



SAME San Diego Post 2020 NAVFAC Southwest Update

**CAPT Mike Oestereicher, 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*

12 February 2020

Why is Our Navy Important?



Increasing Globalization

*Climate Change &
Sea Level Rise:
Opening Artic,
Displaced Persons*



*Great Power
Competition
Returns:
Russia & China*

*Increasing Sea
Floor Cables and
Communication
Traffic*

*Transnational
Criminals: Drugs,
Human Trafficking*

*Increasing Shipping
Traffic*

America's success depends on our access and relationships abroad. The U.S. Navy guarantees that access!

National Rebalance to the Pacific



- Includes

- 40 nations
- 60% of the world's population
- More than half of the world's surface
- 30% of the world's GDP
- 70% of the world's oil transits through the Strait of Malacca

- Top 4 trading partners

- Canada, China, Mexico, Japan

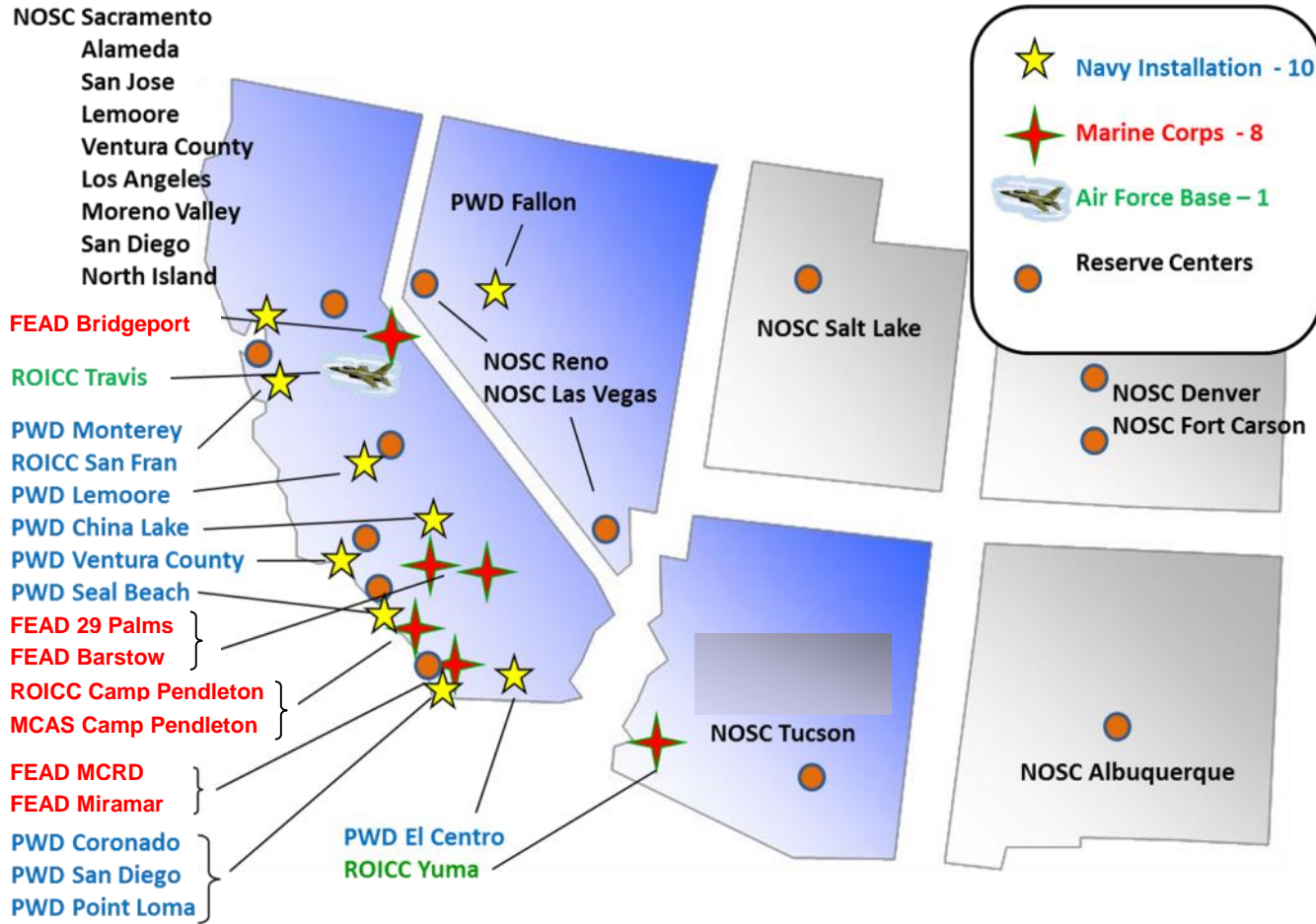
- 6 largest militaries

- China, U.S., India, Russia, North Korea, South Korea



60% of the Fleet to the Pacific

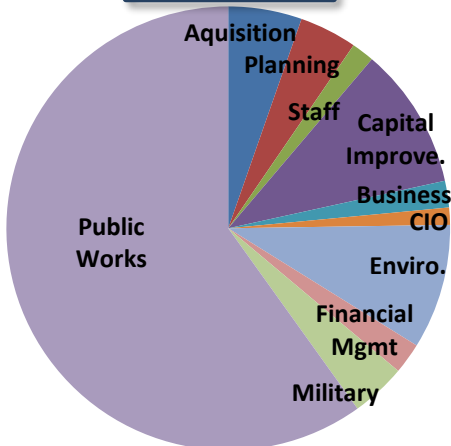
Southwest Region Area of Responsibility



Coastal | Desert | Marine Corps
19 offices assigned to three Project Management Divisions (PMDs)

NAVFAC Southwest

Staffing



3366 Civilians and 140 Military at 19 locations

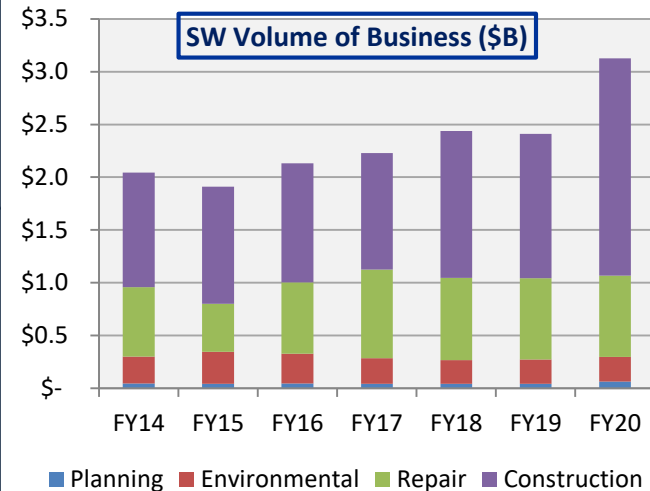
MISSION

NAVFAC is the Naval Shore and Expeditionary Systems Command that:

- Plans, builds, and maintains sustainable facilities.
- Delivers environmental, utilities and other base services.

WHAT WE DO

The Southwest's naval shore construction and acquisition agent delivering \$2 billion of annual business and facilities lifecycle sustainment. Integrated team of multi-disciplinary professionals with expertise in planning, real estate, design, construction, utility operation, energy solutions, facility services, transportation and weight handling.



Major Programs

- Littoral Combat Ship
- USMC Infrastructure Reset
- Maritime Surveillance
- KC-46 Pegasus Tanker
- Joint Strike Fighter
- Naval Special Warfare - Coastal Campus
- Broadway Redevelopment

Core Competencies

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

Supported Commands

- Navy Installations Command
- Navy Fleet and System Commanders
- MCI-West, TECOM & USMC Units
- Air Force
- Federal Agencies and non-DOD tenants

Major Programs: Current OPS



LITTORAL COMBAT SHIP

Naval Base San Diego LCS
2013-2020
5 MILCONs
\$205M

USMC INFRASTRUCTURE RESET

USMC IR
2017-2028
\$240M/yr annual savings
\$180M in Demo

NAVAL SPECIAL WARFARE

Coastal Campus
2015 - 2024
29 MILCONs
\$1B

KC-46

KC-46A Program at Travis AFB
2018-2021
10 MILCONs
\$165M

JOINT STRIKE FIGHTER

West Coast JSF
2018-2027
23 MILCONs
\$1.3B

MARITIME SURVEILLANCE

Naval Base Ventura County
2019-2024
5 MILCONs
\$332M

Enabling a rebalance. Programmatic approach. Dynamic requirements.

Rapid exchange of lessons learned. Acquisition strategies driven by IOC timelines.

New Platforms: Future OPS



Piers, Power, C2 and Training



Naval Base San Diego
2019-2024
5 MILCONs
\$343M

Gateway to PACFLT

MQ-25 Stingray, UMCS



Naval Base Ventura County
2019-2024
5 MILCONs
\$332M

Ammunition Wharf and Turning Basin, Magazines



Naval Weapons Station, Seal Beach
2017-2021
6 MILCONs
\$297M

V-22 Osprey Bed Down



Naval Base Coronado
2019-2020
2 MILCONs
\$171M

At or pushing capacity. BOS impacts. Utility system limitations.

Navy Old Town Campus Revitalization



- The Naval Base Point Loma Old Town Campus (OTC) is home to Naval Information Warfare Systems Command (NAVWAR).
- NAVWAR needs new, mission-capable, and modern facilities to support its cyber security mission.
- The Navy is considering plans to maximize the value of approximately 70.5 acres of Navy-owned underutilized property at the Old Town Campus to support NAVWAR needs.
- NAVWAR provides \$3.2 billion annually to the San Diego regional economy. The potential redevelopment would bring additional economic benefits to the region through the construction and operation of new commercial, residential, and transportation facilities.



In accordance with the National Environmental Policy Act (NEPA), the U.S. Navy published a Notice of Intent (NOI) to prepare an Environmental Impact Statement (EIS). The 30-day public scoping period is from January 24, 2020 through February 24, 2020.

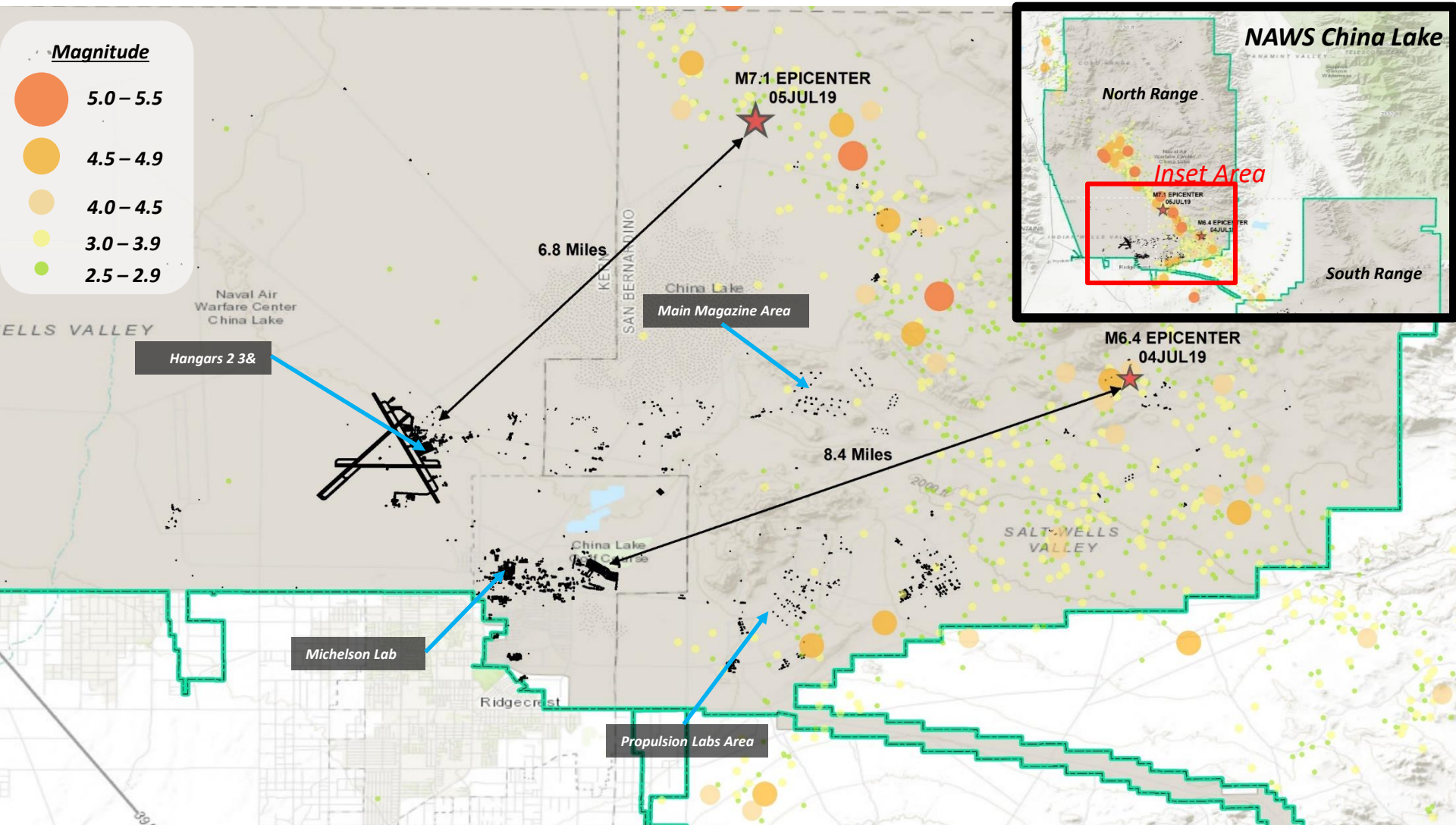
Project Milestones

- **2018:** NAVFAC SW issued a Request for Interest (RFI) for revitalization of the NAVWAR facilities. Several detailed responses received. One submittal was from the San Diego Association of Governments (SANDAG), recommending the incorporation of a regional mass transit hub.
- **2019:** In September 2019, the Navy signed an agreement with SANDAG to pursue planning for the revitalization of the OTC, which could include a **potential** regional transit center as part of development. With this agreement, SANDAG provides a potential development opportunity that would enhance the value of the property and benefit both NAVWAR and the community.
- **2020:** On January 23, 2020, the Navy signed an agreement with SANDAG, which expands on the agreement signed in September 2019

More information:

www.navwar-revitalization.com

NAWS China Lake Earthquakes: 4 & 5 July 2019



China Lake MILCON Project Timelines

(Subject to Change)



FY	P#	PROJECT TITLE	Design/ Acq Strategy	PA (\$M)	FY20				FY21				FY22				FY23				FY24				FY25			
					Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
20	1910	Magazines and Inert Storage Facility	DB MACC	139	█	█			█	█																		
20	1900	Hangar 3 Replacement, Apron, Taxiway & Utilities for RDT&E	DB GCCC	515	█	█	█		█	█			█	█	█		█	█	█		█	█						
21	1901	Integration Lab		150	█	█			█	█			█	█			█	█			█	█						
20	1902	Air Operations Facility and Air Traffic Control Tower		71	█	█			█	█			█	█			█	█			█	█						
20	1907	Aircraft Parking Apron in Support of Hangar 2 Replacement		51	█	█			█	█			█	█			█	█			█	█						
21	1908	Advanced Weapons Hangar		117	█	█			█	█			█	█			█	█			█	█						
21	1914	Aircraft Rescue and Fire-fighting (ARFF) Station		45	█	█			█	█			█	█			█	█			█	█						
20	1903	Michelson Mission Systems Integration Laboratory	DB MACC	202	█	█			█	█			█	█	█		█	█			█	█						
20	1916	Community Support Facilities	DB MACC	86	█	█			█	█			█	█			█	█			█	█						
21	1904	Michelson Laboratory Complex	DB MACC	282		█	█			█	█			█	█			█	█			█	█					
21	1911	Range Control Complex	DB MACC	192		█	█			█	█			█	█			█	█			█	█					
21	1918	Ordnance Test Support and Technical Services Laboratory	DB MACC	88		█	█			█	█			█	█			█	█			█	█					
21	1920	Warhead Casing Operations	DB SB MACC	24		█	█			█	█			█	█			█	█			█	█					
21	1924	Academic Training Building	DB SB MACC	35		█	█			█	█			█	█			█	█			█	█					
21	1917	Cast Propellant Mix Building	DB MACC	56		█	█			█	█			█	█			█	█			█	█					
21	1919	Radiographic Building	DB MACC	53		█	█			█	█			█	█			█	█			█	█					
21	1921	Motor Assembly Compound	DB MACC	52		█	█			█	█			█	█			█	█			█	█					
21	1922	Skytop Firing Bays	DB MACC	124		█	█			█	█			█	█			█	█			█	█					

25 Feb 2020 Industry Forum in China Lake

FY20 & 21 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.

FY20 & FY21 Workload >\$4.3B



NAVFAC SW Planned

Multiple Award Construction Contracts



Title	Type	Capacity	RFP	Est. Award Date
Mini-MACC NorCal/NV	SB	\$99M	Awarded	Q2 FY20
Mini-MACC SoCal/AZ	SB	\$99M	Issued	Q3 FY20
Mini-MACC Central CA	SB	\$99M	Issued	Q3 FY20
Mini-MACC SD Metro	SB	\$99M	Issued	Q3 FY20
Small Business	SB	\$495M	TBD	Q3 FY20
Waterfront	UR	\$750M	TBD	Q4 FY20
Hubzone	SB	\$450M	TBD	Q4 FY20
C&I	UR	\$2.5B	TBD	Q1 FY21
Medical	UR	\$249M	TBD	Q1 FY21
Secure Spaces	TBD	TBD	TBD	Q1 FY21
Paving	SB	TBD	TBD	Q3 FY21

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

Initiatives



- **Public Works Optimization: Shift in execution of projects <\$5M to the installations (<\$10M if size of office supports)**
 - Increase technical staff at those offices
 - Increase scope (quantity and competitiveness) of contracts available at field offices with assistance from regional team on acquisitions
 - MILCON work will not be shifted
- **Early Contractor Involvement**
 - Bring KTR in at design start
 - NAVFAC SW looking to pilot on P-025, MQ-25 Hangar at NBVC, starting in FY21
- **Stand-up of OICC China Lake**
 - Responsible for \$2.4B Earthquake Recovery MILCONs
 - \$340M in FY20 O&M funding
 - Post-award focused – CMs, ETs, CSs, PCAS Engineers

Focused Contracts for Installations



- **Planned for award in FY20/FY21**
- **Geographical Mini-MACs**
- **High Voltage Electrical PM & IDIQ**
- **Job Order Contracts (JOC)**
 - General Construction
 - Electrical/High Voltage Electrical
 - Mechanical and Plumbing
 - Civil
- **Indefinite Delivery/Indefinite Quantity (IDIQ)**
 - Airfield Paving and Road Paving
 - Flooring
 - Roofing
 - Fencing
 - Painting
 - Fencing

Installation	Installation	Installation	Installation	Contract Type	NAICS	Value
All	All	All	All	MINI-MACC (4 total [NorCal/NV, Metro SD, SoCal/AZ, Central CA])	236220	\$99,000,000
		CPEN	Seal Beach	Road Paving pre-priced IDIQ	237310	\$35,000,000
San Diego	Miramar	Coronado	Pt Loma	Roofing Pre-priced IDIQ	238160	\$42,000,000
			Ventura	Road Paving pre-priced IDIQ	237310	\$25,000,000
San Diego	Miramar	Coronado	Pt Loma	Painting Pre-priced IDIQ	238320	\$14,000,000
		CPEN	Seal Beach	Electrical JOC	238210	\$20,000,000
		CPEN	Seal Beach	Fencing Pre-priced IDIQ	238990	\$25,000,000
		CPEN	Seal Beach	Mechanical/Plumbing JOC	238220	\$20,000,000
			Travis	Specialty JOC	238990	\$15,000,000
San Diego	Miramar	Coronado	Pt Loma	Road Paving pre-priced IDIQ	237310	\$30,000,000
San Diego	Miramar	Coronado	Pt Loma	Civil JOC	237990	\$20,000,000
	Bridgeport	29 Palms	Barstow	Roofing Pre-priced IDIQ	238160	\$16,000,000
San Diego	Miramar	Coronado	Pt Loma	Electrical JOC	238210	\$24,000,000
	Monterey	China Lake	Lemoore	Roofing Pre-priced IDIQ	238160	\$25,000,000
		CPEN	Seal Beach	Flooring Pre-priced IDIQ	238330	\$10,000,000
	Bridgeport	29 Palms	Barstow	Paving pre-priced IDIQ	237310	\$35,000,000
	China Lake	29 Palms	Barstow	Electrical JOC	238210	\$9,000,000
San Diego	Miramar	Coronado	Pt Loma	Fencing Pre-priced IDIQ	238990	\$10,000,000

Design Strategy



FY	Design-Build (%)	Design-Bid-Build (%)
FY18	59	41
FY19	45	55
FY20	68	32
FY21	65	35

MILCON only
DB Preferred for most
smaller projects

- **Acquisition strategy is based on several factors**

- **DBB**

- Mission Need Date. Can start construction as soon as authorized/appropriated
- New technology....unknown design requirements (e.g. JSF)
- Complexity of project and/or special permitting

- **DB**

- UFC available (common building types, e.g. barracks)
- Core competencies

- **Best vehicle**

- Multiple Award Construction Contract
- Stand Alone procurement
- Small Business (competitive or sole source)

- **Best Source Selection**

- Best value/trade-offs
- Low Price

Construction Contract Modifications



• NAVFAC SW Improvements

• Lean modification process for \leq \$250K

- Scope developed jointly in field
- No IGE – mark-up contractors proposal
- CMs to negotiate as Contracting Officer's Authorized Representative (COAR) & KO signs as approving official (with funding in hand)

• Modification Processing Time – establishing controls to

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

• More designers on-site: Navy and A/E (PCAS)

• Proposed Contractor Improvements

• Time Impact Analysis (TIA) *MUST* be submitted in a timely manner

- Lack of timely and complete TIA submissions has caused contract modifications to be negotiated without time.
- In budget constrained projects, this can cause a contract to be put on hold to allow for reprogramming or necessitate scope reductions late in contract duration.

• If requesting other than NAVFAC standard construction overheads, submit proposed overheads and substantiation for evaluation and negotiation **BEFORE** first change

Partnering



- **Best dispute resolution is dispute prevention**
 - Cooperative relationships
 - Identify common goals & interests
 - Lines of communication – dispute resolution ladder
 - Cooperative problem solving
 - Clear expectations
- **Increasing focus on formal partnering**
 - Level of partnering had decreased
 - Growing number of projects have significant delays & cost impacts
- **Greater A/E involvement**
 - Critical with DBB
 - Resetting relationship when government owns the risk

Partnering: Dispute prevention to Increase Readiness

Cybersecurity Implementation



- **UFC 4-010-06 (Cybersecurity of Facilities Related Control Systems)**
- **UFGS 25 05 11, Cybersecurity for Facility-related Control Systems**
 - Tri-service directive for all projects in FY17 and beyond
 - Supersedes UFGS 25 50 00.00 20
 - Applies to Confidentiality-Integrity-Availability (C-I-A) impact levels designated as “low-low-low”
 - C-I-A impact levels above “low-low-low” requires supplemental guidance by NAVFAC Command Information Office (CIO) for Navy and Marine Corps.
- **Additional Future Guidance**
 - **Tri-Service Unified Facility Guide Specification (UFGS)** containing detailed cybersecurity guidance for C-I-A impact level of “medium-medium-medium” is planned for release later in 2020.

**Lengthy Timeframes. Extensive coordination with suppliers.
Communication between Govt & KTRs essential**

Future Workload



Search
“NAVFAC
Southwest”

Future Workload
Report
at
NAVFAC
Southwest
Homepage
USEFUL LINKS

The screenshot shows the NAVFAC Southwest website. At the top, there is a search bar with the text "Enter Query" and a magnifying glass icon. Below the search bar are links for "Employees", "eProjects SC Access", and "View Map". The main navigation menu includes "ABOUT US", "CONTACT US", and "NEWS". The featured article is titled "NBPL 69KV Cable Termination Repair" and describes a repair at Naval Base Point Loma's Substation "P" on June 16. Below the article is a "USEFUL LINKS" section with three items: "Contractor Visit Protocol", "Future Workload Projection for Q3 FY2017", and "How to Obtain an Architect-Engineer Contract with NAVFAC Southwest". To the right of the article is an "ANNOUNCEMENTS" section with a "View All" link and a post titled "Problem with Website Security Certificate" dated Jan 3 2017. Below the announcements is another "USEFUL LINKS" section with four items: "Contractor Visit Protocol", "Future Workload Projection for Q3 FY2017", "How to Obtain an Architect-Engineer Contract with NAVFAC Southwest", and "New Hire" Information.

http://www.navfac.navy.mil/navfac_worldwide/atlantic/fecs/southwest.html

Full transparency on projects & acquisition tools

Requesting Visit to NAVFAC SW



- **NAVFAC SW has specific protocol and a process for contractors to follow when submitting visit requests.**
- **Protocol was developed to:**
 - 1) Provide industry representatives with a fair and equal opportunity to contact the command**
 - 2) Ensure minimal disruption to the Navy mission.**
- **The Contractor Visit Protocol can be found in the NAVFAC SW Public Web Site at the following link:**
https://www.navfac.navy.mil/navfac_worldwide/pacific/fecs/southwest.html
- **To request a contractor call/visit, personal visit, or social call, send an e-mail to the command's Contractor Visit Coordinator at:**
NAVFAC_SW_Contractor_Visit_Coordinator@navy.mil