



# **NAVFAC Southwest Commander's Brief to Society of American Military Engineer's San Diego Post**

**CAPT Mark Edelson, P.E.  
Civil Engineer Corps, United States Navy  
Commanding Officer, NAVFAC Southwest**

*\*\* Data contained herein is based on the best available information and is subject to change*

*10 January 2017*

# Maintaining Maritime Superiority

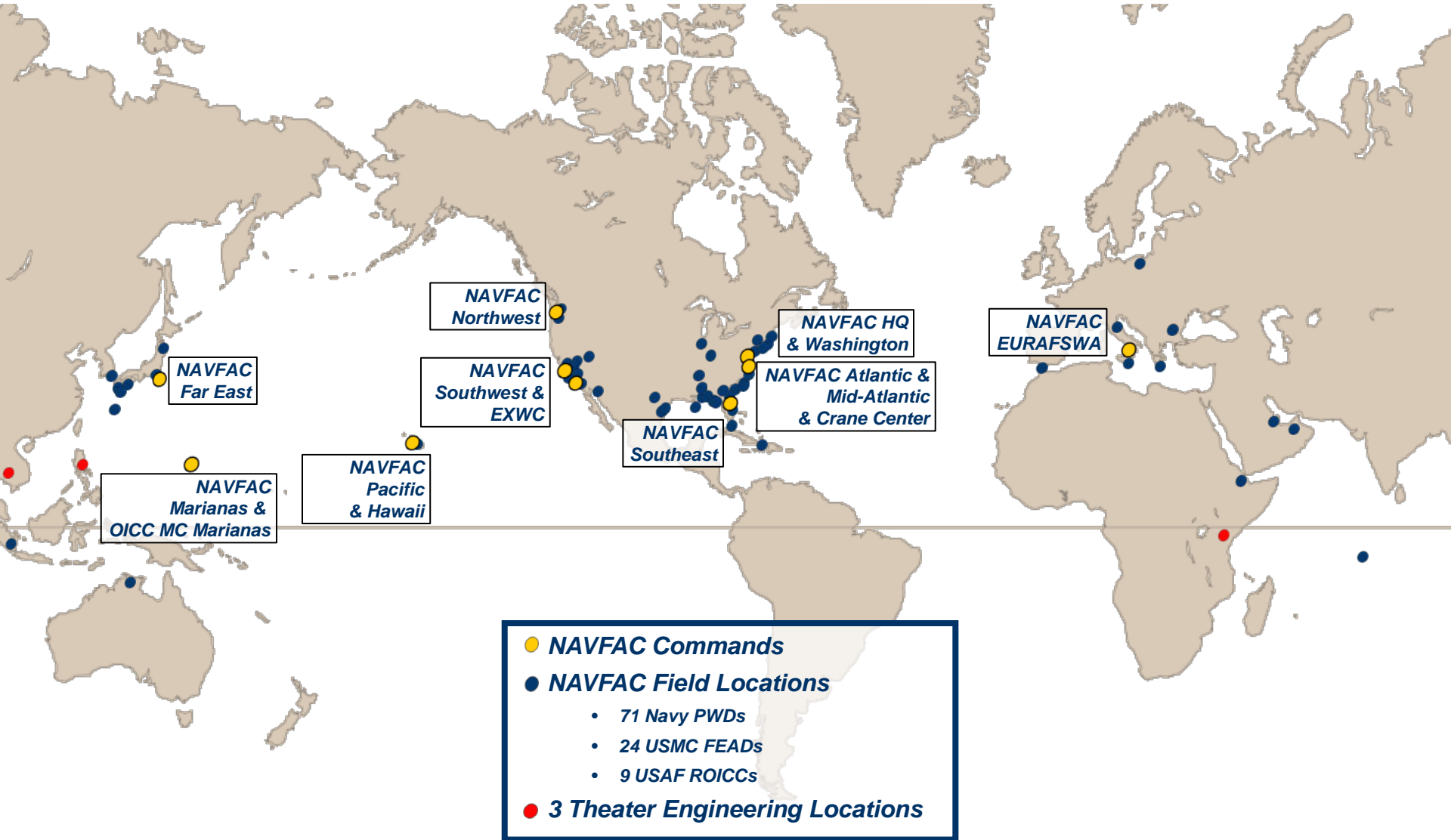


- Strengthen naval power
- High-velocity learning
- Strengthen the Navy team for the future
- Network of partners

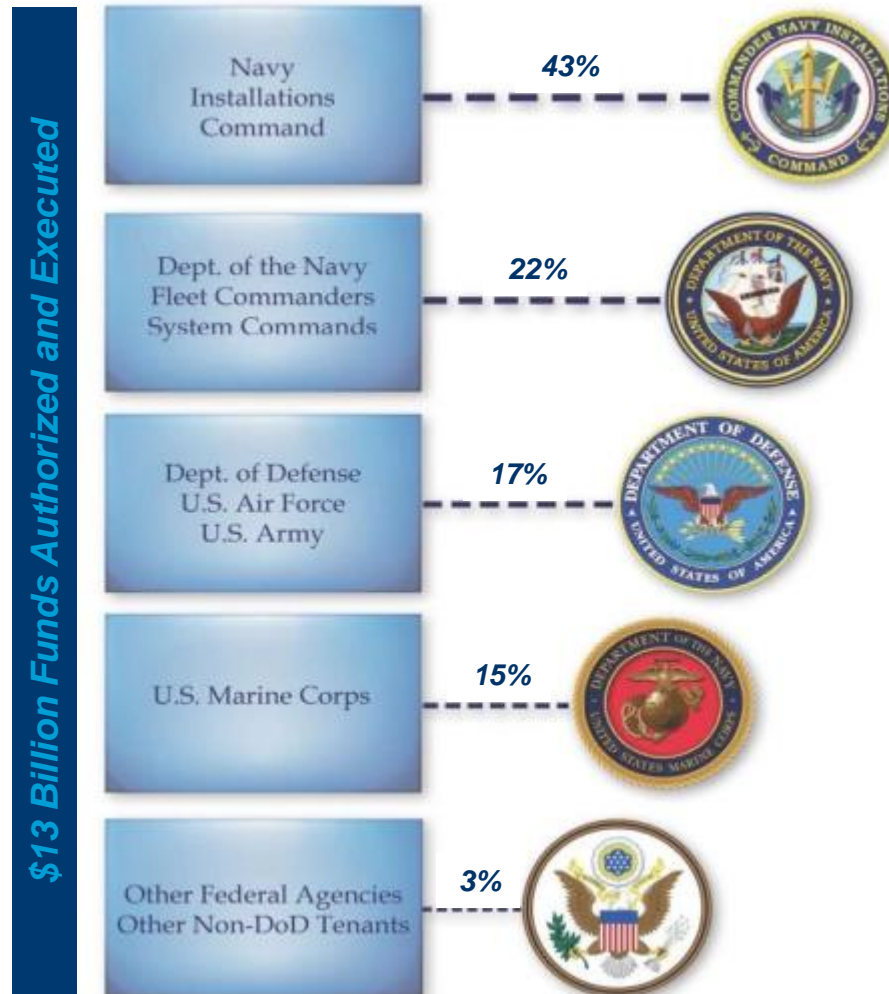


# 100 Points of Delivery

## Localized Engineering, Facility Services, and Contracting



# NAVFAC's Supported Commands



# NAVFAC Core Competencies



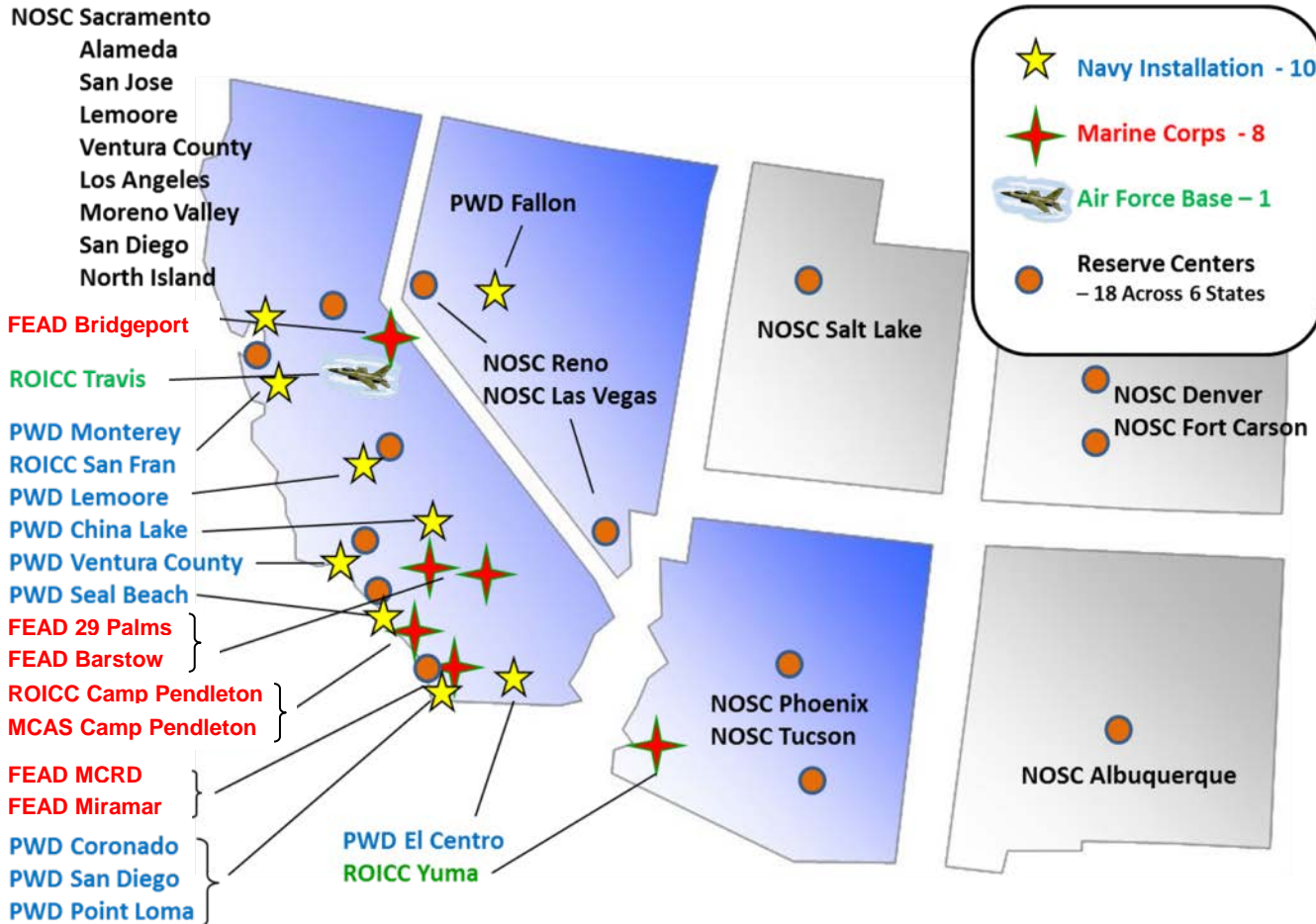
## NAVFAC Delivers Facilities & Expeditionary Solutions:

- Facilities Planning, Operations & Sustainment
- Environmental Compliance & Restoration
- Shore Anti-Terrorism Force Protection
- Utilities and Energy Management
- Specialized Technical Services



- Design, Repair & Construction
- Expeditionary Equipment
- Contingency Support
- Ocean Facilities
- Real Estate
- BRAC

# Southwest Region Area of Responsibility



**Coastal | Desert | Marine Corps**  
**19 offices assigned to three Integrated Project Teams (IPTs)**

# Southwest Region Major Programs



LITTORAL  
COMBAT SHIP



USMC INFRASTRUCTURE  
RESET



MARITIME  
SURVEILLANCE



KC-46



JOINT STRIKE FIGHTER



NAVAL SPECIAL  
WARFARE

# FY18 & 19 Workload Distribution



## Navy Installations

Project Size	NB San Diego	NB Coronado	NB Point Loma	NWS Seal Beach	NB Ventura County	NAWS China Lake	NAS Lemoore	NAS Fallon	NSA Monterey	NAF El Centro
< \$25M	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
\$25-\$100M	✓	✓		✓	✓		✓	✓		
\$100-\$200M	✓	✓		✓	✓		✓	✓		
>\$200M	✓	✓					✓			

## Marine Corps / Air Force Installations

Project Size	MCB Camp Pendleton	MCAS Camp Pendleton	MCAS Yuma	MCAS Miramar	MCAGCC 29 Palms	MCRD San Diego	MCLB Barstow	MCMWTC Bridgeport	Travis AFB
< \$25M	✓	✓	✓	✓	✓	✓	✓	✓	✓
\$25-\$100M	✓		✓	✓	✓		✓		✓
\$100-\$200M	✓		✓	✓					✓
>\$200M	✓			✓					

\*\* Data contained herein is based on the best available information and is subject to change.

**FY18 & 19 Workload >\$2.2B**



# NAVFAC FY17 FAR Contracting



Contracting Office	Actions	Amount	%Total Actions	% Total Amount
EXWC	1,114	\$ 483,677,287	4%	6%
Atlantic HQ	827	\$ 232,740,649	3%	3%
Mid-Lant	7,650	\$ 1,772,925,447	26%	23%
EURAFSWA	1,328	\$ 234,388,001	5%	3%
Northwest	1,352	\$ 357,401,259	5%	5%
Southeast	3,685	\$ 991,805,548	13%	13%
<b>Southwest</b>	<b>4,914</b>	<b>\$ 1,418,154,763</b>	<b>17%</b>	<b>18%</b>
Washington	3,016	\$ 748,680,647	10%	10%
Atlantic AOR	22,772	\$ 5,5756,096,317	78%	75%
Pacific HQ	829	\$ 670,722,710	3%	9%
Hawaii	1,124	\$ 283,892,418	4%	4%
Far East	1,990	\$ 288,348,742	7%	4%
Marianas	1,231	\$ 221,479,925	4%	3%
Pacific AOR	5,174	\$ 1,464,443,797	18%	19%
<b>Total NAVFAC</b>	<b>29,060</b>	<b>\$ 7,704,217,402</b>	<b>100%</b>	<b>100%</b>

# Small Business Goals

Scorecard for FY 2017



Location	(Eligible)	Small Business			HUBZone			SDVOSB			Small Disadvantaged Business			Women Owned		
		Target	Dollars	Actual	Target	Dollars	Actual	Target	Dollars	Actual	Target	Dollars	Actual	Target	Dollars	Actual
NAVFAC HQ	\$ 7.06B	44%	\$ 2.94B	41.75%	8.5%	\$ 507.1M	7.20%	6%	\$ 351.9M	5%	25%	\$ 1.97B	27.97%	9%	\$ 637.5M	9.05%
NAVFAC Southwest	\$ 1.35B	54%	\$ 672.5M	49.49%	11%	\$ 126.5M	9.31%	5.5%	\$ 84.2M	6.19%	33%	\$ 483.1M	35.55%	12%	\$ 146.6M	10.79%

- **SB Set Aside versus Unrestricted:**

- **Procurement Value: \$3,500 - \$150,000**

- Shall be set aside exclusively for SB
- Does not preclude set-asides for socioeconomic concerns

- **Procurement Value: \$150,000 and above**

- Procurement strategy determined by Market Research
- Rule of two – Procurements are to be set aside to SB for procurements if two or more responsible SB's are identified

# Project Acquisition Considerations



- **FY17 & 18 – 60% Design-Bid-Build**
  - 40% Design-Build
- **FY19 – 89% Design-Bid-Build**
  - 11% Design-Build
- **Acquisition strategy is based on several factors, options include**
  - Multiple Award Construction Contract
  - Stand Alone procurement
  - Best Value Source Selection (Low Price-Technically Acceptable and tradeoffs)
  - Small Business (competitive or sole source)
- **By BY-2 planning must reach 15% design and Class 3 cost estimate**
- **For FY18 and FY19 non-MILCON projects over \$500K, the split is 77% Design-Build vs. 23% Design-Bid-Build**

# Innovative Fulfillment



- **Enhanced Use Lease (EUL)**
- **Intergovernmental Support Agreement (IGSA)**
- **Financed projects (e.g. energy)**
- **Projects using new conversion policy**
- **Projects using new upgrade (code compliance) policy**
- **Phasing into smaller RM projects**
- **Having surge projects available for EoFY**
- **Shrinking projects within local ST authority**
- **Lab Redevelopment Program**

# Policy Changes



- **FY18 NDAA changes:**

- Increases authority in Minor Construction to \$2M and UMC to \$6M
- Increases the simplified acquisition threshold to \$250K government-wide
- Increases the micro-purchase threshold from \$10K government-wide (will not impact construction or facilities support services)
- Creates a three-year pilot requiring contractors to pay costs associated with protests denied by GAO (starting 01 Oct 2019)
  - Affects contractor's with revenue of \$250M+ in FY17

- **Multiple Award Contract Capacity Increase**

- Typical capacity ranges: \$150-\$250M versus previous \$99M

- **Greater flexibility in classifying work as repair vs. construction**

- Bringing facilities up to code is considered "repair" not "construction"
- Changing basic use of a building (conversion) no longer deemed "construction"

# Other Initiatives



- **Public Works Optimization: Shift in execution of projects <\$5M to the installations**

- Increase technical staff at those offices
- Increase capacities of Indefinite Delivery, Indefinite Quantity (IDIQs) executed at field offices
- MCON work will not be shifted

- **NAVFAC Enterprise Reorganization**

- End of “Integrated Product Team” construct
- Integration of disciplines in business lines to centralize our technical capability and competency
- Team leadership and Project Managers continue to be customer focused (Coastal, Desert & Marine Corps)
- The shift will be transparent to customers and contractors

# NAVFAC SW Improvements



## Pre-award Schedule Improvements

- Maintain planned award dates and solicited bid period
  - e.g. extend only if major issues with RFP/Design

## Lean modification process for $\leq$ \$150K

- Reinvigorated training provided to FEAD offices
- CMs to negotiate as Contracting Officer's Authorized Representative (COAR)

## Modification Processing Time – establishing controls to:

- Monitor modification lifecycle & outline expectations
- Mandate use of decision tree if no resolution and use of partnering

## Established metrics used to track project performance

- Increased awareness of issues, esp. high visibility projects
  - Schedule, Cost/Modifications

## Making significant investments

- eCMS, CM & ET training, Development of desk guides for CMs & ETs

**Focus on keeping schedules on track both pre & post award**

# Expectations for Contractors



## For ALL:

1. You are responsible for your own safety and schedule
2. PMs need to be on job sites regularly, and ensure they are watching the project

## For GCs:

1. Time Impact Analysis (TIA) *MUST* be submitted in a timely manner
  - Lack of timely and complete TIA submissions has caused mods to be negotiated without time
  - With budget constraints this can cause a contract to be put on hold to allow for reprogramming or necessitate scope reductions late in contract duration
2. If requesting other than NAVFAC standard construction overheads, submit proposed overheads and substantiation BEFORE first change

## For AEs:

1. In a DBB, you are our PARTNERS and we need your expertise and advice to meet schedule and budget limitations

## For Subcontractors:

1. Work through your Prime – NAVFAC only has a contract with the Prime
2. Know NAVFAC regulations and safety rules

## For Environmental contracts:

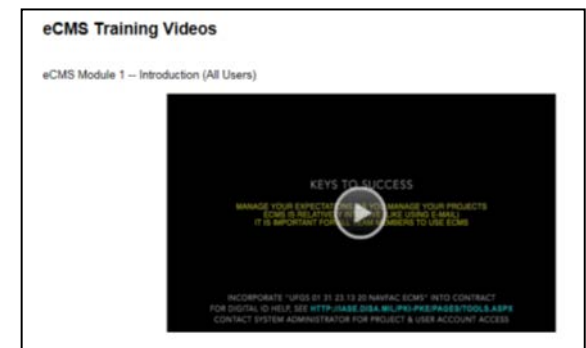
1. Need to be able to meet the mission AND comply with laws/regs



# eCMS Implementation



- **Section 01 31 23.13 20 - Electronic Construction and Facility Support Contract Management System**
  - Web-based - eCMS is the designated means of transferring technical documents between the contractor and the Government
  - All projects greater than \$150,000 with a planned award after December 31, 2017 shall include the United Facilities Guide Specification (UFGS) 01 31 23.13 20 in both the solicitation and the award
  - Projects awarded prior to December 31, 2017 are not required to use eCMS
- **Roll-out of eCMS**
  - Roll-out during 2018
  - Pilot projects had positive feedback:
    - Validated ease of use and benefit
- **AE's will use eCMS on DB contracts, and for Post Award services on DBB contracts**



[https://www.navfac.navy.mil/products\\_and\\_services/ci/about\\_us/capital\\_improvements\\_documents.html](https://www.navfac.navy.mil/products_and_services/ci/about_us/capital_improvements_documents.html)



# Planned NAVFAC SW A/E Contract Awards



Title	Type	Duration	Capacity	RFP	Est. Award Date
Facility Planning	SB	5 yr	\$15M	Issued	Q1 FY18
Interior Design	SB	5 yr	\$5M	Issued	Q2 FY18
Structural	SB	5 yr	\$30M	Issued	Q3 FY18
Civil	8a	5 yr	\$15M	Issued	Q3 FY18
Civil	UR	5 yr	\$99M	Q2 FY18	TBD
Waterfront	TBD	5 yr	\$30M	Q2 FY18	TBD
Fire Protection	TBD	5 yr	TBD	TBD	TBD
Cost Estimating/ Scheduling	TBD	5 yr	TBD	TBD	TBD

**\*\* Data contained herein is based on the best available information and is subject to change**



# Planned NAVFAC SW Multiple Award Construction Contracts



Title	Type	Duration	Capacity	RFP	Est. Award Date
Commercial & Industrial	UR	5 yr	\$750M	Issued	Q1 FY18
General Construction	8(a)	5 yr	\$249M	Issued	Q3 FY18
Fuels (POL & Gas)	UR	5 yr	\$150M	Issued	Q2 FY18
Heavy Horizontal	UR	5 yr	\$249M	Issued	Q2 FY18
Wet Utilities	SB	5 yr	\$249M	Issued	Q3 FY18
Dry Utilities	SB	5 yr	\$249M	Issued	Q3 FY18
Airfield Paving	TBD	5 yr	\$499M	Q2 FY18	TBD
HVA/C	TBD	5 yr	\$200M	Q2 FY18	TBD

**\*\* Data contained herein is based on the best available information and is subject to change**

# Future Workload Projections



Search  
“NAVFAC  
Southwest”

Future Workload  
Report  
at  
NAVFAC  
Southwest  
Homepage  
USEFUL LINKS

The screenshot shows the NAVFAC Southwest website homepage. At the top left is the NAVFAC logo and the text 'NAVFAC Southwest'. To the right is a search bar with the placeholder text 'Enter Query' and a magnifying glass icon. Below the search bar are links for 'Employees', 'Projects SC Access', and 'View Map'. A navigation menu contains 'ABOUT US', 'CONTACT US', and 'NEWS'. The main content area features a large image of workers in high-visibility vests performing maintenance on high-voltage electrical equipment. Below the image is a news article titled 'NBPL 69KV Cable Termination Repair' with a brief description of the work performed at Naval Base Point Loma's Substation 'P' on June 16. To the left of the main content are sections for 'Mission: Why we...', 'Vision: To what...', and 'Core Attributes: What we value and expect from individuals and our command'. To the right is an 'ANNOUNCEMENTS' section with a 'View All' link and a post titled 'We're Hiring! See Our Career Opportunities.' dated Jan 5 2018. Two red boxes highlight 'USEFUL LINKS' sections: one in the center of the page and another in the bottom right corner. Both sections list three links: 'Contractor Visit Protocol', 'Future Workload Projection for Q1 FY2018', and 'How to Obtain an Architect-Engineer Contract with NAVFAC Southwest'.

[http://www.navfac.navy.mil/navfac\\_worldwide/atlantic/fecs/southwest.html](http://www.navfac.navy.mil/navfac_worldwide/atlantic/fecs/southwest.html)

Full transparency on projects & acquisition tools

**Questions?**