \$80,766 | \$77,961 | \$80,940 |
| Network Engineer III | 1 | \$94,837 | \$97,901 | \$97,561 | \$94,171 | \$97,771 |
| Network Security Systems Manager | 1 | \$99,762 | \$102,985 | \$102,626 | \$99,060 | \$102,848 |
| Security Administrator | 4 | \$81,782 | \$84,424 | \$84,130 | \$81,207 | \$84,312 |
| Systems Administrator | 3 | \$74,873 | \$77,291 | \$77,023 | \$74,346 | \$77,188 |
| Systems Administrator, Sr. | 1 | \$90,998 | \$93,938 | \$93,612 | \$90,359 | \$93,812 |
| Telecom Group | | | | | | |
| Telecommunications Engineer I | 3 | \$57,288 | \$59,138 | \$58,933 | \$56,885 | \$59,059 |
| Telecommunications Engineer II | 1 | \$69,478 | \$71,721 | \$71,473 | \$68,989 | \$71,626 |
| Telecommunications Engineer III | 1 | \$81,037 | \$83,655 | \$83,364 | \$80,468 | \$83,543 |
| Telecommunications Manager | 1 | \$104,331 | \$107,701 | \$107,328 | \$103,598 | \$107,558 |
| Test Engineer I | 3 | \$58,457 | \$60,345 | \$60,135 | \$58,046 | \$60,264 |
| Test Engineer II | 1 | \$69,876 | \$72,133 | \$71,882 | \$69,385 | \$72,037 |
| Test Engineer III | 1 | \$78,685 | \$81,227 | \$80,944 | \$78,132 | \$81,119 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Winston-Salem NC | Charlotte NC | Memphis TN | Birmingham AL | Atlanta GA |
|---------------------------------------|------------------------------|-----------------------------|-------------------------|-----------------------|--------------------------|-----------------------|
| Information Web Security Group | | | | | | |
| Records Technician I | 8 | \$29,152 | \$30,094 | \$29,989 | \$28,946 | \$30,053 |
| Records Technician II | 4 | \$39,544 | \$40,820 | \$40,679 | \$39,265 | \$40,766 |
| Records Technician III | 1 | \$43,730 | \$45,143 | \$44,985 | \$43,423 | \$45,082 |
| Fraud Prevention Associate I | 8 | \$37,414 | \$38,622 | \$38,489 | \$37,151 | \$38,570 |
| Fraud Prevention Associate II | 4 | \$42,767 | \$44,148 | \$43,995 | \$42,466 | \$44,089 |
| Fraud Prevention Associate III | 1 | \$56,635 | \$58,464 | \$58,261 | \$56,237 | \$58,387 |
| Fraud Prevention Manager | 1 | \$73,629 | \$76,007 | \$75,743 | \$73,111 | \$75,906 |
| Web Security Administrator | 3 | \$94,164 | \$97,204 | \$96,868 | \$93,502 | \$97,075 |
| Web Security Manager | 1 | \$131,530 | \$135,778 | \$135,306 | \$130,605 | \$135,597 |
| Support Group | | | | | | |
| Administrative Assistant | 6 | \$37,996 | \$39,223 | \$39,087 | \$37,729 | \$39,171 |
| Secretary I | 4 | \$28,432 | \$29,351 | \$29,248 | \$28,231 | \$29,312 |
| Secretary II | 4 | \$31,209 | \$32,216 | \$32,104 | \$30,990 | \$32,174 |
| Executive Secretary | 2 | \$42,477 | \$43,849 | \$43,698 | \$42,179 | \$43,790 |
| Total Workers | 100 | | | | | |
| Weighted Average Annual Earnings (1) | | \$58,941 | \$60,845 | \$60,633 | \$58,527 | \$60,764 |
| Total Annual Base Payroll Costs | | \$5,894,100 | \$6,084,500 | \$6,063,300 | \$5,852,700 | \$6,076,400 |
| Fringe Benefits (2) | | \$2,180,817 | \$2,251,265 | \$2,243,421 | \$2,165,499 | \$2,248,268 |
| Total Annual Labor Costs | | \$8,074,917 | \$8,335,765 | \$8,306,721 | \$8,018,199 | \$8,324,668 |

NOTES:

- (1) For mature information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 100 worker center.
- (2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS (1)**

| Location | Electric Utility Company | Annual Electric Power Cost (1) | Annual Cost Per kWh (cents) |
|--------------------------|---------------------------------|---|--|
| Winston-Salem, NC | Duke Power Company | \$332,052 | 4.26 |
| Charlotte, NC | Duke Power Company | \$332,052 | 4.26 |
| Memphis, TN | Memphis Light, Gas, and Water | \$303,630 | 3.89 |
| Birmingham, AL | Alabama Power Company | \$418,224 | 5.36 |
| Atlanta, GA | Georgia Power Company | \$489,516 | 6.28 |

NOTES:

- (1) Based on assumed monthly demand of 1,000 kW and 650,000 kWh monthly consumption.
Annual costs reflect comparative industrial general service rates.

EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS

| | Winston-Salem NC | Charlotte NC | Memphis TN | Birmingham AL | Atlanta GA |
|----------------------------------|---------------------|--------------------|--------------------|--------------------|--------------------|
| Site Acquisition: No. of Acres | 50 | 50 | 50 | 50 | 50 |
| Cost per Acre (1) | \$220,000 | \$206,080 | \$260,000 | \$203,500 | \$385,000 |
| Site Improvement Cost (2) | -- | -- | -- | -- | -- |
| Total Land Cost | \$11,000,000 | \$10,304,000 | \$13,000,000 | \$10,175,000 | \$19,250,000 |
| Construction Cost (3) | \$10,990,100 | \$11,209,902 | \$12,070,204 | \$12,098,349 | \$12,488,360 |
| Machinery and Equipment | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 |
| Total Project Investment | \$41,990,100 | \$41,513,902 | \$45,070,204 | \$42,273,349 | \$51,738,360 |
| Project Amortization | | | | | |
| Cost of Funds (Interest) | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |
| Payment Factor (4) | 0.0977 | 0.0977 | 0.0977 | 0.0977 | 0.0977 |
| Total Annual Amortization | \$4,102,433 | \$4,055,908 | \$4,403,359 | \$4,130,106 | \$5,054,838 |

NOTES:

- (1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 100,000 sq. ft. information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts ® construction cost index data.
- (4) Assumes 25-year level amortization payments at 8.5 percent.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

| | Winston-Salem NC | Charlotte NC | Memphis TN | Birmingham AL | Atlanta GA |
|--|---------------------|------------------|--------------------|--------------------|--------------------|
| Real Property Tax Cost | | | | | |
| Land Cost (1) | \$11,000,000 | \$10,304,000 | \$13,000,000 | \$10,175,000 | \$19,250,000 |
| Building Cost (2) | \$10,990,100 | \$11,209,902 | \$12,070,204 | \$12,098,349 | \$12,488,360 |
| Total | \$21,990,100 | \$21,513,902 | \$25,070,204 | \$22,273,349 | \$31,738,360 |
| Effective Tax Rate (3) | \$13.20 | \$12.40 | \$26.24 | \$18.20 | \$17.55 |
| Real Property Tax Cost | \$290,269 | \$266,772 | \$657,842 | \$405,375 | \$557,008 |
| Sales Tax Cost | | | | | |
| Taxable Goods Purchases | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 |
| Sales Tax Rate (Percent) | 7.00 | 7.50 | 9.25 | 9.00 | 8.00 |
| Total Annual Sales Tax Cost (4) | \$525,000 | \$562,500 | \$693,750 | \$675,000 | \$600,000 |
| Total Annual Ad Valorem and Sales Tax Costs | \$815,269 | \$829,272 | \$1,351,592 | \$1,080,375 | \$1,157,008 |

NOTES:

- (1) See Exhibit IV.
- (2) See Exhibit IV.
- (3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS

| | Winston-Salem NC | Charlotte NC | Memphis TN | Birmingham AL | Atlanta GA |
|---|---------------------|------------------|------------------|------------------|------------------|
| Space Heating | | | | | |
| Heating Degree Days | 3,825 | 3,218 | 3,227 | 2,844 | 3,095 |
| Annual Cost (1) | \$51,425 | \$43,266 | \$39,784 | \$48,164 | \$61,421 |
| Air Conditioning | | | | | |
| Cooling Degree Days | 1,341 | 1,596 | 2,029 | 1,928 | 1,589 |
| Annual Cost (2) | \$163,623 | \$195,219 | \$226,377 | \$295,632 | \$286,443 |
| Total Heating and Air Conditioning Costs | \$215,048 | \$238,485 | \$266,161 | \$343,796 | \$347,864 |

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 100,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 100,000 sq. ft. of information assurance center space.

EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS

| Location | Per Diem Cost (1) | Annual Travel Days (2) | Total Annual Corporate Travel Cost |
|--------------------------|------------------------------|-----------------------------------|---|
| Winston-Salem, NC | \$303.21 | 624 | \$189,203 |
| Charlotte, NC | \$315.08 | 624 | \$196,610 |
| Memphis, TN | \$316.11 | 624 | \$197,253 |
| Birmingham, AL | \$300.87 | 624 | \$187,743 |
| Atlanta, GA | \$330.43 | 624 | \$206,188 |

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 12 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS IV:
Florida East Coast Region***

- **Jacksonville, Florida**
- **Orlando, Florida**
- **Palm Beach County, Florida**
- **Broward County, Florida**
- **Miami, Florida**

**EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)**

| | Jacksonville FL | Orlando FL | Palm Beach County FL | Broward County FL | Miami FL |
|---|----------------------------|-----------------------|---------------------------------|------------------------------|---------------------|
| Labor Costs (2) | | | | | |
| Weighted Average Annual Earnings | \$57,956 | \$57,467 | \$57,922 | \$56,648 | \$59,974 |
| Annual Base Payroll Costs | \$5,795,600 | \$5,746,700 | \$5,792,200 | \$5,664,800 | \$5,997,400 |
| Fringe Benefits | \$2,144,372 | \$2,126,279 | \$2,143,114 | \$2,095,976 | \$2,219,038 |
| Total Annual Labor Costs | \$7,939,972 | \$7,872,979 | \$7,935,314 | \$7,760,776 | \$8,216,438 |
| Electric Power Costs (3) | \$496,924 | \$571,415 | \$671,700 | \$671,700 | \$671,700 |
| Amortization Costs (4) | \$4,194,618 | \$4,459,631 | \$7,580,780 | \$8,868,499 | \$9,448,800 |
| Property and Sales Tax Costs (5) | \$940,099 | \$936,308 | \$1,501,127 | \$1,992,846 | \$2,220,344 |
| Heating and Air Conditioning Costs (6) | \$503,256 | \$698,535 | \$947,886 | \$996,126 | \$1,008,851 |
| Corporate Travel Costs (7) | \$182,682 | \$186,551 | \$193,259 | \$186,932 | \$212,622 |
| Total Annual Geographically-Variable Operating Costs | \$14,257,551 | \$14,725,419 | \$18,830,066 | \$20,476,879 | \$21,778,755 |

NOTES:

- (1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.
- (2) See Exhibit II.
- (3) See Exhibit III.
- (4) See Exhibit IV.
- (5) See Exhibit V.
- (6) See Exhibit VI.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Jacksonville FL | Orlando FL | Palm Beach County FL | Broward County FL | Miami FL |
|------------------------------------|------------------------------|----------------------------|-----------------------|---------------------------------|------------------------------|---------------------|
| I.T. Group | | | | | | |
| Data Security Analyst | 8 | \$67,998 | \$67,424 | \$67,958 | \$66,462 | \$70,364 |
| Data Security Analyst, Sr. | 4 | \$86,843 | \$86,109 | \$86,792 | \$84,880 | \$89,864 |
| Data Security Analyst Manager | 1 | \$104,959 | \$104,073 | \$104,897 | \$102,587 | \$108,611 |
| EDP Auditor | 3 | \$67,247 | \$66,680 | \$67,208 | \$65,729 | \$69,588 |
| EDP Auditor, Sr. | 1 | \$82,735 | \$82,036 | \$82,686 | \$80,865 | \$85,614 |
| I.S. Security Manager | 1 | \$111,459 | \$110,518 | \$111,394 | \$108,940 | \$115,337 |
| Information Technology Auditor I | 3 | \$54,081 | \$53,624 | \$54,050 | \$52,859 | \$55,963 |
| Information Technology Auditor II | 1 | \$66,544 | \$65,982 | \$66,505 | \$65,040 | \$68,860 |
| Information Technology Auditor III | 1 | \$83,499 | \$82,794 | \$83,450 | \$81,612 | \$86,405 |
| Network Systems Group | | | | | | |
| Network Administrator I | 3 | \$50,851 | \$50,422 | \$50,822 | \$49,702 | \$52,621 |
| Network Administrator II | 1 | \$61,374 | \$60,856 | \$61,339 | \$59,988 | \$63,510 |
| Network Administrator III | 1 | \$73,218 | \$72,600 | \$73,176 | \$71,565 | \$75,767 |
| Network Engineer I | 3 | \$65,814 | \$65,259 | \$65,776 | \$64,327 | \$68,105 |
| Network Engineer II | 1 | \$77,201 | \$76,549 | \$77,156 | \$75,458 | \$79,888 |
| Network Engineer III | 1 | \$93,254 | \$92,467 | \$93,200 | \$91,147 | \$96,500 |
| Network Security Systems Manager | 1 | \$98,097 | \$97,269 | \$98,040 | \$95,881 | \$101,511 |
| Security Administrator | 4 | \$80,418 | \$79,739 | \$80,370 | \$78,600 | \$83,216 |
| Systems Administrator | 3 | \$73,623 | \$73,002 | \$73,580 | \$71,960 | \$76,185 |
| Systems Administrator, Sr. | 1 | \$89,479 | \$88,723 | \$89,427 | \$87,457 | \$92,593 |
| Telecom Group | | | | | | |
| Telecommunications Engineer I | 3 | \$56,331 | \$55,856 | \$56,299 | \$55,059 | \$58,292 |
| Telecommunications Engineer II | 1 | \$68,317 | \$67,741 | \$68,277 | \$66,774 | \$70,695 |
| Telecommunications Engineer III | 1 | \$79,685 | \$79,012 | \$79,638 | \$77,884 | \$82,458 |
| Telecommunications Manager | 1 | \$102,590 | \$101,724 | \$102,529 | \$100,272 | \$106,160 |
| Test Engineer I | 3 | \$57,481 | \$56,995 | \$57,446 | \$56,181 | \$59,480 |
| Test Engineer II | 1 | \$68,710 | \$68,129 | \$68,670 | \$67,158 | \$71,101 |
| Test Engineer III | 1 | \$77,371 | \$76,719 | \$77,326 | \$75,623 | \$80,064 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Jacksonville FL | Orlando FL | Palm Beach County FL | Broward County FL | Miami FL |
|---------------------------------------|------------------------------|----------------------------|-----------------------|---------------------------------|------------------------------|---------------------|
| Information Web Security Group | | | | | | |
| Records Technician I | 8 | \$28,665 | \$28,423 | \$28,648 | \$28,018 | \$29,663 |
| Records Technician II | 4 | \$38,884 | \$38,556 | \$38,861 | \$38,005 | \$40,237 |
| Records Technician III | 1 | \$43,000 | \$42,637 | \$42,975 | \$42,028 | \$44,496 |
| Fraud Prevention Associate I | 8 | \$36,789 | \$36,478 | \$36,767 | \$35,957 | \$38,069 |
| Fraud Prevention Associate II | 4 | \$42,054 | \$41,698 | \$42,029 | \$41,103 | \$43,516 |
| Fraud Prevention Associate III | 1 | \$55,689 | \$55,220 | \$55,657 | \$54,431 | \$57,627 |
| Fraud Prevention Manager | 1 | \$72,400 | \$71,788 | \$72,358 | \$70,764 | \$74,919 |
| Web Security Administrator | 3 | \$92,592 | \$91,810 | \$92,537 | \$90,500 | \$95,814 |
| Web Security Manager | 1 | \$129,335 | \$128,242 | \$129,258 | \$126,412 | \$133,835 |
| Support Group | | | | | | |
| Administrative Assistant | 6 | \$37,361 | \$37,047 | \$37,340 | \$36,518 | \$38,662 |
| Secretary I | 4 | \$27,957 | \$27,722 | \$27,942 | \$27,326 | \$28,931 |
| Secretary II | 4 | \$30,688 | \$30,429 | \$30,670 | \$29,994 | \$31,756 |
| Executive Secretary | 2 | \$41,768 | \$41,415 | \$41,742 | \$40,824 | \$43,221 |
| Total Workers | 100 | | | | | |
| Weighted Average Annual Earnings (1) | | \$57,956 | \$57,467 | \$57,922 | \$56,648 | \$59,974 |
| Total Annual Base Payroll Costs | | \$5,795,600 | \$5,746,700 | \$5,792,200 | \$5,664,800 | \$5,997,400 |
| Fringe Benefits (2) | | \$2,144,372 | \$2,126,279 | \$2,143,114 | \$2,095,976 | \$2,219,038 |
| Total Annual Labor Costs | | \$7,939,972 | \$7,872,979 | \$7,935,314 | \$7,760,776 | \$8,216,438 |

NOTES:

- (1) For mature information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 100 worker center.
- (2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS ⁽¹⁾**

| Location | Electric Utility Company | Annual Electric Power Cost (1) | Annual Cost Per kWh (cents) |
|------------------------------|---------------------------------|---|--|
| Jacksonville, FL | Jacksonville Electric Authority | \$496,924 | 6.37 |
| Orlando, FL | Orlando Utilities | \$571,415 | 7.33 |
| Palm Beach County, FL | Florida Power and Light Company | \$671,700 | 8.61 |
| Broward County, FL | Florida Power and Light Company | \$671,700 | 8.61 |
| Miami, FL | Florida Power and Light Company | \$671,700 | 8.61 |

NOTES:

- (1) Based on assumed monthly demand of 1,000 kW and 650,000 kWh monthly consumption.
Annual costs reflect comparative industrial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

| | Jacksonville FL | Orlando FL | Palm Beach County FL | Broward County FL | Miami FL |
|----------------------------------|----------------------------|-----------------------|---------------------------------|------------------------------|---------------------|
| Site Acquisition: No. of Acres | 50 | 50 | 50 | 50 | 50 |
| Cost per Acre (1) | \$239,460 | \$285,000 | \$925,000 | \$1,186,070 | \$1,300,000 |
| Site Improvement Cost (2) | -- | -- | -- | -- | -- |
| Total Land Cost | \$11,973,000 | \$14,250,000 | \$46,250,000 | \$59,303,500 | \$65,000,000 |
| Construction Cost (3) | \$10,960,657 | \$11,396,175 | \$11,342,430 | \$11,469,262 | \$11,712,384 |
| Machinery and Equipment | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 |
| Total Project Investment | \$42,933,657 | \$45,646,175 | \$77,592,430 | \$90,772,762 | \$96,712,384 |
| Project Amortization | | | | | |
| Cost of Funds (Interest) | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |
| Payment Factor (4) | 0.0977 | 0.0977 | 0.0977 | 0.0977 | 0.0977 |
| Total Annual Amortization | \$4,194,618 | \$4,459,631 | \$7,580,780 | \$8,868,499 | \$9,448,800 |

NOTES:

- (1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 100,000 sq. ft. information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 8.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

| | Jacksonville FL | Orlando FL | Palm Beach County FL | Broward County FL | Miami FL |
|--|----------------------------|-----------------------|---------------------------------|------------------------------|---------------------|
| Real Property Tax Cost | | | | | |
| Land Cost (1) | \$11,973,000 | \$14,250,000 | \$46,250,000 | \$59,303,500 | \$65,000,000 |
| Building Cost (2) | \$10,960,657 | \$11,396,175 | \$11,342,430 | \$11,469,262 | \$11,712,384 |
| Total | \$22,933,657 | \$25,646,175 | \$57,592,430 | \$70,772,762 | \$76,712,384 |
| Effective Tax Rate (3) | \$18.10 | \$17.50 | \$17.60 | \$21.80 | \$22.10 |
| Real Property Tax Cost | \$415,099 | \$448,808 | \$1,013,627 | \$1,542,846 | \$1,695,344 |
| Sales Tax Cost | | | | | |
| Taxable Goods Purchases | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 |
| Sales Tax Rate (Percent) | 7.00 | 6.50 | 6.50 | 6.00 | 7.00 |
| Total Annual Sales Tax Cost (4) | \$525,000 | \$487,500 | \$487,500 | \$450,000 | \$525,000 |
| Total Annual Ad Valorem and Sales Tax Costs | \$940,099 | \$936,308 | \$1,501,127 | \$1,992,846 | \$2,220,344 |

NOTES:

- (1) See Exhibit IV.
- (2) See Exhibit IV.
- (3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS

| | Jacksonville FL | Orlando FL | Palm Beach County FL | Broward County FL | Miami FL |
|---|--------------------|------------------|-------------------------|----------------------|--------------------|
| Space Heating | | | | | |
| Heating Degree Days | 1,327 | 733 | 299 | 280 | 206 |
| Annual Cost (1) | \$27,219 | \$17,112 | \$8,388 | \$8,388 | \$5,033 |
| Air Conditioning | | | | | |
| Cooling Degree Days | 2,596 | 3,226 | 3,786 | 3,982 | 4,038 |
| Annual Cost (2) | \$476,037 | \$681,423 | \$939,498 | \$987,738 | \$1,003,818 |
| Total Heating and Air Conditioning Costs | \$503,256 | \$698,535 | \$947,886 | \$996,126 | \$1,008,851 |

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 100,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 100,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

| Location | Per Diem Cost (1) | Annual Travel Days (2) | Total Annual Corporate Travel Cost |
|------------------------------|------------------------------|-----------------------------------|---|
| Jacksonville, FL | \$292.76 | 624 | \$182,682 |
| Orlando, FL | \$298.96 | 624 | \$186,551 |
| Palm Beach County, FL | \$309.71 | 624 | \$193,259 |
| Broward County, FL | \$299.57 | 624 | \$186,932 |
| Miami, FL | \$340.74 | 624 | \$212,622 |

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 12 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS V:
Florida Gulf Coast Region***

- **Lee County, Florida**
- **Sarasota/Bradenton, Florida**
- **Tampa/St. Petersburg, Florida**
- **Ft. Walton/Destin, Florida**
- **Pensacola, Florida**

EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)

| | Lee County FL | Sarasota/ Bradenton FL | Tampa/ St. Petersburg FL | Ft. Walton/ Destin FL | Pensacola FL |
|---|---------------------|------------------------------|--------------------------------|-----------------------------|---------------------|
| Labor Costs (2) | | | | | |
| Weighted Average Annual Earnings | \$55,769 | \$56,615 | \$59,128 | \$54,759 | \$55,115 |
| Annual Base Payroll Costs | \$5,576,900 | \$5,661,500 | \$5,912,800 | \$5,475,900 | \$5,511,500 |
| Fringe Benefits | \$2,063,453 | \$2,094,755 | \$2,187,736 | \$2,026,083 | \$2,039,255 |
| Total Annual Labor Costs | \$7,640,353 | \$7,756,255 | \$8,100,536 | \$7,501,983 | \$7,550,755 |
| Electric Power Costs (3) | \$671,700 | \$671,700 | \$671,700 | \$544,416 | \$544,416 |
| Amortization Costs (4) | \$4,219,596 | \$4,353,665 | \$4,632,319 | \$3,637,711 | \$3,534,501 |
| Property and Sales Tax Costs (5) | \$725,953 | \$812,370 | \$944,430 | \$705,055 | \$835,893 |
| Heating and Air Conditioning Costs (6) | \$932,866 | \$872,962 | \$856,261 | \$549,085 | \$569,650 |
| Corporate Travel Costs (7) | \$193,365 | \$189,428 | \$205,951 | \$155,881 | \$159,532 |
| Total Annual Geographically-Variable Operating Costs | \$14,383,833 | \$14,656,380 | \$15,411,197 | \$13,094,131 | \$13,194,747 |

NOTES:

- (1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.
- (2) See Exhibit II.
- (3) See Exhibit III.
- (4) See Exhibit IV.
- (5) See Exhibit V.
- (6) See Exhibit VI.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Lee County FL | Sarasota/ Bradenton FL | Tampa/ St. Petersburg FL | Ft. Walton/ Destin FL | Pensacola FL |
|------------------------------------|------------------------------|--------------------------|---------------------------------------|---|--------------------------------------|-------------------------|
| I.T. Group | | | | | | |
| Data Security Analyst | 8 | \$65,431 | \$66,424 | \$69,373 | \$64,246 | \$64,664 |
| Data Security Analyst, Sr. | 4 | \$83,564 | \$84,832 | \$88,598 | \$82,051 | \$82,584 |
| Data Security Analyst Manager | 1 | \$100,996 | \$102,529 | \$107,081 | \$99,167 | \$99,813 |
| EDP Auditor | 3 | \$64,709 | \$65,691 | \$68,607 | \$63,537 | \$63,951 |
| EDP Auditor, Sr. | 1 | \$79,611 | \$80,819 | \$84,407 | \$78,170 | \$78,678 |
| I.S. Security Manager | 1 | \$107,250 | \$108,878 | \$113,712 | \$105,309 | \$105,994 |
| Information Technology Auditor I | 3 | \$52,039 | \$52,829 | \$55,175 | \$51,097 | \$51,429 |
| Information Technology Auditor II | 1 | \$64,032 | \$65,003 | \$67,889 | \$62,872 | \$63,282 |
| Information Technology Auditor III | 1 | \$80,346 | \$81,566 | \$85,187 | \$78,892 | \$79,405 |
| Network Systems Group | | | | | | |
| Network Administrator I | 3 | \$48,931 | \$49,674 | \$51,880 | \$48,045 | \$48,358 |
| Network Administrator II | 1 | \$59,057 | \$59,953 | \$62,615 | \$57,988 | \$58,365 |
| Network Administrator III | 1 | \$70,454 | \$71,524 | \$74,699 | \$69,178 | \$69,629 |
| Network Engineer I | 3 | \$63,330 | \$64,291 | \$67,145 | \$62,183 | \$62,587 |
| Network Engineer II | 1 | \$74,287 | \$75,415 | \$78,762 | \$72,941 | \$73,417 |
| Network Engineer III | 1 | \$89,733 | \$91,095 | \$95,140 | \$88,109 | \$88,682 |
| Network Security Systems Manager | 1 | \$94,393 | \$95,826 | \$100,080 | \$92,684 | \$93,287 |
| Security Administrator | 4 | \$77,381 | \$78,556 | \$82,043 | \$75,980 | \$76,475 |
| Systems Administrator | 3 | \$70,843 | \$71,919 | \$75,112 | \$69,561 | \$70,014 |
| Systems Administrator, Sr. | 1 | \$86,100 | \$87,408 | \$91,289 | \$84,542 | \$85,092 |
| Telecom Group | | | | | | |
| Telecommunications Engineer I | 3 | \$54,205 | \$55,028 | \$57,471 | \$53,224 | \$53,569 |
| Telecommunications Engineer II | 1 | \$65,738 | \$66,736 | \$69,699 | \$64,548 | \$64,968 |
| Telecommunications Engineer III | 1 | \$76,676 | \$77,840 | \$81,296 | \$75,288 | \$75,778 |
| Telecommunications Manager | 1 | \$98,717 | \$100,215 | \$104,664 | \$96,930 | \$97,560 |
| Test Engineer I | 3 | \$55,310 | \$56,149 | \$58,642 | \$54,309 | \$54,662 |
| Test Engineer II | 1 | \$66,115 | \$67,119 | \$70,100 | \$64,919 | \$65,341 |
| Test Engineer III | 1 | \$74,450 | \$75,580 | \$78,936 | \$73,102 | \$73,578 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Lee County FL | Sarasota/ Bradenton FL | Tampa/ St. Petersburg FL | Ft. Walton/ Destin FL | Pensacola FL |
|---------------------------------------|------------------------------|--------------------------|---------------------------------------|---|--------------------------------------|-------------------------|
| Information Web Security Group | | | | | | |
| Records Technician I | 8 | \$27,583 | \$28,002 | \$29,245 | \$27,084 | \$27,261 |
| Records Technician II | 4 | \$37,416 | \$37,983 | \$39,670 | \$36,738 | \$36,977 |
| Records Technician III | 1 | \$41,376 | \$42,004 | \$43,869 | \$40,627 | \$40,892 |
| Fraud Prevention Associate I | 8 | \$35,399 | \$35,937 | \$37,533 | \$34,759 | \$34,985 |
| Fraud Prevention Associate II | 4 | \$40,465 | \$41,079 | \$42,903 | \$39,733 | \$39,991 |
| Fraud Prevention Associate III | 1 | \$53,587 | \$54,400 | \$56,816 | \$52,617 | \$52,959 |
| Fraud Prevention Manager | 1 | \$69,666 | \$70,724 | \$73,863 | \$68,405 | \$68,850 |
| Web Security Administrator | 3 | \$89,096 | \$90,448 | \$94,464 | \$87,482 | \$88,052 |
| Web Security Manager | 1 | \$124,451 | \$126,341 | \$131,949 | \$122,198 | \$122,994 |
| Support Group | | | | | | |
| Administrative Assistant | 6 | \$35,951 | \$36,497 | \$38,117 | \$35,300 | \$35,530 |
| Secretary I | 4 | \$26,903 | \$27,310 | \$28,523 | \$26,415 | \$26,587 |
| Secretary II | 4 | \$29,529 | \$29,978 | \$31,309 | \$28,995 | \$29,183 |
| Executive Secretary | 2 | \$40,190 | \$40,800 | \$42,612 | \$39,463 | \$39,720 |
| Total Workers | 100 | | | | | |
| Weighted Average Annual Earnings (1) | | \$55,769 | \$56,615 | \$59,128 | \$54,759 | \$55,115 |
| Total Annual Base Payroll Costs | | \$5,576,900 | \$5,661,500 | \$5,912,800 | \$5,475,900 | \$5,511,500 |
| Fringe Benefits (2) | | \$2,063,453 | \$2,094,755 | \$2,187,736 | \$2,026,083 | \$2,039,255 |
| Total Annual Labor Costs | | \$7,640,353 | \$7,756,255 | \$8,100,536 | \$7,501,983 | \$7,550,755 |

NOTES:

- (1) For mature information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 100 worker center.
- (2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS ⁽¹⁾**

| Location | Electric Utility Company | Annual Electric Power Cost (1) | Annual Cost Per kWh (cents) |
|----------------------------------|---------------------------------|---------------------------------------|------------------------------------|
| Lee County, FL | Florida Power and Light Company | \$671,700 | 8.61 |
| Sarasota/ Bradenton, FL | Florida Power and Light Company | \$671,700 | 8.61 |
| Tampa/ St. Petersburg, FL | Florida Power and Light Company | \$671,700 | 8.61 |
| Ft. Walton/ Destin, FL | Gulf Power | \$544,416 | 6.98 |
| Pensacola, FL | Gulf Power | \$544,416 | 6.98 |

NOTES:

- (1) Based on assumed monthly demand of 1,000 kW and 650,000 kWh monthly consumption.
Annual costs reflect comparative industrial general service rates.

EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS

| | Lee County FL | Sarasota/ Bradenton FL | Tampa/ St. Petersburg FL | Ft. Walton/ Destin FL | Pensacola FL |
|----------------------------------|--------------------|------------------------------|--------------------------------|-----------------------------|--------------------|
| Site Acquisition: No. of Acres | 50 | 50 | 50 | 50 | 50 |
| Cost per Acre (1) | \$234,500 | \$256,700 | \$306,000 | \$124,200 | \$100,000 |
| Site Improvement Cost (2) | -- | -- | -- | -- | -- |
| Total Land Cost | \$11,725,000 | \$12,835,000 | \$15,300,000 | \$6,210,000 | \$5,000,000 |
| Construction Cost (3) | \$11,464,314 | \$11,726,571 | \$12,113,709 | \$11,023,476 | \$11,177,082 |
| Machinery and Equipment | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 |
| Total Project Investment | \$43,189,314 | \$44,561,571 | \$47,413,709 | \$37,233,476 | \$36,177,082 |
| Project Amortization | | | | | |
| Cost of Funds (Interest) | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |
| Payment Factor (4) | 0.0977 | 0.0977 | 0.0977 | 0.0977 | 0.0977 |
| Total Annual Amortization | \$4,219,596 | \$4,353,665 | \$4,632,319 | \$3,637,711 | \$3,534,501 |

NOTES:

- (1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 100,000 sq. ft. information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 8.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

| | Lee County FL | Sarasota/ Bradenton FL | Tampa/ St. Petersburg FL | Ft. Walton/ Destin FL | Pensacola FL |
|--|--------------------------|---------------------------------------|---|--------------------------------------|-------------------------|
| Real Property Tax Cost | | | | | |
| Land Cost (1) | \$11,725,000 | \$12,835,000 | \$15,300,000 | \$6,210,000 | \$5,000,000 |
| Building Cost (2) | \$11,464,314 | \$11,726,571 | \$12,113,709 | \$11,023,476 | \$11,177,082 |
| Total | \$23,189,314 | \$24,561,571 | \$27,413,709 | \$17,233,476 | \$16,177,082 |
| Effective Tax Rate (3) | \$11.90 | \$11.70 | \$15.30 | \$14.80 | \$16.90 |
| Real Property Tax Cost | \$275,953 | \$287,370 | \$419,430 | \$255,055 | \$273,393 |
| Sales Tax Cost | | | | | |
| Taxable Goods Purchases | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 |
| Sales Tax Rate (Percent) | 6.0 | 7.0 | 7.0 | 6.0 | 7.5 |
| Total Annual Sales Tax Cost (4) | \$450,000 | \$525,000 | \$525,000 | \$450,000 | \$562,500 |
| Total Annual Ad Valorem and Sales Tax Costs | \$725,953 | \$812,370 | \$944,430 | \$705,055 | \$835,893 |

NOTES:

- (1) See Exhibit IV.
- (2) See Exhibit IV.
- (3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS

| | Lee County FL | Sarasota/ Bradenton FL | Tampa/ St. Petersburg FL | Ft. Walton/ Destin FL | Pensacola FL |
|---|------------------|------------------------------|--------------------------------|-----------------------------|------------------|
| Space Heating | | | | | |
| Heating Degree Days | 457 | 668 | 718 | 1,428 | 1,578 |
| Annual Cost (1) | \$11,743 | \$18,454 | \$20,131 | \$30,868 | \$34,894 |
| Air Conditioning | | | | | |
| Cooling Degree Days | 3,711 | 3,441 | 3,366 | 2,613 | 2,695 |
| Annual Cost (2) | \$921,123 | \$854,508 | \$836,130 | \$518,217 | \$534,756 |
| Total Heating and Air Conditioning Costs | \$932,866 | \$872,962 | \$856,261 | \$549,085 | \$569,650 |

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 100,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 100,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

| Location | Per Diem Cost (1) | Annual Travel Days (2) | Total Annual Corporate Travel Cost |
|----------------------------------|------------------------------|-----------------------------------|---|
| Lee County, FL | \$309.88 | 624 | \$193,365 |
| Sarasota/ Bradenton, FL | \$303.57 | 624 | \$189,428 |
| Tampa/ St. Petersburg, FL | \$330.05 | 624 | \$205,951 |
| Ft. Walton/ Destin, FL | \$249.81 | 624 | \$155,881 |
| Pensacola, FL | \$255.66 | 624 | \$159,532 |

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 12 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS VI:
East North Central Region***

- **Cleveland, Ohio**
- **Cincinnati, Ohio**
- **Chicago, Illinois**
- **Detroit, Michigan**
- **Milwaukee, Wisconsin**

EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)

| | Cleveland OH | Cincinnati OH | Chicago IL | Detroit MI | Milwaukee WI |
|---|-------------------------|--------------------------|-----------------------|-----------------------|-------------------------|
| Labor Costs (2) | | | | | |
| Weighted Average Annual Earnings | \$61,791 | \$60,703 | \$69,872 | \$69,165 | \$63,665 |
| Annual Base Payroll Costs | \$6,179,100 | \$6,070,300 | \$6,987,200 | \$6,916,500 | \$6,366,500 |
| Fringe Benefits | \$2,286,267 | \$2,246,011 | \$2,585,264 | \$2,559,105 | \$2,355,605 |
| Total Annual Labor Costs | \$8,465,367 | \$8,316,311 | \$9,572,464 | \$9,475,605 | \$8,722,105 |
| Electric Power Costs (3) | \$593,508 | \$501,554 | \$844,140 | \$513,144 | \$473,400 |
| Amortization Costs (4) | \$4,832,601 | \$5,384,876 | \$6,548,949 | \$5,841,991 | \$4,314,474 |
| Property and Sales Tax Costs (5) | \$1,234,647 | \$1,347,076 | \$1,899,222 | \$1,699,569 | \$1,149,645 |
| Heating and Air Conditioning Costs (6) | \$279,444 | \$314,584 | \$496,833 | \$270,596 | \$220,882 |
| Corporate Travel Costs (7) | \$204,678 | \$199,693 | \$254,779 | \$241,438 | \$194,108 |
| Total Annual Geographically-Variable Operating Costs | \$15,610,245 | \$16,064,094 | \$19,616,387 | \$18,042,343 | \$15,074,614 |

NOTES:

- (1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.
- (2) See Exhibit II.
- (3) See Exhibit III.
- (4) See Exhibit IV.
- (5) See Exhibit V.
- (6) See Exhibit VI.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Cleveland OH | Cincinnati OH | Chicago IL | Detroit MI | Milwaukee WI |
|------------------------------------|------------------------------|-------------------------|--------------------------|-----------------------|-----------------------|-------------------------|
| I.T. Group | | | | | | |
| Data Security Analyst | 8 | \$72,497 | \$71,220 | \$81,976 | \$81,146 | \$74,697 |
| Data Security Analyst, Sr. | 4 | \$92,587 | \$90,957 | \$104,693 | \$103,633 | \$95,397 |
| Data Security Analyst Manager | 1 | \$111,903 | \$109,934 | \$126,533 | \$125,252 | \$115,298 |
| EDP Auditor | 3 | \$71,696 | \$70,434 | \$81,071 | \$80,250 | \$73,872 |
| EDP Auditor, Sr. | 1 | \$88,208 | \$86,656 | \$99,741 | \$98,731 | \$90,884 |
| I.S. Security Manager | 1 | \$118,832 | \$116,741 | \$134,369 | \$133,008 | \$122,438 |
| Information Technology Auditor I | 3 | \$57,658 | \$56,644 | \$65,198 | \$64,537 | \$59,408 |
| Information Technology Auditor II | 1 | \$70,945 | \$69,697 | \$80,221 | \$79,409 | \$73,098 |
| Information Technology Auditor III | 1 | \$89,023 | \$87,456 | \$100,664 | \$99,645 | \$91,725 |
| Network Systems Group | | | | | | |
| Network Administrator I | 3 | \$54,215 | \$53,261 | \$61,303 | \$60,682 | \$55,860 |
| Network Administrator II | 1 | \$65,435 | \$64,283 | \$73,989 | \$73,240 | \$67,420 |
| Network Administrator III | 1 | \$78,063 | \$76,689 | \$88,269 | \$87,376 | \$80,432 |
| Network Engineer I | 3 | \$70,169 | \$68,934 | \$79,342 | \$78,540 | \$72,297 |
| Network Engineer II | 1 | \$82,309 | \$80,861 | \$93,071 | \$92,128 | \$84,807 |
| Network Engineer III | 1 | \$99,425 | \$97,675 | \$112,422 | \$111,285 | \$102,441 |
| Network Security Systems Manager | 1 | \$104,586 | \$102,746 | \$118,260 | \$117,063 | \$107,760 |
| Security Administrator | 4 | \$85,736 | \$84,227 | \$96,948 | \$95,965 | \$88,339 |
| Systems Administrator | 3 | \$78,492 | \$77,111 | \$88,755 | \$87,856 | \$80,874 |
| Systems Administrator, Sr. | 1 | \$95,399 | \$93,720 | \$107,872 | \$106,779 | \$98,293 |
| Telecom Group | | | | | | |
| Telecommunications Engineer I | 3 | \$60,058 | \$59,001 | \$67,911 | \$67,224 | \$61,880 |
| Telecommunications Engineer II | 1 | \$72,837 | \$71,555 | \$82,360 | \$81,526 | \$75,048 |
| Telecommunications Engineer III | 1 | \$84,956 | \$83,461 | \$96,063 | \$95,090 | \$87,534 |
| Telecommunications Manager | 1 | \$109,377 | \$107,452 | \$123,677 | \$122,425 | \$112,695 |
| Test Engineer I | 3 | \$61,282 | \$60,204 | \$69,295 | \$68,593 | \$63,142 |
| Test Engineer II | 1 | \$73,255 | \$71,965 | \$82,831 | \$81,993 | \$75,477 |
| Test Engineer III | 1 | \$82,491 | \$81,039 | \$93,275 | \$92,330 | \$84,994 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Cleveland OH | Cincinnati OH | Chicago IL | Detroit MI | Milwaukee WI |
|---------------------------------------|------------------------------|-------------------------|--------------------------|-----------------------|-----------------------|-------------------------|
| Information Web Security Group | | | | | | |
| Records Technician I | 8 | \$30,562 | \$30,025 | \$34,561 | \$34,211 | \$31,489 |
| Records Technician II | 4 | \$41,455 | \$40,726 | \$46,880 | \$46,405 | \$42,713 |
| Records Technician III | 1 | \$45,845 | \$45,039 | \$51,845 | \$51,320 | \$47,236 |
| Fraud Prevention Associate I | 8 | \$39,223 | \$38,533 | \$44,356 | \$43,907 | \$40,413 |
| Fraud Prevention Associate II | 4 | \$44,835 | \$44,046 | \$50,702 | \$50,189 | \$46,196 |
| Fraud Prevention Associate III | 1 | \$59,373 | \$58,329 | \$67,143 | \$66,463 | \$61,175 |
| Fraud Prevention Manager | 1 | \$77,190 | \$75,832 | \$87,292 | \$86,408 | \$79,531 |
| Web Security Administrator | 3 | \$98,717 | \$96,980 | \$111,635 | \$110,505 | \$101,711 |
| Web Security Manager | 1 | \$137,889 | \$135,463 | \$155,934 | \$154,355 | \$142,074 |
| Support Group | | | | | | |
| Administrative Assistant | 6 | \$39,834 | \$39,133 | \$45,046 | \$44,590 | \$41,042 |
| Secretary I | 4 | \$29,807 | \$29,283 | \$33,706 | \$33,364 | \$30,712 |
| Secretary II | 4 | \$32,717 | \$32,141 | \$36,999 | \$36,624 | \$33,711 |
| Executive Secretary | 2 | \$44,532 | \$43,748 | \$50,359 | \$49,850 | \$45,882 |
| Total Workers | 100 | | | | | |
| Weighted Average Annual Earnings (1) | | \$61,791 | \$60,703 | \$69,872 | \$69,165 | \$63,665 |
| Total Annual Base Payroll Costs | | \$6,179,100 | \$6,070,300 | \$6,987,200 | \$6,916,500 | \$6,366,500 |
| Fringe Benefits (2) | | \$2,286,267 | \$2,246,011 | \$2,585,264 | \$2,559,105 | \$2,355,605 |
| Total Annual Labor Costs | | \$8,465,367 | \$8,316,311 | \$9,572,464 | \$9,475,605 | \$8,722,105 |

NOTES:

- (1) For mature information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 100 worker center.
- (2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS ⁽¹⁾**

| Location | Electric Utility Company | Annual Electric Power Cost (1) | Annual Cost Per kWh (cents) |
|-----------------------|---|---|--|
| Cleveland, OH | Cleveland Electric Illuminating Company | \$593,508 | 7.61 |
| Cincinnati, OH | Cincinnati Gas & Electric | \$501,554 | 6.43 |
| Chicago, IL | Commonwealth Edison Company | \$844,140 | 10.82 |
| Detroit, MI | Detroit Edison Company | \$513,144 | 6.58 |
| Milwaukee, WI | Wisconsin Electric Power Company | \$473,400 | 6.07 |

NOTES:

- (1) Based on assumed monthly demand of 1,000 kW and 650,000 kWh monthly consumption.
Annual costs reflect comparative industrial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

| | Cleveland OH | Cincinnati OH | Chicago IL | Detroit MI | Milwaukee WI |
|----------------------------------|-------------------------|--------------------------|-----------------------|-----------------------|-------------------------|
| Site Acquisition: No. of Acres | 50 | 50 | 50 | 50 | 50 |
| Cost per Acre (1) | \$303,250 | \$435,600 | \$628,050 | \$500,000 | \$200,000 |
| Site Improvement Cost (2) | -- | -- | -- | -- | -- |
| Total Land Cost | \$15,162,500 | \$21,780,000 | \$31,402,500 | \$25,000,000 | \$10,000,000 |
| Construction Cost (3) | \$14,301,171 | \$13,336,442 | \$15,628,712 | \$14,795,195 | \$14,160,432 |
| Machinery and Equipment | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 |
| Total Project Investment | \$49,463,671 | \$55,116,442 | \$67,031,212 | \$59,795,195 | \$44,160,432 |
| Project Amortization | | | | | |
| Cost of Funds (Interest) | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |
| Payment Factor (4) | 0.0977 | 0.0977 | 0.0977 | 0.0977 | 0.0977 |
| Total Annual Amortization | \$4,832,601 | \$5,384,876 | \$6,548,949 | \$5,841,991 | \$4,314,474 |

NOTES:

- (1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 100,000 sq. ft. information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 8.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

| | Cleveland OH | Cincinnati OH | Chicago IL | Detroit MI | Milwaukee WI |
|--|-------------------------|--------------------------|-----------------------|-----------------------|-------------------------|
| Real Property Tax Cost | | | | | |
| Land Cost (1) | \$15,162,500 | \$21,780,000 | \$31,402,500 | \$25,000,000 | \$10,000,000 |
| Building Cost (2) | \$14,301,171 | \$13,336,442 | \$15,628,712 | \$14,795,195 | \$14,160,432 |
| Total | \$29,463,671 | \$35,116,442 | \$47,031,212 | \$39,795,195 | \$24,160,432 |
| Effective Tax Rate (3) | \$21.54 | \$23.41 | \$26.03 | \$31.40 | \$30.20 |
| Real Property Tax Cost | \$634,647 | \$822,076 | \$1,224,222 | \$1,249,569 | \$729,645 |
| Sales Tax Cost | | | | | |
| Taxable Goods Purchases | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 |
| Sales Tax Rate (Percent) | 8.00 | 7.00 | 9.00 | 6.00 | 5.60 |
| Total Annual Sales Tax Cost (4) | \$600,000 | \$525,000 | \$675,000 | \$450,000 | \$420,000 |
| Total Annual Ad Valorem and Sales Tax Costs | \$1,234,647 | \$1,347,076 | \$1,899,222 | \$1,699,569 | \$1,149,645 |

NOTES:

- (1) See Exhibit IV.
- (2) See Exhibit IV.
- (3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS

| | Cleveland OH | Cincinnati OH | Chicago IL | Detroit MI | Milwaukee WI |
|---|-------------------------|--------------------------|-----------------------|-----------------------|-------------------------|
| Space Heating | | | | | |
| Heating Degree Days | 6,154 | 4,844 | 6,127 | 6,228 | 7,444 |
| Annual Cost (1) | \$146,790 | \$97,741 | \$209,700 | \$130,475 | \$142,093 |
| Air Conditioning | | | | | |
| Cooling Degree Days | 613 | 1,188 | 925 | 743 | 450 |
| Annual Cost (2) | \$132,654 | \$216,843 | \$287,133 | \$140,121 | \$78,789 |
| Total Heating and Air Conditioning Costs | \$279,444 | \$314,584 | \$496,833 | \$270,596 | \$220,882 |

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 100,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 100,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

| Location | Per Diem Cost (1) | Annual Travel Days (2) | Total Annual Corporate Travel Cost |
|-----------------------|------------------------------|-----------------------------------|---|
| Cleveland, OH | \$328.01 | 624 | \$204,678 |
| Cincinnati, OH | \$320.02 | 624 | \$199,693 |
| Chicago, IL | \$408.30 | 624 | \$254,779 |
| Detroit, MI | \$386.92 | 624 | \$241,438 |
| Milwaukee, WI | \$311.07 | 624 | \$194,108 |

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 12 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS VII:
West North Central Region***

- **Kansas City, Missouri**
- **Minneapolis/St. Paul, Minnesota**
- **Des Moines, Iowa**
- **Omaha, Nebraska**
- **Sioux Falls, South Dakota**

EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)

| | Kansas City MO | Minneapolis/ St. Paul MN | Des Moines IA | Omaha NE | Sioux Falls SD |
|---|---------------------|--------------------------------|---------------------|---------------------|---------------------|
| Labor Costs (2) | | | | | |
| Weighted Average Annual Earnings | \$61,235 | \$63,398 | \$60,555 | \$58,701 | \$54,994 |
| Annual Base Payroll Costs | \$6,123,500 | \$6,339,800 | \$6,055,500 | \$5,870,100 | \$5,499,400 |
| Fringe Benefits | \$2,265,695 | \$2,345,726 | \$2,240,535 | \$2,171,937 | \$2,034,778 |
| Total Annual Labor Costs | \$8,389,195 | \$8,685,526 | \$8,296,035 | \$8,042,037 | \$7,534,178 |
| Electric Power Costs (3) | \$347,652 | \$455,532 | \$290,532 | \$310,411 | \$299,236 |
| Amortization Costs (4) | \$4,771,917 | \$4,954,622 | \$4,144,973 | \$4,583,421 | \$3,521,879 |
| Property and Sales Tax Costs (5) | \$1,265,682 | \$1,765,482 | \$833,476 | \$1,160,152 | \$781,006 |
| Heating and Air Conditioning Costs (6) | \$239,601 | \$248,290 | \$178,125 | \$210,591 | \$175,169 |
| Corporate Travel Costs (7) | \$212,360 | \$229,052 | \$165,385 | \$163,451 | \$138,197 |
| Total Annual Geographically-Variable Operating Costs | \$15,226,407 | \$16,338,504 | \$13,908,526 | \$14,470,063 | \$12,449,665 |

NOTES:

- (1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.
- (2) See Exhibit II.
- (3) See Exhibit III.
- (4) See Exhibit IV.
- (5) See Exhibit V.
- (6) See Exhibit VI.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Kansas City MO | Minneapolis/ St. Paul MN | Des Moines IA | Omaha NE | Sioux Falls SD |
|------------------------------------|------------------------------|---------------------------|---|--------------------------|---------------------|---------------------------|
| I.T. Group | | | | | | |
| Data Security Analyst | 8 | \$71,845 | \$74,382 | \$71,047 | \$68,872 | \$64,522 |
| Data Security Analyst, Sr. | 4 | \$91,754 | \$94,994 | \$90,735 | \$87,958 | \$82,402 |
| Data Security Analyst Manager | 1 | \$110,896 | \$114,812 | \$109,665 | \$106,308 | \$99,594 |
| EDP Auditor | 3 | \$71,051 | \$73,560 | \$70,262 | \$68,111 | \$63,809 |
| EDP Auditor, Sr. | 1 | \$87,414 | \$90,501 | \$86,444 | \$83,798 | \$78,505 |
| I.S. Security Manager | 1 | \$117,763 | \$121,922 | \$116,455 | \$112,890 | \$105,760 |
| Information Technology Auditor I | 3 | \$57,139 | \$59,157 | \$56,505 | \$54,775 | \$51,316 |
| Information Technology Auditor II | 1 | \$70,306 | \$72,790 | \$69,526 | \$67,398 | \$63,141 |
| Information Technology Auditor III | 1 | \$88,222 | \$91,338 | \$87,243 | \$84,572 | \$79,230 |
| Network Systems Group | | | | | | |
| Network Administrator I | 3 | \$53,727 | \$55,625 | \$53,131 | \$51,504 | \$48,251 |
| Network Administrator II | 1 | \$64,846 | \$67,136 | \$64,126 | \$62,163 | \$58,237 |
| Network Administrator III | 1 | \$77,360 | \$80,093 | \$76,502 | \$74,160 | \$69,476 |
| Network Engineer I | 3 | \$69,537 | \$71,993 | \$68,766 | \$66,661 | \$62,450 |
| Network Engineer II | 1 | \$81,568 | \$84,449 | \$80,663 | \$78,194 | \$73,255 |
| Network Engineer III | 1 | \$98,530 | \$102,010 | \$97,437 | \$94,454 | \$88,488 |
| Network Security Systems Manager | 1 | \$103,645 | \$107,305 | \$102,494 | \$99,357 | \$93,082 |
| Security Administrator | 4 | \$84,964 | \$87,965 | \$84,021 | \$81,449 | \$76,305 |
| Systems Administrator | 3 | \$77,786 | \$80,533 | \$76,922 | \$74,567 | \$69,858 |
| Systems Administrator, Sr. | 1 | \$94,540 | \$97,879 | \$93,491 | \$90,629 | \$84,905 |
| Telecom Group | | | | | | |
| Telecommunications Engineer I | 3 | \$59,517 | \$61,620 | \$58,857 | \$57,055 | \$53,452 |
| Telecommunications Engineer II | 1 | \$72,181 | \$74,731 | \$71,380 | \$69,195 | \$64,825 |
| Telecommunications Engineer III | 1 | \$84,191 | \$87,165 | \$83,257 | \$80,708 | \$75,611 |
| Telecommunications Manager | 1 | \$108,393 | \$112,221 | \$107,189 | \$103,908 | \$97,346 |
| Test Engineer I | 3 | \$60,730 | \$62,875 | \$60,056 | \$58,218 | \$54,541 |
| Test Engineer II | 1 | \$72,596 | \$75,160 | \$71,790 | \$69,592 | \$65,197 |
| Test Engineer III | 1 | \$81,749 | \$84,636 | \$80,841 | \$78,366 | \$73,417 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Kansas City MO | Minneapolis/ | Des Moines IA | Omaha NE | Sioux Falls SD |
|---------------------------------------|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | | | St. Paul MN | | | |
| Information Web Security Group | | | | | | |
| Records Technician I | 8 | \$30,287 | \$31,357 | \$29,951 | \$29,034 | \$27,200 |
| Records Technician II | 4 | \$41,082 | \$42,533 | \$40,626 | \$39,382 | \$36,895 |
| Records Technician III | 1 | \$45,432 | \$47,037 | \$44,928 | \$43,553 | \$40,802 |
| Fraud Prevention Associate I | 8 | \$38,870 | \$40,243 | \$38,439 | \$37,262 | \$34,908 |
| Fraud Prevention Associate II | 4 | \$44,431 | \$46,001 | \$43,938 | \$42,593 | \$39,903 |
| Fraud Prevention Associate III | 1 | \$58,839 | \$60,917 | \$58,186 | \$56,404 | \$52,842 |
| Fraud Prevention Manager | 1 | \$76,495 | \$79,197 | \$75,646 | \$73,331 | \$68,699 |
| Web Security Administrator | 3 | \$97,829 | \$101,284 | \$96,743 | \$93,781 | \$87,858 |
| Web Security Manager | 1 | \$136,648 | \$141,474 | \$135,131 | \$130,995 | \$122,721 |
| Support Group | | | | | | |
| Administrative Assistant | 6 | \$39,475 | \$40,870 | \$39,037 | \$37,842 | \$35,452 |
| Secretary I | 4 | \$29,539 | \$30,582 | \$29,211 | \$28,317 | \$26,528 |
| Secretary II | 4 | \$32,423 | \$33,568 | \$32,063 | \$31,081 | \$29,118 |
| Executive Secretary | 2 | \$44,131 | \$45,690 | \$43,641 | \$42,305 | \$39,633 |
| Total Workers | 100 | | | | | |
| Weighted Average Annual Earnings (1) | | \$61,235 | \$63,398 | \$60,555 | \$58,701 | \$54,994 |
| Total Annual Base Payroll Costs | | \$6,123,500 | \$6,339,800 | \$6,055,500 | \$5,870,100 | \$5,499,400 |
| Fringe Benefits (2) | | \$2,265,695 | \$2,345,726 | \$2,240,535 | \$2,171,937 | \$2,034,778 |
| Total Annual Labor Costs | | \$8,389,195 | \$8,685,526 | \$8,296,035 | \$8,042,037 | \$7,534,178 |

NOTES:

- (1) For mature information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 100 worker center.
- (2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS ⁽¹⁾**

| Location | Electric Utility Company | Annual Electric Power Cost (1) | Annual Cost Per kWh (cents) |
|---------------------------------|---------------------------------|---------------------------------------|------------------------------------|
| Kansas City, MO | Kansas City Power and Light | \$347,652 | 4.46 |
| Minneapolis/St. Paul, MN | Xcel Energy | \$455,532 | 5.84 |
| Des Moines, IA | MidAmerican Energy | \$290,532 | 3.73 |
| Omaha, NE | Omaha Public Power District | \$310,411 | 3.98 |
| Sioux Falls, SD | Xcel Energy | \$299,236 | 3.84 |

NOTES:

- (1) Based on assumed monthly demand of 1,000 kW and 650,000 kWh monthly consumption.
Annual costs reflect comparative industrial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

| | Minneapolis/ | | | | |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | Kansas City | St. Paul | Des Moines | Omaha | Sioux Falls |
| | MO | MN | IA | NE | SD |
| Site Acquisition: No. of Acres | 50 | 50 | 50 | 50 | 50 |
| Cost per Acre (1) | \$290,000 | \$300,000 | \$198,060 | \$289,060 | \$85,000 |
| Site Improvement Cost (2) | -- | -- | -- | -- | -- |
| Total Land Cost | \$14,500,000 | \$15,000,000 | \$9,903,000 | \$14,453,000 | \$4,250,000 |
| Construction Cost (3) | \$14,342,553 | \$15,712,613 | \$12,522,514 | \$12,460,214 | \$11,797,890 |
| Machinery and Equipment | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 |
| Total Project Investment | \$48,842,553 | \$50,712,613 | \$42,425,514 | \$46,913,214 | \$36,047,890 |
| Project Amortization | | | | | |
| Cost of Funds (Interest) | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |
| Payment Factor (4) | 0.0977 | 0.0977 | 0.0977 | 0.0977 | 0.0977 |
| Total Annual Amortization | \$4,771,917 | \$4,954,622 | \$4,144,973 | \$4,583,421 | \$3,521,879 |

NOTES:

- (1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 100,000 sq. ft. information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 8.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

| | Kansas City MO | Minneapolis/ St. Paul MN | Des Moines IA | Omaha NE | Sioux Falls SD |
|--|---------------------------|---|--------------------------|---------------------|---------------------------|
| Real Property Tax Cost | | | | | |
| Land Cost (1) | \$14,500,000 | \$15,000,000 | \$9,903,000 | \$14,453,000 | \$4,250,000 |
| Building Cost (2) | \$14,342,553 | \$15,712,613 | \$12,522,514 | \$12,460,214 | \$11,797,890 |
| Total | \$28,842,553 | \$30,712,613 | \$22,425,514 | \$26,913,214 | \$16,047,890 |
| Effective Tax Rate (3) | \$24.25 | \$40.39 | \$17.10 | \$23.60 | \$21.00 |
| Real Property Tax Cost | \$699,432 | \$1,240,482 | \$383,476 | \$635,152 | \$337,006 |
| Sales Tax Cost | | | | | |
| Taxable Goods Purchases | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 |
| Sales Tax Rate (Percent) | 7.55 | 7.00 | 6.00 | 7.00 | 5.92 |
| Total Annual Sales Tax Cost (4) | \$566,250 | \$525,000 | \$450,000 | \$525,000 | \$444,000 |
| Total Annual Ad Valorem and Sales Tax Costs | \$1,265,682 | \$1,765,482 | \$833,476 | \$1,160,152 | \$781,006 |

NOTES:

- (1) See Exhibit IV.
- (2) See Exhibit IV.
- (3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

**EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS**

| | Kansas City MO | Minneapolis/ St. Paul MN | Des Moines IA | Omaha NE | Sioux Falls SD |
|---|---------------------------|---|--------------------------|---------------------|---------------------------|
| Space Heating | | | | | |
| Heating Degree Days | 5,357 | 8,159 | 6,710 | 6049 | 7,838 |
| Annual Cost (1) | \$75,165 | \$150,607 | \$79,350 | \$76,398 | \$95,727 |
| Air Conditioning | | | | | |
| Cooling Degree Days | 1,285 | 585 | 928 | 1,173 | 719 |
| Annual Cost (2) | \$164,436 | \$97,683 | \$98,775 | \$134,193 | \$79,442 |
| Total Heating and Air Conditioning Costs | \$239,601 | \$248,290 | \$178,125 | \$210,591 | \$175,169 |

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 100,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 100,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

| Location | Per Diem Cost (1) | Annual Travel Days (2) | Total Annual Corporate Travel Cost |
|---------------------------------|------------------------------|-----------------------------------|---|
| Kansas City, MO | \$340.32 | 624 | \$212,360 |
| Minneapolis/St. Paul, MN | \$367.07 | 624 | \$229,052 |
| Des Moines, IA | \$265.04 | 624 | \$165,385 |
| Omaha, NE | \$261.94 | 624 | \$163,451 |
| Sioux Falls, SD | \$221.47 | 624 | \$138,197 |

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 12 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS VIII:
South Central Region***

- **Tulsa, Oklahoma**
- **Dallas, Texas**
- **San Antonio, Texas**
- **Houston, Texas**
- **New Orleans, Louisiana**

**EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)**

| | Tulsa OK | Dallas TX | San Antonio TX | Houston TX | New Orleans LA |
|---|---------------------|----------------------|---------------------------|-----------------------|---------------------------|
| Labor Costs (2) | | | | | |
| Weighted Average Annual Earnings | \$59,296 | \$62,932 | \$58,095 | \$63,075 | \$58,636 |
| Annual Base Payroll Costs | \$5,929,600 | \$6,293,200 | \$5,809,500 | \$6,307,500 | \$5,863,600 |
| Fringe Benefits | \$2,193,952 | \$2,328,484 | \$2,149,515 | \$2,333,775 | \$2,169,532 |
| Total Annual Labor Costs | \$8,123,552 | \$8,621,684 | \$7,959,015 | \$8,641,275 | \$8,033,132 |
| Electric Power Costs (3) | \$420,960 | \$650,846 | \$438,093 | \$728,934 | \$547,374 |
| Amortization Costs (4) | \$3,755,686 | \$5,097,349 | \$4,064,026 | \$4,885,195 | \$4,571,713 |
| Property and Sales Tax Costs (5) | \$804,263 | \$1,410,218 | \$1,134,133 | \$1,293,795 | \$1,362,250 |
| Heating and Air Conditioning Costs (6) | \$365,208 | \$682,756 | \$446,848 | \$816,414 | \$577,640 |
| Corporate Travel Costs (7) | \$173,728 | \$211,636 | \$199,786 | \$216,484 | \$211,043 |
| Total Annual Geographically-Variable Operating Costs | \$13,643,397 | \$16,674,489 | \$14,241,901 | \$16,582,097 | \$15,303,152 |

NOTES:

- (1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.
- (2) See Exhibit II.
- (3) See Exhibit III.
- (4) See Exhibit IV.
- (5) See Exhibit V.
- (6) See Exhibit VI.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Tulsa OK | Dallas TX | San Antonio TX | Houston TX | New Orleans LA |
|------------------------------------|------------------------------|---------------------|----------------------|---------------------------|-----------------------|---------------------------|
| I.T. Group | | | | | | |
| Data Security Analyst | 8 | \$69,570 | \$73,837 | \$68,162 | \$74,004 | \$68,796 |
| Data Security Analyst, Sr. | 4 | \$88,850 | \$94,299 | \$87,051 | \$94,513 | \$87,861 |
| Data Security Analyst Manager | 1 | \$107,384 | \$113,970 | \$105,211 | \$114,229 | \$106,190 |
| EDP Auditor | 3 | \$68,801 | \$73,020 | \$67,409 | \$73,187 | \$68,035 |
| EDP Auditor, Sr. | 1 | \$84,646 | \$89,837 | \$82,933 | \$90,042 | \$83,704 |
| I.S. Security Manager | 1 | \$114,034 | \$121,028 | \$111,727 | \$121,303 | \$112,765 |
| Information Technology Auditor I | 3 | \$55,331 | \$58,725 | \$54,211 | \$58,858 | \$54,716 |
| Information Technology Auditor II | 1 | \$68,081 | \$72,256 | \$66,703 | \$72,420 | \$67,323 |
| Information Technology Auditor III | 1 | \$85,430 | \$90,667 | \$83,701 | \$90,873 | \$84,477 |
| Network Systems Group | | | | | | |
| Network Administrator I | 3 | \$52,026 | \$55,217 | \$50,973 | \$55,342 | \$51,447 |
| Network Administrator II | 1 | \$62,793 | \$66,644 | \$61,522 | \$66,796 | \$62,095 |
| Network Administrator III | 1 | \$74,911 | \$79,506 | \$73,395 | \$79,686 | \$74,079 |
| Network Engineer I | 3 | \$67,336 | \$71,466 | \$65,972 | \$71,628 | \$66,587 |
| Network Engineer II | 1 | \$78,986 | \$83,829 | \$77,388 | \$84,019 | \$78,107 |
| Network Engineer III | 1 | \$95,409 | \$101,261 | \$93,479 | \$101,490 | \$94,348 |
| Network Security Systems Manager | 1 | \$100,364 | \$106,519 | \$98,332 | \$106,761 | \$99,247 |
| Security Administrator | 4 | \$82,275 | \$87,320 | \$80,610 | \$87,519 | \$81,359 |
| Systems Administrator | 3 | \$75,324 | \$79,943 | \$73,799 | \$80,124 | \$74,486 |
| Systems Administrator, Sr. | 1 | \$91,547 | \$97,162 | \$89,694 | \$97,382 | \$90,529 |
| Telecom Group | | | | | | |
| Telecommunications Engineer I | 3 | \$57,633 | \$61,168 | \$56,466 | \$61,307 | \$56,991 |
| Telecommunications Engineer II | 1 | \$69,897 | \$74,183 | \$68,481 | \$74,352 | \$69,119 |
| Telecommunications Engineer III | 1 | \$81,526 | \$86,526 | \$79,876 | \$86,722 | \$80,619 |
| Telecommunications Manager | 1 | \$104,961 | \$111,398 | \$102,837 | \$111,650 | \$103,792 |
| Test Engineer I | 3 | \$58,809 | \$62,415 | \$57,618 | \$62,556 | \$58,153 |
| Test Engineer II | 1 | \$70,297 | \$74,608 | \$68,874 | \$74,777 | \$69,514 |
| Test Engineer III | 1 | \$79,159 | \$84,014 | \$77,558 | \$84,205 | \$78,279 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Tulsa OK | Dallas TX | San Antonio TX | Houston TX | New Orleans LA |
|---------------------------------------|------------------------------|---------------------|----------------------|---------------------------|-----------------------|---------------------------|
| Information Web Security Group | | | | | | |
| Records Technician I | 8 | \$29,328 | \$31,125 | \$28,734 | \$31,196 | \$29,001 |
| Records Technician II | 4 | \$39,781 | \$42,221 | \$38,977 | \$42,317 | \$39,338 |
| Records Technician III | 1 | \$43,994 | \$46,692 | \$43,103 | \$46,798 | \$43,504 |
| Fraud Prevention Associate I | 8 | \$37,639 | \$39,947 | \$36,877 | \$40,038 | \$37,221 |
| Fraud Prevention Associate II | 4 | \$43,024 | \$45,663 | \$42,154 | \$45,767 | \$42,546 |
| Fraud Prevention Associate III | 1 | \$56,977 | \$60,470 | \$55,823 | \$60,607 | \$56,342 |
| Fraud Prevention Manager | 1 | \$74,073 | \$78,615 | \$72,574 | \$78,793 | \$73,248 |
| Web Security Administrator | 3 | \$94,731 | \$100,542 | \$92,815 | \$100,770 | \$93,678 |
| Web Security Manager | 1 | \$132,322 | \$140,437 | \$129,644 | \$140,756 | \$130,850 |
| Support Group | | | | | | |
| Administrative Assistant | 6 | \$38,226 | \$40,570 | \$37,451 | \$40,662 | \$37,801 |
| Secretary I | 4 | \$28,602 | \$30,357 | \$28,024 | \$30,425 | \$28,285 |
| Secretary II | 4 | \$31,396 | \$33,323 | \$30,760 | \$33,399 | \$31,048 |
| Executive Secretary | 2 | \$42,734 | \$45,355 | \$41,870 | \$45,458 | \$42,260 |
| Total Workers | 100 | | | | | |
| Weighted Average Annual Earnings (1) | | \$59,296 | \$62,932 | \$58,095 | \$63,075 | \$58,636 |
| Total Annual Base Payroll Costs | | \$5,929,600 | \$6,293,200 | \$5,809,500 | \$6,307,500 | \$5,863,600 |
| Fringe Benefits (2) | | \$2,193,952 | \$2,328,484 | \$2,149,515 | \$2,333,775 | \$2,169,532 |
| Total Annual Labor Costs | | \$8,123,552 | \$8,621,684 | \$7,959,015 | \$8,641,275 | \$8,033,132 |

NOTES:

- (1) For mature information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 100 worker center.
- (2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS ⁽¹⁾**

| Location | Electric Utility Company | Annual Electric Power Cost (1) | Annual Cost Per kWh (cents) |
|------------------------|------------------------------------|---|--|
| Tulsa, OK | Public Service Company of Oklahoma | \$420,960 | 5.40 |
| Dallas, TX | TXU | \$650,846 | 8.34 |
| San Antonio, TX | San Antonio Public Service | \$438,093 | 5.62 |
| Houston, TX | Reliant Energy | \$728,934 | 9.35 |
| New Orleans, LA | Entergy New Orleans | \$547,374 | 7.02 |

NOTES:

- (1) Based on assumed monthly demand of 1,000 kW and 650,000 kWh monthly consumption.
Annual costs reflect comparative industrial general service rates.

EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS

| | Tulsa OK | Dallas TX | San Antonio TX | Houston TX | New Orleans LA |
|----------------------------------|---------------------|----------------------|---------------------------|-----------------------|---------------------------|
| Site Acquisition: No. of Acres | 50 | 50 | 50 | 50 | 50 |
| Cost per Acre (1) | \$145,000 | \$412,000 | \$205,600 | \$359,080 | \$300,000 |
| Site Improvement Cost (2) | -- | -- | -- | -- | -- |
| Total Land Cost | \$7,250,000 | \$20,600,000 | \$10,280,000 | \$17,954,000 | \$15,000,000 |
| Construction Cost (3) | \$11,191,007 | \$11,573,485 | \$11,316,989 | \$12,047,998 | \$11,793,381 |
| Machinery and Equipment | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 |
| Total Project Investment | \$38,441,007 | \$52,173,485 | \$41,596,989 | \$50,001,998 | \$46,793,381 |
| Project Amortization | | | | | |
| Cost of Funds (Interest) | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |
| Payment Factor (4) | 0.0977 | 0.0977 | 0.0977 | 0.0977 | 0.0977 |
| Total Annual Amortization | \$3,755,686 | \$5,097,349 | \$4,064,026 | \$4,885,195 | \$4,571,713 |

NOTES:

- (1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 100,000 sq. ft. information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts ® construction cost index data.
- (4) Assumes 25-year level amortization payments at 8.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

| | Tulsa OK | Dallas TX | San Antonio TX | Houston TX | New Orleans LA |
|--|---------------------|----------------------|---------------------------|-----------------------|---------------------------|
| Real Property Tax Cost | | | | | |
| Land Cost (1) | \$7,250,000 | \$20,600,000 | \$10,280,000 | \$17,954,000 | \$15,000,000 |
| Building Cost (2) | \$11,191,007 | \$11,573,485 | \$11,316,989 | \$12,047,998 | \$11,793,381 |
| Total | \$18,441,007 | \$32,173,485 | \$21,596,989 | \$30,001,998 | \$26,793,381 |
| Effective Tax Rate (3) | \$12.50 | \$24.60 | \$25.60 | \$22.50 | \$25.65 |
| Real Property Tax Cost | \$230,513 | \$791,468 | \$552,883 | \$675,045 | \$687,250 |
| Sales Tax Cost | | | | | |
| Taxable Goods Purchases | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 |
| Sales Tax Rate (Percent) | 7.65 | 8.25 | 7.75 | 8.25 | 9.00 |
| Total Annual Sales Tax Cost (4) | \$573,750 | \$618,750 | \$581,250 | \$618,750 | \$675,000 |
| Total Annual Ad Valorem and Sales Tax Costs | \$804,263 | \$1,410,218 | \$1,134,133 | \$1,293,795 | \$1,362,250 |

NOTES:

- (1) See Exhibit IV.
- (2) See Exhibit IV.
- (3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS

| | Tulsa OK | Dallas TX | San Antonio TX | Houston TX | New Orleans LA |
|---|---------------------|----------------------|---------------------------|-----------------------|---------------------------|
| Space Heating | | | | | |
| Heating Degree Days | 3,680 | 2,382 | 2,167 | 1,434 | 1,465 |
| Annual Cost (1) | \$62,889 | \$62,893 | \$38,527 | \$42,396 | \$32,477 |
| Air Conditioning | | | | | |
| Cooling Degree Days | 1,949 | 2,587 | 2,538 | 2,888 | 2,706 |
| Annual Cost (2) | \$302,319 | \$619,863 | \$408,321 | \$774,018 | \$545,163 |
| Total Heating and Air Conditioning Costs | \$365,208 | \$682,756 | \$446,848 | \$816,414 | \$577,640 |

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 100,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 100,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

| Location | Per Diem Cost (1) | Annual Travel Days (2) | Total Annual Corporate Travel Cost |
|------------------------|------------------------------|-----------------------------------|---|
| Tulsa, OK | \$278.41 | 624 | \$173,728 |
| Dallas, TX | \$339.16 | 624 | \$211,636 |
| San Antonio, TX | \$320.17 | 624 | \$199,786 |
| Houston, TX | \$346.93 | 624 | \$216,484 |
| New Orleans, LA | \$338.21 | 624 | \$211,043 |

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 12 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS IX:
Mountain Region***

- **Denver, Colorado**
- **Phoenix, Arizona**
- **Salt Lake City, Utah**
- **Albuquerque, New Mexico**
- **Colorado Springs, Colorado**

EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)

| | Denver CO | Phoenix AZ | Salt Lake City UT | Albuquerque NM | Colorado Springs CO |
|---|---------------------|---------------------|----------------------|---------------------|------------------------|
| Labor Costs (2) | | | | | |
| Weighted Average Annual Earnings | \$64,131 | \$61,132 | \$59,882 | \$59,408 | \$60,119 |
| Annual Base Payroll Costs | \$6,413,100 | \$6,113,200 | \$5,988,200 | \$5,940,800 | \$6,011,900 |
| Fringe Benefits | \$2,372,847 | \$2,261,884 | \$2,215,634 | \$2,198,096 | \$2,224,403 |
| Total Annual Labor Costs | \$8,785,947 | \$8,375,084 | \$8,203,834 | \$8,138,896 | \$8,236,303 |
| Electric Power Costs (3) | \$411,192 | \$427,608 | \$360,660 | \$386,664 | \$306,543 |
| Amortization Costs (4) | \$5,521,759 | \$7,068,707 | \$5,141,725 | \$5,081,264 | \$4,835,591 |
| Property and Sales Tax Costs (5) | \$1,855,809 | \$1,853,457 | \$981,152 | \$838,995 | \$1,378,101 |
| Heating and Air Conditioning Costs (6) | \$195,417 | \$578,131 | \$210,123 | \$254,100 | \$132,549 |
| Corporate Travel Costs (7) | \$214,612 | \$196,117 | \$182,882 | \$177,310 | \$183,799 |
| Total Annual Geographically-Variable Operating Costs | \$16,984,736 | \$18,499,104 | \$15,080,376 | \$14,877,229 | \$15,072,886 |

NOTES:

- (1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.
- (2) See Exhibit II.
- (3) See Exhibit III.
- (4) See Exhibit IV.
- (5) See Exhibit V.
- (6) See Exhibit VI.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Denver CO | Phoenix AZ | Salt Lake City UT | Albuquerque NM | Colorado Springs CO |
|------------------------------------|------------------------------|----------------------|-----------------------|------------------------------|---------------------------|--------------------------------|
| I.T. Group | | | | | | |
| Data Security Analyst | 8 | \$75,242 | \$71,724 | \$70,256 | \$69,700 | \$70,536 |
| Data Security Analyst, Sr. | 4 | \$96,095 | \$91,602 | \$89,727 | \$89,017 | \$90,082 |
| Data Security Analyst Manager | 1 | \$116,141 | \$110,712 | \$108,445 | \$107,588 | \$108,875 |
| EDP Auditor | 3 | \$74,411 | \$70,932 | \$69,480 | \$68,930 | \$69,756 |
| EDP Auditor, Sr. | 1 | \$91,549 | \$87,269 | \$85,482 | \$84,806 | \$85,821 |
| I.S. Security Manager | 1 | \$123,332 | \$117,567 | \$115,160 | \$114,249 | \$115,618 |
| Information Technology Auditor I | 3 | \$59,843 | \$57,046 | \$55,877 | \$55,435 | \$56,098 |
| Information Technology Auditor II | 1 | \$73,633 | \$70,191 | \$68,753 | \$68,209 | \$69,026 |
| Information Technology Auditor III | 1 | \$92,395 | \$88,076 | \$86,272 | \$85,590 | \$86,614 |
| Network Systems Group | | | | | | |
| Network Administrator I | 3 | \$56,267 | \$53,637 | \$52,539 | \$52,123 | \$52,748 |
| Network Administrator II | 1 | \$67,913 | \$64,738 | \$63,412 | \$62,911 | \$63,664 |
| Network Administrator III | 1 | \$81,019 | \$77,231 | \$75,650 | \$75,052 | \$75,951 |
| Network Engineer I | 3 | \$72,826 | \$69,421 | \$68,000 | \$67,462 | \$68,269 |
| Network Engineer II | 1 | \$85,427 | \$81,432 | \$79,765 | \$79,135 | \$80,082 |
| Network Engineer III | 1 | \$103,190 | \$98,366 | \$96,352 | \$95,590 | \$96,734 |
| Network Security Systems Manager | 1 | \$108,547 | \$103,473 | \$101,354 | \$100,552 | \$101,756 |
| Security Administrator | 4 | \$88,984 | \$84,824 | \$83,087 | \$82,430 | \$83,417 |
| Systems Administrator | 3 | \$81,466 | \$77,657 | \$76,067 | \$75,466 | \$76,369 |
| Systems Administrator, Sr. | 1 | \$99,012 | \$94,383 | \$92,450 | \$91,720 | \$92,818 |
| Telecom Group | | | | | | |
| Telecommunications Engineer I | 3 | \$62,333 | \$59,419 | \$58,202 | \$57,742 | \$58,433 |
| Telecommunications Engineer II | 1 | \$75,595 | \$72,062 | \$70,586 | \$70,028 | \$70,867 |
| Telecommunications Engineer III | 1 | \$88,174 | \$84,051 | \$82,331 | \$81,680 | \$82,657 |
| Telecommunications Manager | 1 | \$113,519 | \$108,212 | \$105,996 | \$105,159 | \$106,417 |
| Test Engineer I | 3 | \$63,604 | \$60,630 | \$59,389 | \$58,919 | \$59,625 |
| Test Engineer II | 1 | \$76,028 | \$72,474 | \$70,990 | \$70,429 | \$71,272 |
| Test Engineer III | 1 | \$85,615 | \$81,612 | \$79,941 | \$79,309 | \$80,258 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Denver CO | Phoenix AZ | Salt Lake City UT | Albuquerque NM | Colorado Springs CO |
|---------------------------------------|------------------------------|----------------------|-----------------------|------------------------------|---------------------------|--------------------------------|
| Information Web Security Group | | | | | | |
| Records Technician I | 8 | \$31,719 | \$30,236 | \$29,617 | \$29,382 | \$29,734 |
| Records Technician II | 4 | \$43,026 | \$41,014 | \$40,174 | \$39,857 | \$40,334 |
| Records Technician III | 1 | \$47,581 | \$45,357 | \$44,428 | \$44,076 | \$44,604 |
| Fraud Prevention Associate I | 8 | \$40,709 | \$38,806 | \$38,011 | \$37,710 | \$38,161 |
| Fraud Prevention Associate II | 4 | \$46,533 | \$44,358 | \$43,449 | \$43,106 | \$43,622 |
| Fraud Prevention Associate III | 1 | \$61,622 | \$58,741 | \$57,538 | \$57,084 | \$57,767 |
| Fraud Prevention Manager | 1 | \$80,113 | \$76,367 | \$74,804 | \$74,212 | \$75,100 |
| Web Security Administrator | 3 | \$102,456 | \$97,667 | \$95,667 | \$94,910 | \$96,047 |
| Web Security Manager | 1 | \$143,111 | \$136,421 | \$133,628 | \$132,572 | \$134,158 |
| Support Group | | | | | | |
| Administrative Assistant | 6 | \$41,342 | \$39,410 | \$38,603 | \$38,298 | \$38,756 |
| Secretary I | 4 | \$30,935 | \$29,489 | \$28,885 | \$28,657 | \$29,000 |
| Secretary II | 4 | \$33,957 | \$32,370 | \$31,707 | \$31,456 | \$31,833 |
| Executive Secretary | 2 | \$46,218 | \$44,058 | \$43,155 | \$42,815 | \$43,326 |
| Total Workers | 100 | | | | | |
| Weighted Average Annual Earnings (1) | | \$64,131 | \$61,132 | \$59,882 | \$59,408 | \$60,119 |
| Total Annual Base Payroll Costs (2) | | \$6,413,100 | \$6,113,200 | \$5,988,200 | \$5,940,800 | \$6,011,900 |
| Fringe Benefits (3) | | \$2,372,847 | \$2,261,884 | \$2,215,634 | \$2,198,096 | \$2,224,403 |
| Total Annual Labor Costs | | \$8,785,947 | \$8,375,084 | \$8,203,834 | \$8,138,896 | \$8,236,303 |

NOTES:

- (1) For mature information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 100 worker center.
- (2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS ⁽¹⁾**

| Location | Electric Utility Company | Annual Electric Power Cost (1) | Annual Cost Per kWh (cents) |
|-----------------------------|-------------------------------------|---|--|
| Denver , CO | Public Service of Colorado | \$411,192 | 5.27 |
| Phoenix, AZ | Arizona Public Service | \$427,608 | 5.48 |
| Salt Lake City, UT | PacifiCorp | \$360,660 | 4.62 |
| Albuquerque, NM | PNM | \$386,664 | 4.96 |
| Colorado Springs, CO | Colorado Springs Dept. of Utilities | \$306,543 | 3.93 |

NOTES:

- (1) Based on assumed monthly demand of 1,000 kW and 650,000 kWh monthly consumption.
Annual costs reflect comparative industrial general service rates.

EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS

| | Denver CO | Phoenix AZ | Salt Lake City UT | Albuquerque NM | Colorado Springs CO |
|----------------------------------|----------------------|-----------------------|------------------------------|---------------------------|--------------------------------|
| Site Acquisition: No. of Acres | 50 | 50 | 50 | 50 | 50 |
| Cost per Acre (1) | \$460,000 | \$803,500 | \$406,700 | \$390,000 | \$325,000 |
| Site Improvement Cost (2) | -- | -- | -- | -- | -- |
| Total Land Cost | \$23,000,000 | \$40,175,000 | \$20,335,000 | \$19,500,000 | \$16,250,000 |
| Construction Cost (3) | \$13,517,497 | \$12,176,151 | \$12,292,684 | \$12,508,844 | \$13,244,281 |
| Machinery and Equipment | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 |
| Total Project Investment | \$56,517,497 | \$72,351,151 | \$52,627,684 | \$52,008,844 | \$49,494,281 |
| Project Amortization | | | | | |
| Cost of Funds (Interest) | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |
| Payment Factor (4) | 0.0977 | 0.0977 | 0.0977 | 0.0977 | 0.0977 |
| Total Annual Amortization | \$5,521,759 | \$7,068,707 | \$5,141,725 | \$5,081,264 | \$4,835,591 |

NOTES:

- (1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 100,000 sq. ft. information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 8.5 percent.

EXHIBIT V
AD VALOREM AND SALES TAX COSTS

| | Denver CO | Phoenix AZ | Salt Lake City UT | Albuquerque NM | Colorado Springs CO |
|--|--------------------|--------------------|----------------------|-------------------|------------------------|
| Real Property Tax Cost | | | | | |
| Land Cost (1) | \$23,000,000 | \$40,175,000 | \$20,335,000 | \$19,500,000 | \$16,250,000 |
| Building Cost (2) | \$13,517,497 | \$12,176,151 | \$12,292,684 | \$12,508,844 | \$13,244,281 |
| Total | \$36,517,497 | \$52,351,151 | \$32,627,684 | \$32,008,844 | \$29,494,281 |
| Effective Tax Rate (3) | \$34.80 | \$23.80 | \$14.90 | \$10.70 | \$30.45 |
| Real Property Tax Cost | \$1,270,809 | \$1,245,957 | \$486,152 | \$342,495 | \$898,101 |
| Sales Tax Cost | | | | | |
| Taxable Goods Purchases | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 |
| Sales Tax Rate (Percent) | 7.80 | 8.10 | 6.60 | 6.62 | 6.40 |
| Total Annual Sales Tax Cost (4) | \$585,000 | \$607,500 | \$495,000 | \$496,500 | \$480,000 |
| Total Annual Ad Valorem and Sales Tax Costs | \$1,855,809 | \$1,853,457 | \$981,152 | \$838,995 | \$1,378,101 |

NOTES:

- (1) See Exhibit IV.
- (2) See Exhibit IV.
- (3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS

| | Denver CO | Phoenix AZ | Salt Lake City UT | Albuquerque NM | Colorado Springs CO |
|---|------------------|------------------|----------------------|-------------------|------------------------|
| Space Heating | | | | | |
| Heating Degree Days | 6,016 | 1,552 | 5,983 | 4,292 | 6,473 |
| Annual Cost (1) | \$100,308 | \$26,875 | \$87,444 | \$67,335 | \$80,415 |
| Air Conditioning | | | | | |
| Cooling Degree Days | 625 | 3,508 | 927 | 1,316 | 461 |
| Annual Cost (2) | \$95,109 | \$551,256 | \$122,679 | \$186,765 | \$52,134 |
| Total Heating and Air Conditioning Costs | \$195,417 | \$578,131 | \$210,123 | \$254,100 | \$132,549 |

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 100,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 100,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

| Location | Per Diem Cost (1) | Annual Travel Days (2) | Total Annual Corporate Travel Cost |
|-----------------------------|------------------------------|-----------------------------------|---|
| Denver , CO | \$343.93 | 624 | \$214,612 |
| Phoenix, AZ | \$314.29 | 624 | \$196,117 |
| Salt Lake City, UT | \$293.08 | 624 | \$182,882 |
| Albuquerque, NM | \$284.15 | 624 | \$177,310 |
| Colorado Springs, CO | \$294.55 | 624 | \$183,799 |

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 12 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS X:
Pacific Northwest Region***

- **Seattle, Washington**
- **Spokane, Washington**
- **Portland, Oregon**
- **Salem, Oregon**
- **Eugene/Springfield, Oregon**

**EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)**

| | Seattle WA | Spokane WA | Portland OR | Salem OR | Eugene/Springfield OR |
|---|-----------------------|-----------------------|------------------------|---------------------|----------------------------------|
| Labor Costs (2) | | | | | |
| Weighted Average Annual Earnings | \$64,955 | \$59,741 | \$61,403 | \$58,920 | \$57,963 |
| Annual Base Payroll Costs | \$6,495,500 | \$5,974,100 | \$6,140,300 | \$5,892,000 | \$5,796,300 |
| Fringe Benefits | \$2,403,335 | \$2,210,417 | \$2,271,911 | \$2,180,040 | \$2,144,631 |
| Total Annual Labor Costs | \$8,898,835 | \$8,184,517 | \$8,412,211 | \$8,072,040 | \$7,940,931 |
| Electric Power Costs (3) | \$529,776 | \$468,780 | \$515,040 | \$408,632 | \$472,497 |
| Amortization Costs (4) | \$6,434,162 | \$5,267,183 | \$6,198,212 | \$5,516,614 | \$5,463,592 |
| Property and Sales Tax Costs (5) | \$1,233,204 | \$1,091,918 | \$716,781 | \$521,447 | \$510,094 |
| Heating and Air Conditioning Costs (6) | \$137,369 | \$196,655 | \$156,779 | \$171,498 | \$132,259 |
| Corporate Travel Costs (7) | \$204,653 | \$149,610 | \$204,060 | \$147,052 | \$158,702 |
| Total Annual Geographically-Variable Operating Costs | \$17,437,999 | \$15,358,663 | \$16,203,083 | \$14,837,283 | \$14,678,075 |

NOTES:

- (1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.
- (2) See Exhibit II.
- (3) See Exhibit III.
- (4) See Exhibit IV.
- (5) See Exhibit V.
- (6) See Exhibit VI.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Seattle WA | Spokane WA | Portland OR | Salem OR | Eugene/Springfield OR |
|------------------------------------|------------------------------|-----------------------|-----------------------|------------------------|---------------------|----------------------------------|
| I.T. Group | | | | | | |
| Data Security Analyst | 8 | \$76,210 | \$70,092 | \$72,042 | \$69,128 | \$68,005 |
| Data Security Analyst, Sr. | 4 | \$97,329 | \$89,516 | \$92,007 | \$88,285 | \$86,851 |
| Data Security Analyst Manager | 1 | \$117,634 | \$108,191 | \$111,201 | \$106,703 | \$104,970 |
| EDP Auditor | 3 | \$75,368 | \$69,317 | \$71,246 | \$68,364 | \$67,254 |
| EDP Auditor, Sr. | 1 | \$92,725 | \$85,281 | \$87,654 | \$84,109 | \$82,743 |
| I.S. Security Manager | 1 | \$124,919 | \$114,890 | \$118,087 | \$113,310 | \$111,470 |
| Information Technology Auditor I | 3 | \$60,611 | \$55,745 | \$57,297 | \$54,978 | \$54,086 |
| Information Technology Auditor II | 1 | \$74,579 | \$68,593 | \$70,501 | \$67,649 | \$66,551 |
| Information Technology Auditor III | 1 | \$93,583 | \$86,070 | \$88,465 | \$84,887 | \$83,509 |
| Network Systems Group | | | | | | |
| Network Administrator I | 3 | \$56,992 | \$52,417 | \$53,875 | \$51,696 | \$50,857 |
| Network Administrator II | 1 | \$68,786 | \$63,263 | \$65,024 | \$62,393 | \$61,380 |
| Network Administrator III | 1 | \$82,061 | \$75,474 | \$77,573 | \$74,436 | \$73,227 |
| Network Engineer I | 3 | \$73,762 | \$67,840 | \$69,728 | \$66,907 | \$65,821 |
| Network Engineer II | 1 | \$86,525 | \$79,579 | \$81,792 | \$78,484 | \$77,210 |
| Network Engineer III | 1 | \$104,516 | \$96,125 | \$98,799 | \$94,803 | \$93,264 |
| Network Security Systems Manager | 1 | \$109,943 | \$101,117 | \$103,929 | \$99,726 | \$98,107 |
| Security Administrator | 4 | \$90,128 | \$82,894 | \$85,200 | \$81,753 | \$80,425 |
| Systems Administrator | 3 | \$82,514 | \$75,889 | \$78,001 | \$74,846 | \$73,631 |
| Systems Administrator, Sr. | 1 | \$100,284 | \$92,233 | \$94,800 | \$90,965 | \$89,489 |
| Telecom Group | | | | | | |
| Telecommunications Engineer I | 3 | \$63,133 | \$58,065 | \$59,681 | \$57,266 | \$56,337 |
| Telecommunications Engineer II | 1 | \$76,568 | \$70,421 | \$72,381 | \$69,452 | \$68,325 |
| Telecommunications Engineer III | 1 | \$89,307 | \$82,138 | \$84,423 | \$81,007 | \$79,693 |
| Telecommunications Manager | 1 | \$114,979 | \$105,749 | \$108,691 | \$104,295 | \$102,601 |
| Test Engineer I | 3 | \$64,421 | \$59,249 | \$60,897 | \$58,434 | \$57,485 |
| Test Engineer II | 1 | \$77,006 | \$70,824 | \$72,794 | \$69,850 | \$68,716 |
| Test Engineer III | 1 | \$86,714 | \$79,753 | \$81,971 | \$78,656 | \$77,379 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Seattle WA | Spokane WA | Portland OR | Salem OR | Eugene/Springfield OR |
|---------------------------------------|------------------------------|-----------------------|-----------------------|------------------------|---------------------|----------------------------------|
| Information Web Security Group | | | | | | |
| Records Technician I | 8 | \$32,128 | \$29,548 | \$30,370 | \$29,142 | \$28,669 |
| Records Technician II | 4 | \$43,578 | \$40,080 | \$41,194 | \$39,529 | \$38,887 |
| Records Technician III | 1 | \$48,193 | \$44,324 | \$45,557 | \$43,714 | \$43,005 |
| Fraud Prevention Associate I | 8 | \$41,232 | \$37,922 | \$38,977 | \$37,400 | \$36,793 |
| Fraud Prevention Associate II | 4 | \$47,131 | \$43,347 | \$44,553 | \$42,751 | \$42,057 |
| Fraud Prevention Associate III | 1 | \$62,415 | \$57,404 | \$59,001 | \$56,615 | \$55,695 |
| Fraud Prevention Manager | 1 | \$81,143 | \$74,629 | \$76,705 | \$73,603 | \$72,407 |
| Web Security Administrator | 3 | \$103,773 | \$95,442 | \$98,098 | \$94,129 | \$92,602 |
| Web Security Manager | 1 | \$144,952 | \$133,316 | \$137,025 | \$131,481 | \$129,347 |
| Support Group | | | | | | |
| Administrative Assistant | 6 | \$41,874 | \$38,512 | \$39,583 | \$37,982 | \$37,366 |
| Secretary I | 4 | \$31,333 | \$28,818 | \$29,620 | \$28,421 | \$27,960 |
| Secretary II | 4 | \$34,394 | \$31,633 | \$32,513 | \$31,198 | \$30,692 |
| Executive Secretary | 2 | \$46,812 | \$43,055 | \$44,252 | \$42,462 | \$41,773 |
| Total Workers | 100 | | | | | |
| Weighted Average Annual Earnings (1) | | \$64,955 | \$59,741 | \$61,403 | \$58,920 | \$57,963 |
| Total Annual Base Payroll Costs | | \$6,495,500 | \$5,974,100 | \$6,140,300 | \$5,892,000 | \$5,796,300 |
| Fringe Benefits (2) | | \$2,403,335 | \$2,210,417 | \$2,271,911 | \$2,180,040 | \$2,144,631 |
| Total Annual Labor Costs | | \$8,898,835 | \$8,184,517 | \$8,412,211 | \$8,072,040 | \$7,940,931 |

NOTES:

- (1) For mature information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 100 worker center.
- (2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS ⁽¹⁾**

| Location | Electric Utility Company | Annual Electric Power Cost (1) | Annual Cost Per kWh (cents) |
|-------------------------------|---------------------------------|---|--|
| Seattle, WA | Puget Sound Energy | \$529,776 | 6.79 |
| Spokane, WA | Avista | \$468,780 | 6.01 |
| Portland, OR | Portland General Electric | \$515,040 | 6.60 |
| Salem, OR | Salem Electric | \$408,632 | 5.24 |
| Eugene/Springfield, OR | EWEB | \$472,497 | 6.06 |

NOTES:

- (1) Based on assumed monthly demand of 1,000 kW and 650,000 kWh monthly consumption.
Annual costs reflect comparative industrial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

| | Seattle WA | Spokane WA | Portland OR | Salem OR | Eugene/Springfield OR |
|----------------------------------|-----------------------|-----------------------|------------------------|---------------------|----------------------------------|
| Site Acquisition: No. of Acres | 50 | 50 | 50 | 50 | 50 |
| Cost per Acre (1) | \$625,000 | \$410,090 | \$580,000 | \$445,000 | \$436,700 |
| Site Improvement Cost (2) | -- | -- | -- | -- | -- |
| Total Land Cost | \$31,250,000 | \$20,504,500 | \$29,000,000 | \$22,250,000 | \$21,835,000 |
| Construction Cost (3) | \$14,606,319 | \$13,407,304 | \$14,441,267 | \$14,214,833 | \$14,087,134 |
| Machinery and Equipment | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 |
| Total Project Investment | \$65,856,319 | \$53,911,804 | \$63,441,267 | \$56,464,833 | \$55,922,134 |
| Project Amortization | | | | | |
| Cost of Funds (Interest) | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |
| Payment Factor (4) | 0.0977 | 0.0977 | 0.0977 | 0.0977 | 0.0977 |
| Total Annual Amortization | \$6,434,162 | \$5,267,183 | \$6,198,212 | \$5,516,614 | \$5,463,592 |

NOTES:

- (1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 100,000 sq. ft. information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 8.5 percent.

EXHIBIT V
AD VALOREM AND SALES TAX COSTS

| | Seattle WA | Spokane WA | Portland OR | Salem OR | Eugene/Springfield OR |
|--|--------------------|--------------------|------------------|------------------|--------------------------|
| Real Property Tax Cost | | | | | |
| Land Cost (1) | \$31,250,000 | \$20,504,500 | \$29,000,000 | \$22,250,000 | \$21,835,000 |
| Building Cost (2) | \$14,606,319 | \$13,407,304 | \$14,441,267 | \$14,214,833 | \$14,087,134 |
| Total | \$45,856,319 | \$33,911,804 | \$43,441,267 | \$36,464,833 | \$35,922,134 |
| Effective Tax Rate (3) | \$12.50 | \$13.40 | \$16.50 | \$14.30 | \$14.20 |
| Real Property Tax Cost | \$573,204 | \$454,418 | \$716,781 | \$521,447 | \$510,094 |
| Sales Tax Cost | | | | | |
| Taxable Goods Purchases | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 |
| Sales Tax Rate (Percent) | 8.80 | 8.50 | -- | -- | -- |
| Total Annual Sales Tax Cost (4) | \$660,000 | \$637,500 | \$0 | \$0 | \$0 |
| Total Annual Ad Valorem and Sales Tax Costs | \$1,233,204 | \$1,091,918 | \$716,781 | \$521,447 | \$510,094 |

NOTES:

- (1) See Exhibit IV.
- (2) See Exhibit IV.
- (3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS

| | Seattle WA | Spokane WA | Portland OR | Salem OR | Eugene/Springfield OR |
|---|------------------|------------------|------------------|------------------|--------------------------|
| Space Heating | | | | | |
| Heating Degree Days | 4,727 | 6,835 | 4,792 | 6,835 | 4,739 |
| Annual Cost (1) | \$101,666 | \$129,884 | \$100,031 | \$113,268 | \$90,775 |
| Air Conditioning | | | | | |
| Cooling Degree Days | 183 | 388 | 300 | 388 | 239 |
| Annual Cost (2) | \$35,703 | \$66,771 | \$56,748 | \$58,230 | \$41,484 |
| Total Heating and Air Conditioning Costs | \$137,369 | \$196,655 | \$156,779 | \$171,498 | \$132,259 |

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 100,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 100,000 sq. ft. of information assurance center space.

EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS

| Location | Per Diem Cost (1) | Annual Travel Days (2) | Total Annual Corporate Travel Cost |
|------------------------|------------------------------|-----------------------------------|---|
| Seattle, WA | \$327.97 | 624 | \$204,653 |
| Spokane, WA | \$239.76 | 624 | \$149,610 |
| Portland, OR | \$327.02 | 624 | \$204,060 |
| Salem, OR | \$235.66 | 624 | \$147,052 |
| Eugene/Springfield, OR | \$254.33 | 624 | \$158,702 |

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 12 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS XI:
Northern California Region***

- **San Jose, California**
- **San Francisco, California**
- **Santa Rosa, California**
- **Oakland, California**
- **Vallejo/Fairfield/Napa, California**

**EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)**

| | San Jose CA | San Francisco CA | Santa Rosa CA | Oakland CA | Vallejo/Fairfield/Napa CA |
|---|------------------------|-----------------------------|--------------------------|-----------------------|--------------------------------------|
| Labor Costs (2) | | | | | |
| Weighted Average Annual Earnings | \$71,482 | \$72,322 | \$66,786 | \$71,119 | \$67,527 |
| Annual Base Payroll Costs | \$7,148,200 | \$7,232,200 | \$6,678,600 | \$7,111,900 | \$6,752,700 |
| Fringe Benefits | \$2,644,834 | \$2,675,914 | \$2,471,082 | \$2,631,403 | \$2,498,499 |
| Total Annual Labor Costs | \$9,793,034 | \$9,908,114 | \$9,149,682 | \$9,743,303 | \$9,251,199 |
| Electric Power Costs (3) | \$864,036 | \$864,036 | \$864,036 | \$864,036 | \$864,036 |
| Amortization Costs (4) | \$10,630,449 | \$12,331,994 | \$7,429,387 | \$8,484,298 | \$7,480,006 |
| Property and Sales Tax Costs (5) | \$1,595,628 | \$1,890,932 | \$1,244,493 | \$1,324,653 | \$1,170,015 |
| Heating and Air Conditioning Costs (6) | \$243,124 | \$141,213 | \$157,179 | \$140,946 | \$142,296 |
| Corporate Travel Costs (7) | \$200,778 | \$241,114 | \$188,099 | \$230,318 | \$197,777 |
| Total Annual Geographically-Variable Operating Costs | \$23,327,049 | \$25,377,403 | \$19,032,876 | \$20,787,554 | \$19,105,329 |

NOTES:

- (1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.
- (2) See Exhibit II.
- (3) See Exhibit III.
- (4) See Exhibit IV.
- (5) See Exhibit V.
- (6) See Exhibit VI.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | San Jose CA | San Francisco CA | Santa Rosa CA | Oakland CA | Vallejo/Fairfield/Napa CA |
|------------------------------------|------------------------------|------------------------|-----------------------------|--------------------------|-----------------------|--------------------------------------|
| I.T. Group | | | | | | |
| Data Security Analyst | 8 | \$83,858 | \$84,843 | \$78,349 | \$83,432 | \$79,218 |
| Data Security Analyst, Sr. | 4 | \$107,099 | \$108,356 | \$100,062 | \$106,554 | \$101,172 |
| Data Security Analyst Manager | 1 | \$129,442 | \$130,960 | \$120,937 | \$128,782 | \$122,278 |
| EDP Auditor | 3 | \$82,933 | \$83,906 | \$77,485 | \$82,511 | \$78,344 |
| EDP Auditor, Sr. | 1 | \$102,031 | \$103,229 | \$95,328 | \$101,512 | \$96,385 |
| I.S. Security Manager | 1 | \$137,457 | \$139,070 | \$128,427 | \$136,757 | \$129,851 |
| Information Technology Auditor I | 3 | \$66,695 | \$67,478 | \$62,313 | \$66,355 | \$63,005 |
| Information Technology Auditor II | 1 | \$82,064 | \$83,027 | \$76,673 | \$81,647 | \$77,523 |
| Information Technology Auditor III | 1 | \$102,977 | \$104,185 | \$96,211 | \$102,452 | \$97,278 |
| Network Systems Group | | | | | | |
| Network Administrator I | 3 | \$62,711 | \$63,447 | \$58,591 | \$62,391 | \$59,241 |
| Network Administrator II | 1 | \$75,690 | \$76,578 | \$70,717 | \$75,305 | \$71,502 |
| Network Administrator III | 1 | \$90,298 | \$91,357 | \$84,366 | \$89,837 | \$85,301 |
| Network Engineer I | 3 | \$81,166 | \$82,118 | \$75,833 | \$80,752 | \$76,674 |
| Network Engineer II | 1 | \$95,209 | \$96,327 | \$88,955 | \$94,725 | \$89,941 |
| Network Engineer III | 1 | \$115,006 | \$116,356 | \$107,451 | \$114,420 | \$108,642 |
| Network Security Systems Manager | 1 | \$120,978 | \$122,398 | \$113,030 | \$120,361 | \$114,283 |
| Security Administrator | 4 | \$99,173 | \$100,338 | \$92,658 | \$98,669 | \$93,686 |
| Systems Administrator | 3 | \$90,794 | \$91,859 | \$84,828 | \$90,332 | \$85,770 |
| Systems Administrator, Sr. | 1 | \$110,349 | \$111,644 | \$103,099 | \$109,787 | \$104,242 |
| Telecom Group | | | | | | |
| Telecommunications Engineer I | 3 | \$69,471 | \$70,286 | \$64,907 | \$69,117 | \$65,627 |
| Telecommunications Engineer II | 1 | \$84,254 | \$85,243 | \$78,719 | \$83,824 | \$79,592 |
| Telecommunications Engineer III | 1 | \$98,270 | \$99,423 | \$91,813 | \$97,770 | \$92,831 |
| Telecommunications Manager | 1 | \$126,519 | \$128,004 | \$118,206 | \$125,875 | \$119,517 |
| Test Engineer I | 3 | \$70,886 | \$71,719 | \$66,230 | \$70,526 | \$66,963 |
| Test Engineer II | 1 | \$84,736 | \$85,730 | \$79,168 | \$84,304 | \$80,046 |
| Test Engineer III | 1 | \$95,419 | \$96,539 | \$89,150 | \$94,933 | \$90,139 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | San Jose CA | San Francisco CA | Santa Rosa CA | Oakland CA | Vallejo/Fairfield/Napa CA |
|---------------------------------------|------------------------------|------------------------|-----------------------------|--------------------------|-----------------------|--------------------------------------|
| Information Web Security Group | | | | | | |
| Records Technician I | 8 | \$35,367 | \$35,782 | \$33,044 | \$35,187 | \$33,410 |
| Records Technician II | 4 | \$47,973 | \$48,537 | \$44,822 | \$47,729 | \$45,319 |
| Records Technician III | 1 | \$53,054 | \$53,676 | \$49,568 | \$52,784 | \$50,118 |
| Fraud Prevention Associate I | 8 | \$45,391 | \$45,923 | \$42,409 | \$45,160 | \$42,879 |
| Fraud Prevention Associate II | 4 | \$51,885 | \$52,493 | \$48,476 | \$51,620 | \$49,013 |
| Fraud Prevention Associate III | 1 | \$68,709 | \$69,515 | \$64,194 | \$68,358 | \$64,906 |
| Fraud Prevention Manager | 1 | \$89,327 | \$90,375 | \$83,458 | \$88,871 | \$84,383 |
| Web Security Administrator | 3 | \$114,239 | \$115,579 | \$106,733 | \$113,656 | \$107,917 |
| Web Security Manager | 1 | \$159,570 | \$161,443 | \$149,087 | \$158,758 | \$150,740 |
| Support Group | | | | | | |
| Administrative Assistant | 6 | \$46,077 | \$46,618 | \$43,050 | \$45,843 | \$43,527 |
| Secretary I | 4 | \$34,478 | \$34,883 | \$32,213 | \$34,303 | \$32,570 |
| Secretary II | 4 | \$37,846 | \$38,290 | \$35,359 | \$37,653 | \$35,751 |
| Executive Secretary | 2 | \$51,511 | \$52,115 | \$48,127 | \$51,248 | \$48,660 |
| Total Workers | 100 | | | | | |
| Weighted Average Annual Earnings (1) | | \$71,482 | \$72,322 | \$66,786 | \$71,119 | \$67,527 |
| Total Annual Base Payroll Costs | | \$7,148,200 | \$7,232,200 | \$6,678,600 | \$7,111,900 | \$6,752,700 |
| Fringe Benefits (2) | | \$2,644,834 | \$2,675,914 | \$2,471,082 | \$2,631,403 | \$2,498,499 |
| Total Annual Labor Costs | | \$9,793,034 | \$9,908,114 | \$9,149,682 | \$9,743,303 | \$9,251,199 |

NOTES:

- (1) For mature information health care information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 150 worker center.
- (2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS (1)**

| Location | Electric Utility Company | Annual Electric Power Cost (1) | Annual Cost Per kWh (cents) |
|-----------------------------------|---------------------------------|---------------------------------------|------------------------------------|
| San Jose, CA | Pacific Gas and Electric | \$864,036 | 11.08 |
| San Francisco, CA | Pacific Gas and Electric | \$864,036 | 11.08 |
| Santa Rosa, CA | Pacific Gas and Electric | \$864,036 | 11.08 |
| Oakland, CA | Pacific Gas and Electric | \$864,036 | 11.08 |
| Vallejo/Fairfield/Napa, CA | Pacific Gas and Electric | \$864,036 | 11.08 |

NOTES:

- (1) Based on assumed monthly demand of 1,000 kW and 650,000 kWh monthly consumption.
Annual costs reflect comparative industrial general service rates.

EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS

| | San Jose CA | San Francisco CA | Santa Rosa CA | Oakland CA | Vallejo/Fairfield/Napa CA |
|----------------------------------|---------------------|---------------------|--------------------|--------------------|------------------------------|
| Site Acquisition: No. of Acres | 50 | 50 | 50 | 50 | 50 |
| Cost per Acre (1) | \$1,449,800 | \$1,780,500 | \$803,040 | \$1,003,886 | \$811,340 |
| Site Improvement Cost (2) | -- | -- | -- | -- | -- |
| Total Land Cost | \$72,490,000 | \$89,025,000 | \$40,152,000 | \$50,194,300 | \$40,567,000 |
| Construction Cost (3) | \$16,317,053 | \$17,198,068 | \$15,890,857 | \$16,646,010 | \$15,993,965 |
| Machinery and Equipment | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 |
| Total Project Investment | \$108,807,053 | \$126,223,068 | \$76,042,857 | \$86,840,310 | \$76,560,965 |
| Project Amortization | | | | | |
| Cost of Funds (Interest) | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |
| Payment Factor (4) | 0.0977 | 0.0977 | 0.0977 | 0.0977 | 0.0977 |
| Total Annual Amortization | \$10,630,449 | \$12,331,994 | \$7,429,387 | \$8,484,298 | \$7,480,006 |

NOTES:

- (1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 100,000 sq. ft. information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts ® construction cost index data.
- (4) Assumes 25-year level amortization payments at 8.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

| | San Jose CA | San Francisco CA | Santa Rosa CA | Oakland CA | Vallejo/Fairfield/Napa CA |
|--|------------------------|-----------------------------|--------------------------|-----------------------|--------------------------------------|
| Real Property Tax Cost | | | | | |
| Land Cost (1) | \$72,490,000 | \$89,025,000 | \$40,152,000 | \$50,194,300 | \$40,567,000 |
| Building Cost (2) | \$16,317,053 | \$17,198,068 | \$15,890,857 | \$16,646,010 | \$15,993,965 |
| Total | \$88,807,053 | \$106,223,068 | \$56,042,857 | \$66,840,310 | \$56,560,965 |
| Effective Tax Rate (3) | \$11.00 | \$11.80 | \$11.50 | \$10.00 | \$10.90 |
| Real Property Tax Cost | \$976,878 | \$1,253,432 | \$644,493 | \$668,403 | \$616,515 |
| Sales Tax Cost | | | | | |
| Taxable Goods Purchases | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 |
| Sales Tax Rate (Percent) | 8.25 | 8.50 | 8.00 | 8.75 | 7.38 |
| Total Annual Sales Tax Cost (4) | \$618,750 | \$637,500 | \$600,000 | \$656,250 | \$553,500 |
| Total Annual Ad Valorem and Sales Tax Costs | \$1,595,628 | \$1,890,932 | \$1,244,493 | \$1,324,653 | \$1,170,015 |

NOTES:

- (1) See Exhibit IV.
- (2) See Exhibit IV.
- (3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

**EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS**

| | San Jose CA | San Francisco CA | Santa Rosa CA | Oakland CA | Vallejo/Fairfield/Napa CA |
|---|------------------------|-----------------------------|--------------------------|-----------------------|--------------------------------------|
| Space Heating | | | | | |
| Heating Degree Days | 2,439 | 3,080 | 3,388 | 2,909 | 2,994 |
| Annual Cost (1) | \$85,558 | \$106,947 | \$117,642 | \$100,530 | \$104,808 |
| Air Conditioning | | | | | |
| Cooling Degree Days | 498 | 108 | 125 | 128 | 118 |
| Annual Cost (2) | \$157,566 | \$34,266 | \$39,537 | \$40,416 | \$37,488 |
| Total Heating and Air Conditioning Costs | \$243,124 | \$141,213 | \$157,179 | \$140,946 | \$142,296 |

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 100,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 100,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

| Location | Per Diem Cost (1) | Annual Travel Days (2) | Total Annual Corporate Travel Cost |
|-----------------------------------|------------------------------|-----------------------------------|---|
| San Jose, CA | \$321.76 | 624 | \$200,778 |
| San Francisco, CA | \$386.40 | 624 | \$241,114 |
| Santa Rosa, CA | \$301.44 | 624 | \$188,099 |
| Oakland, CA | \$369.10 | 624 | \$230,318 |
| Vallejo/Fairfield/Napa, CA | \$316.95 | 624 | \$197,777 |

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 12 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS XII:
Southern California Region***

- **Orange County, California**
- **Ventura, California**
- **Santa Barbara/Santa Maria, California**
- **Los Angeles, California**
- **San Diego, California**

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)**

| | Orange County CA | Ventura CA | Santa Barbara/Santa Maria CA | Los Angeles CA | San Diego CA |
|---|-----------------------------|-----------------------|---|---------------------------|-------------------------|
| Labor Costs (2) | | | | | |
| Weighted Average Annual Earnings | \$67,365 | \$65,499 | \$66,107 | \$68,478 | \$65,526 |
| Annual Base Payroll Costs | \$6,736,500 | \$6,549,900 | \$6,610,700 | \$6,847,800 | \$6,552,600 |
| Fringe Benefits | \$2,492,505 | \$2,423,463 | \$2,445,959 | \$2,533,686 | \$2,424,462 |
| Total Annual Labor Costs | \$9,229,005 | \$8,973,363 | \$9,056,659 | \$9,381,486 | \$8,977,062 |
| Electric Power Costs (3) | \$883,848 | \$883,848 | \$883,848 | \$561,773 | \$936,408 |
| Amortization Costs (4) | \$10,096,464 | \$8,794,613 | \$9,331,337 | \$10,600,543 | \$10,143,382 |
| Property and Sales Tax Costs (5) | \$1,506,341 | \$1,299,928 | \$1,351,453 | \$1,636,511 | \$1,511,671 |
| Heating and Air Conditioning Costs (6) | \$414,021 | \$367,879 | \$359,436 | \$272,297 | \$306,515 |
| Corporate Travel Costs (7) | \$189,010 | \$216,378 | \$245,781 | \$224,459 | \$207,730 |
| Total Annual Geographically-Variable Operating Costs | \$22,318,689 | \$20,536,009 | \$21,228,514 | \$22,677,069 | \$22,082,768 |

NOTES:

- (1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.
- (2) See Exhibit II.
- (3) See Exhibit III.
- (4) See Exhibit IV.
- (5) See Exhibit V.
- (6) See Exhibit VI.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Orange County CA | Ventura CA | Santa Barbara/Santa Maria CA | Los Angeles CA | San Diego CA |
|------------------------------------|------------------------------|-----------------------------|-----------------------|---|---------------------------|-------------------------|
| I.T. Group | | | | | | |
| Data Security Analyst | 8 | \$79,029 | \$76,839 | \$77,551 | \$80,332 | \$76,870 |
| Data Security Analyst, Sr. | 4 | \$100,930 | \$98,134 | \$99,043 | \$102,596 | \$98,174 |
| Data Security Analyst Manager | 1 | \$121,986 | \$118,607 | \$119,706 | \$123,999 | \$118,655 |
| EDP Auditor | 3 | \$78,157 | \$75,992 | \$76,696 | \$79,446 | \$76,022 |
| EDP Auditor, Sr. | 1 | \$96,154 | \$93,491 | \$94,357 | \$97,741 | \$93,528 |
| I.S. Security Manager | 1 | \$129,540 | \$125,951 | \$127,118 | \$131,678 | \$126,002 |
| Information Technology Auditor I | 3 | \$62,854 | \$61,112 | \$61,678 | \$63,891 | \$61,138 |
| Information Technology Auditor II | 1 | \$77,338 | \$75,195 | \$75,892 | \$78,614 | \$75,225 |
| Information Technology Auditor III | 1 | \$97,045 | \$94,357 | \$95,231 | \$98,647 | \$94,396 |
| Network Systems Group | | | | | | |
| Network Administrator I | 3 | \$59,099 | \$57,462 | \$57,995 | \$60,074 | \$57,485 |
| Network Administrator II | 1 | \$71,330 | \$69,356 | \$69,997 | \$72,508 | \$69,383 |
| Network Administrator III | 1 | \$85,097 | \$82,739 | \$83,506 | \$86,501 | \$82,773 |
| Network Engineer I | 3 | \$76,490 | \$74,371 | \$75,061 | \$77,753 | \$74,401 |
| Network Engineer II | 1 | \$89,725 | \$87,239 | \$88,048 | \$91,206 | \$87,275 |
| Network Engineer III | 1 | \$108,382 | \$105,380 | \$106,356 | \$110,171 | \$105,423 |
| Network Security Systems Manager | 1 | \$114,010 | \$110,852 | \$111,879 | \$115,892 | \$110,896 |
| Security Administrator | 4 | \$93,461 | \$90,872 | \$91,714 | \$95,004 | \$90,909 |
| Systems Administrator | 3 | \$85,565 | \$83,195 | \$83,965 | \$86,977 | \$83,228 |
| Systems Administrator, Sr. | 1 | \$103,994 | \$101,113 | \$102,050 | \$105,710 | \$101,153 |
| Telecom Group | | | | | | |
| Telecommunications Engineer I | 3 | \$65,470 | \$63,656 | \$64,246 | \$66,550 | \$63,682 |
| Telecommunications Engineer II | 1 | \$79,401 | \$77,201 | \$77,917 | \$80,711 | \$77,233 |
| Telecommunications Engineer III | 1 | \$92,610 | \$90,044 | \$90,879 | \$94,138 | \$90,081 |
| Telecommunications Manager | 1 | \$119,232 | \$115,929 | \$117,003 | \$121,199 | \$115,976 |
| Test Engineer I | 3 | \$66,804 | \$64,953 | \$65,554 | \$67,906 | \$64,979 |
| Test Engineer II | 1 | \$79,855 | \$77,643 | \$78,363 | \$81,173 | \$77,674 |
| Test Engineer III | 1 | \$89,923 | \$87,432 | \$88,242 | \$91,407 | \$87,467 |

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

| Job Title | Number of Workers | Orange County CA | Ventura CA | Santa Barbara/Santa Maria CA | Los Angeles CA | San Diego CA |
|---------------------------------------|------------------------------|-----------------------------|-----------------------|---|---------------------------|-------------------------|
| Information Web Security Group | | | | | | |
| Records Technician I | 8 | \$33,330 | \$32,406 | \$32,707 | \$33,880 | \$32,420 |
| Records Technician II | 4 | \$45,210 | \$43,958 | \$44,365 | \$45,956 | \$43,976 |
| Records Technician III | 1 | \$49,998 | \$48,613 | \$49,063 | \$50,823 | \$48,633 |
| Fraud Prevention Associate I | 8 | \$42,777 | \$41,592 | \$41,978 | \$43,483 | \$41,608 |
| Fraud Prevention Associate II | 4 | \$48,897 | \$47,542 | \$47,982 | \$49,703 | \$47,561 |
| Fraud Prevention Associate III | 1 | \$64,750 | \$62,957 | \$63,540 | \$65,819 | \$62,983 |
| Fraud Prevention Manager | 1 | \$84,181 | \$81,849 | \$82,608 | \$85,571 | \$81,882 |
| Web Security Administrator | 3 | \$107,659 | \$104,676 | \$105,646 | \$109,435 | \$104,718 |
| Web Security Manager | 1 | \$150,380 | \$146,214 | \$147,569 | \$152,861 | \$146,273 |
| Support Group | | | | | | |
| Administrative Assistant | 6 | \$43,423 | \$42,220 | \$42,611 | \$44,139 | \$42,238 |
| Secretary I | 4 | \$32,492 | \$31,593 | \$31,885 | \$33,029 | \$31,606 |
| Secretary II | 4 | \$35,666 | \$34,678 | \$34,999 | \$36,254 | \$34,691 |
| Executive Secretary | 2 | \$48,544 | \$47,199 | \$47,637 | \$49,346 | \$47,218 |
| Total Workers | 100 | | | | | |
| Weighted Average Annual Earnings (1) | | \$67,365 | \$65,499 | \$66,107 | \$68,478 | \$65,526 |
| Total Annual Base Payroll Costs | | \$6,736,500 | \$6,549,900 | \$6,610,700 | \$6,847,800 | \$6,552,600 |
| Fringe Benefits (2) | | \$2,492,505 | \$2,423,463 | \$2,445,959 | \$2,533,686 | \$2,424,462 |
| Total Annual Labor Costs | | \$9,229,005 | \$8,973,363 | \$9,056,659 | \$9,381,486 | \$8,977,062 |

NOTES:

- (1) For mature information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 100 worker center.
- (2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS ⁽¹⁾**

| Location | Electric Utility Company | Annual Electric Power Cost (1) | Annual Cost Per kWh (cents) |
|--------------------------------------|---------------------------------|---------------------------------------|------------------------------------|
| Orange County, CA | Southern California Edison | \$883,848 | 11.33 |
| Ventura, CA | Southern California Edison | \$883,848 | 11.33 |
| Santa Barbara/Santa Maria, CA | Southern California Edison | \$883,848 | 11.33 |
| Los Angeles, CA | Los Angeles Department of Power | \$561,773 | 7.20 |
| San Diego, CA | San Diego Gas & Electric | \$936,408 | 12.01 |

NOTES:

- (1) Based on assumed monthly demand of 1,000 kW and 650,000 kWh monthly consumption.
Annual costs reflect comparative industrial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

| | Orange County CA | Ventura CA | Santa Barbara/Santa Maria CA | Los Angeles CA | San Diego CA |
|----------------------------------|-----------------------------|-----------------------|---|---------------------------|-------------------------|
| Site Acquisition: No. of Acres | 50 | 50 | 50 | 50 | 50 |
| Cost per Acre (1) | \$1,379,800 | \$1,119,099 | \$1,231,870 | \$1,480,090 | \$1,389,800 |
| Site Improvement Cost (2) | -- | -- | -- | -- | -- |
| Total Land Cost | \$68,990,000 | \$55,954,950 | \$61,593,500 | \$74,004,500 | \$69,490,000 |
| Construction Cost (3) | \$14,351,491 | \$14,061,562 | \$13,916,598 | \$14,496,456 | \$14,331,723 |
| Machinery and Equipment | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 |
| Total Project Investment | \$103,341,491 | \$90,016,512 | \$95,510,098 | \$108,500,956 | \$103,821,723 |
| Project Amortization | | | | | |
| Cost of Funds (Interest) | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 |
| Payment Factor (4) | 0.0977 | 0.0977 | 0.0977 | 0.0977 | 0.0977 |
| Total Annual Amortization | \$10,096,464 | \$8,794,613 | \$9,331,337 | \$10,600,543 | \$10,143,382 |

NOTES:

- (1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 100,000 sq. ft. information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 8.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

| | Orange County CA | Ventura CA | Santa Barbara/Santa Maria CA | Los Angeles CA | San Diego CA |
|--|-----------------------------|-----------------------|---|---------------------------|-------------------------|
| Real Property Tax Cost | | | | | |
| Land Cost (1) | \$68,990,000 | \$55,954,950 | \$61,593,500 | \$74,004,500 | \$69,490,000 |
| Building Cost (2) | \$14,351,491 | \$14,061,562 | \$13,916,598 | \$14,496,456 | \$14,331,723 |
| Total | \$83,341,491 | \$70,016,512 | \$75,510,098 | \$88,500,956 | \$83,821,723 |
| Effective Tax Rate (3) | \$11.10 | \$10.80 | \$10.20 | \$11.50 | \$11.10 |
| Real Property Tax Cost | \$925,091 | \$756,178 | \$770,203 | \$1,017,761 | \$930,421 |
| Sales Tax Cost | | | | | |
| Taxable Goods Purchases | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 | \$7,500,000 |
| Sales Tax Rate (Percent) | 7.75 | 7.25 | 7.75 | 8.25 | 7.75 |
| Total Annual Sales Tax Cost (4) | \$581,250 | \$543,750 | \$581,250 | \$618,750 | \$581,250 |
| Total Annual Ad Valorem and Sales Tax Costs | \$1,506,341 | \$1,299,928 | \$1,351,453 | \$1,636,511 | \$1,511,671 |

NOTES:

- (1) See Exhibit IV.
- (2) See Exhibit IV.
- (3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

**EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS**

| | Orange County CA | Ventura CA | Santa Barbara/Santa Maria CA | Los Angeles CA | San Diego CA |
|---|-----------------------------|-----------------------|---|---------------------------|-------------------------|
| Space Heating | | | | | |
| Heating Degree Days | 1,663 | 1,970 | 2,121 | 1,245 | 1,507 |
| Annual Cost (1) | \$59,280 | \$70,258 | \$76,845 | \$27,890 | \$58,139 |
| Air Conditioning | | | | | |
| Cooling Degree Days | 1,089 | 912 | 870 | 1,185 | 722 |
| Annual Cost (2) | \$354,741 | \$297,621 | \$282,591 | \$244,407 | \$248,376 |
| Total Heating and Air Conditioning Costs | \$414,021 | \$367,879 | \$359,436 | \$272,297 | \$306,515 |

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 100,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 100,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

| Location | Per Diem Cost (1) | Annual Travel Days (2) | Total Annual Corporate Travel Cost |
|--------------------------------------|------------------------------|-----------------------------------|---|
| Orange County, CA | \$302.90 | 624 | \$189,010 |
| Ventura, CA | \$346.76 | 624 | \$216,378 |
| Santa Barbara/Santa Maria, CA | \$393.88 | 624 | \$245,781 |
| Los Angeles, CA | \$359.71 | 624 | \$224,459 |
| San Diego, CA | \$332.90 | 624 | \$207,730 |

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 12 billable per diem travel days per week at each of the destination locations.

