



Outbriefs & Follow- on Actions

Emcee: Charysse Knotts

1030 -1230, Thursday 29 February

Stay Engaged in the Europe Region!

- Please make sure both YOU and YOUR COMPANY are members of the Posts in the Region!
- Non-members may not receive notices of upcoming activities
- As a reminder...
 - For INDIVIDUALS
 - Membership in one post is included in your membership
 - ***Additional posts can be added to your membership for just \$10!***
 - For COMPANIES
 - Membership in one post is included in your corporate membership
 - Additional posts can be added...cost depends on company size



REMEMBER Our Four (Five) Agreements:

1. Be Impeccable with Your Word
2. Don't Take Things Personally
3. Don't Make Assumptions
4. Always Do Your Best
5. Chatham House Rules

20
24

**EUROPE
TRI-SERVICES**
Industry-Government
**ENGAGEMENT
WORKSHOP**
★★★★★ Co-Hosted by SAME

YESTERDAY we HOPE THAT **TOGETHER**
YOU...

Solved problems and addressed issues
or...


Better defined problems or issues ...
and...

Started ***defining a path*** to further address
the topic – with follow-on actions or other
forward efforts.




Interested in Further Engagement?

- We'd love your participation in the follow-on actions / work resulting from the roundtable discussions
- AFTER you hear the outbriefs today, if you'd like to further participate in a topic...add your name to the related flipcharts in the exhibit area
 - It's OK to add your name to a topic you weren't in!
 - It's OK to add your name to more than one topic



**To our facilitator
and tri-service
rep teams...we
are indebted to
you!**

A collage of colorful envelopes in shades of teal, red, blue, and pink. A white sticky note is placed on top of the envelopes, with the words "THANK YOU!" written in black, handwritten-style capital letters.

THANK YOU!

CAPTURE! CREATE

OSD → FRAMEWORK | USACE

35% due APRIL FY-2

PROJ START POINTS

€ EUROPE DIF. CONDITIONS

PPI/USIP... DIF \$.

1391 SOURCES DIF.

- 1/H, PLANNING AE

- CODE AUTH.

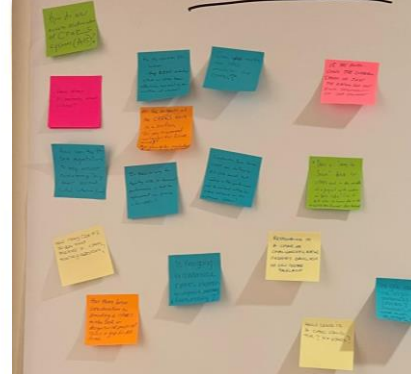
DD1391 vs Contractor

Bid With Current Climate

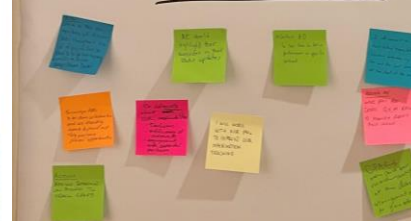
→ What to do when way off?

- Internal Don Issue!
 - Contractor involvement as part of solution
 - Capturing exchange rate risk
 - Accurate labor + materials from local market
 - Why does this happen?
 - ↳ Things happen - uncertainties
 - ↳ Timeliness
 - ↳ Risk properly accounted for
 - ↳ USG require AE to get HN pricing
 - realistic schedule → drives cost
- Issue with FAR conflicts & intent
Contractor different opinions
Why not share IGC?

YOUR 1 QUESTION



YOUR 1 SELF ACTION



CODE ISSUES

- 20 • FIRE
- ATFP
- ELECTRIC
- CYBER SECURITY
- COMMS

29 BUILDING PERMITS

20 UFGS vs HN-BASED SPECS

~~SUSTAINABILITY (LEED, HN-ENERGY REG)~~

11 SECURITY CLEARANCE

~~ITALY-MIXED COMMISSION~~

2 WORKER VISAS

~~NO 3-PHASE INSPECTION??~~

LET'S HEAR the FINDINGS!

Planning Through Design Outbrief & Follow-on Actions



CAPTURE CREATE
 NAVFAC:
 PDA → MISSION REQMT.
 SMIG PRI... TOO MANY.
 ↓
 BUDGET PRI. AUTH.
 CUSTOMER REQ' CHANGE
 *PLANNING FUNCTIONS
 INTO AE SOLICITATION

Planning Through Design Team

Facilitators: [Rich Stump](#) RS&H | [Ray Best](#) Stantec

Speakers:

- [Justin Wetherwax](#) | Deputy District Engineer for Programs and Project Management, USACE Europe District
- [Al Lucht](#) | Chief, Engineering/Construction Branch, AFIMSC Det 4
- [Mary Austin](#) | Design Director, NAVFAC EURAFCENT
- [Nathan Fox](#) | Chief, Engineering Branch, USACE Europe

Planning Through Design Vignette

Current Situation:

Planning and Design is executed through two separate contract actions mostly involving two separate A/E firms.

Problem Statement:

Separate awards and A/E firms is not conducive to streamlined acquisition (two negotiated task orders by two different governmental sections) and does not promote project ownership and scope continuity from planning through design.

Planning Through Design Problem Statement Update

Previous Problem Statement:

Separate awards and A/E firms is not conducive to streamlined acquisition (two negotiated task orders by two different governmental sections) and does not promote project ownership and scope continuity from planning through design.

NEW Problem Statement (proposed)

Speed of task order delivery through planning and design is critical to executing military facilities and infrastructure in support of warfighters and their families. Timelines for acquisition of A-E planning and design services have extended in recent years. This has resulted in disconnects between planning and design activities, incomplete or changing requirements, and challenges with change management and maintaining project scopes.

Resolution of these issues will improve operational readiness and mission execution for end users and stakeholders, improving DCA compliance with MILCON funding directives.

Planning Through Design: Key Takeaways

TOP 3 Key Takeaways:

1. Acquisition of A-E planning and design services is taking too long. Process streamlining and improvement is critical.
2. MILCON delivery timelines are similar for each service branch—terminology may be different.
3. Planning and design A-E capabilities may not be ‘one size fits all’ – depending on the nature of the project, separate master planning and A-E DOR task orders add value.

More work is needed!

Planning Through Design: Action Items for Government

ACTION ITEMS: GOVERNMENT

1. Shorten Timeframe of Delivery – Work within existing Process
2. Shorten Timeframe of Delivery – New Business Process
 - Consider UK Authority Design Process
3. Consider developing Country by Country Design Guides (similar to USACE Japan District Design Guide)

Planning Through Design: Action Items for Industry

ACTION ITEMS: INDUSTRY

1. Provide process improvement feedback
2. Provide feedback on pros/cons of current processes

Planning Through Design: Action Items for SAME

ACTION ITEMS: SAME

1. Develop IGE Task Force on Planning Through Design
2. Follow-on Discussion at JETC?

Economic Considerations

Outbrief & Follow-on Actions

Mitigating Contractor RISK Using Government Regulations/Practices & Changes

- Shorten price validity periods?? (30 days to reduce contingency??)
- Use economic price adjustments clause?? (CFAR 16.203)
- Price fluctuation daily
- price adjustments by time period
 - 30d =
 - 60d =
 - D10
- USG work w/ ~~UK~~ (UK) to reduce time validity
- USACE SW divison - PIVOT program
- Risk plan not part of page limit in RFP



Economic Considerations Team

Facilitators: [Larry Taber](#) Black & Veatch | [Michael Prudente](#) Conti

Speakers:

- [Francesco Sorbo](#), Cost Engineer | NAVFAC EURAFCENT
- [Dan Lowry](#), Chief Cost Engineer | USACE Europe District
- [Nathan Walsh](#) | Project Manager, USAF

Economic Considerations Vignette

Current Situation: Unstable construction labor and materials market (COVID-19, Ukraine, sustainability, Brexit, DD1391 form development, etc) resulting in very high construction costs.

Problem Statement: Construction costs and perceived risk are at all-time high levels and continue to increase. Both industry and government are struggling to provide accurate project estimates for budgeting and competitive bidding.

Economic Consideration: Problem Statement Update

Previous Problem Statement: Construction costs and perceived risk are at all-time high levels and continue to increase. Both industry and government are struggling to provide accurate project estimates for budgeting and competitive bidding.

NEW Problem Statement: Current construction cost estimates are being increased to include various risks and contingencies, often driving them higher than USG estimates and the DD1391 programming. These risks and contingencies must be understood by Government, and where possible, reduced so the estimates align with programming.

Economic Consideration: Key Takeaways

TOP 3 Key Takeaways:

1. Early Contractor Involvement (ECI) will reduce pricing and needs to be explored further.
2. Review/Update DD1391 Development Process; synchronize across services.
3. Several small changes (Regulations/Practices) by Government will reduce Contractor Risk/Contingency.

Economic Consideration: Action Items for Industry

ACTION ITEMS: INDUSTRY

1. Work with Government on capturing all proper indirect cost types/percentages within 1391 (ie. Bond, Insurance, FX, Contingency, O&P).
2. Work with Government on “how/when” to involve Contractor during the ECI process (ie. 35%, 65%, etc.).
3. Work with Government on ways to reduce Contractor Risk/Contingency.

Economic Considerations: Action Items for Government

ACTION ITEMS: GOVERNMENT

1. Release project (C-Type/MATOC) in Europe AOR using ECI
2. Review Internal DD1391 Process
 - ACF relevancy, local labor and material pricing, contractor involvement, schedule review
3. Make Simple/Recommended Changes to Standard Regulations/Practice
 - Shorten validity period, economic price adjustments, review USACE SW Division PIVOT program for possible model

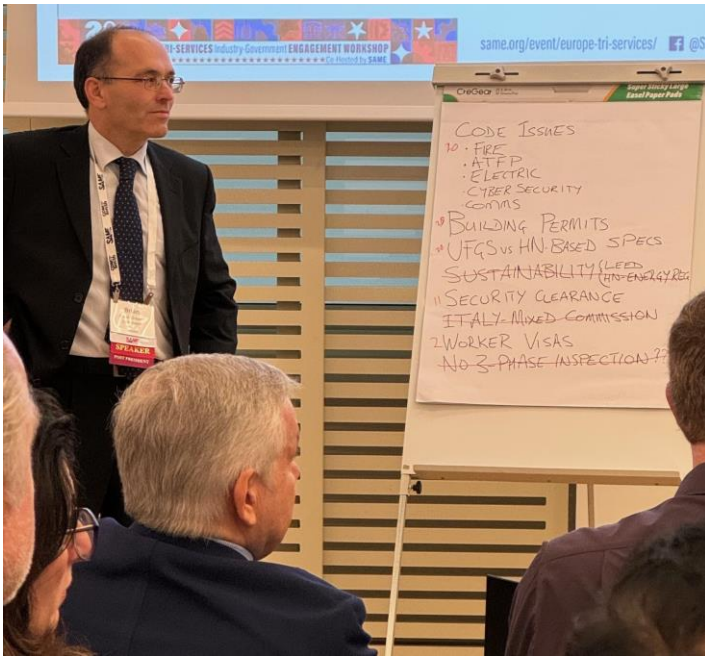
Economic Consideration: Action Items for SAME

ACTION ITEMS: SAME

1. Provide a forum where early details (+/- 35-65%) of upcoming projects can be communicated to Industry to start planning
2. Provide a forum where DD1391 indirect costs can be discussed between Industry and Government
3. Provide a forum where contingency/risks (samples of past projects) can be discussed in detail between Industry and Government

Host Nation Challenges

Outbrief & Follow-on Actions



PERSONALITIES & RELATIONSHIPS

- Local HN Firms to ensure code compliance for permitting
- *Must have relationships w/ HN FIRMS*

UFGS Specs. vs. HN SPECS.

- Lessons Learned during Construction
- USACE is requiring HN specs.
- 5 or 6 items that need to be included in HN specs from UFGS.

Host Nation Challenges Team

Facilitators: [Brian Osborn](#) CDM Smith | [Michael Urbach](#) WSP

Speakers:

- [William “Eric” Cannon](#) | Technical Branch Head, NAVFAC EURAFCENT
- [Lalit Wadhwa, Chief](#) | Programs Branch, USACE Europe District
- [Gianna Warner](#) | UK MILCON Branch Chief at AFIMSC Det 4

Host Nation Challenges Vignette

Current Situation: *Design and construction projects for the US Department of Defense in Europe involve additional time and costs to deal with a wide range of issues that vary from country to country, including compliance with both US and Host Nation code, execution by Host Nation government agencies, permitting by Host Nation regulators, conflicting contract law, local construction methods and safety regulations, EU vs UFC material specifications etc.*

Problem Statement: All US government construction outside of the United States is also governed by Status of Forces Agreements (SOFA), Host Nation Funded Construction Agreements (HNFA), and in some instances, Bilateral Infrastructure Agreements (BIA), and projects must comply with the most stringent of the UFC's, the SOFA, the HNFA, and the BIA, as applicable. This additional complexity results in delayed design and construction award and execution, which combined with construction proposals significantly higher than programmed project amounts, has resulted in projects pushing to the right in the FYDP and has reduced MILCON cost/execution creditability of the Services with Congress.

Host Nation Challenge: Problem Statement – No changes noted

Previous Problem Statement: All US government construction outside of the United States is also governed by Status of Forces Agreements (SOFA), Host Nation Funded Construction Agreements (HNFA), and in some instances, Bilateral Infrastructure Agreements (BIA), and projects must comply with the most stringent of the UFC's, the SOFA, the HNFA, and the BIA, as applicable. This additional complexity results in delayed design and construction award and execution, which combined with construction proposals significantly higher than programmed project amounts, has resulted in projects pushing to the right in the FYDP and has reduced MILCON cost/execution creditability of the Services with Congress.

Host Nation Challenge: Takeaways

TOP 3 Key Takeaways:

1. Code Issues – Aid in expediting design and construction schedule by making available previously developed code analyses/matrices to A/E's
2. Personalities and Relationships – A/E's and construction firms must have HN partners to navigate the permitting process
3. UFGS vs Host Nation specs – Host Nation specs format should take priority for the majority of specification divisions
4. Value Added Tax – Parking lot for lawyers

Host Nation Challenge: Action Items for Gov't

ACTION ITEMS: GOVERNMENT

1. Code Issues – Develop and track process for sharing previously developed code analyses/matrices between agencies and with A/E's, based on project type
2. Personalities and Relationships – Continue partnering with HN stakeholders
3. UFGS vs Host Nation specs – USACE already mandating A/E's utilize HN spec format for most divisions: Navy to review

Host Nation Challenge: Action Items for Industry

ACTION ITEMS: INDUSTRY

1. Code Issues – Follow standardized template for code analysis, to be developed in partnership with the Government.
2. Personalities and Relationships – Identify and nurture partnerships with qualified and responsive HN firms.
3. UFGS vs Host Nation specs – For USACE, industry must ensure that UFC requirements are incorporated into HN spec format for most divisions.

Host Nation Challenge: Action Items for SAME

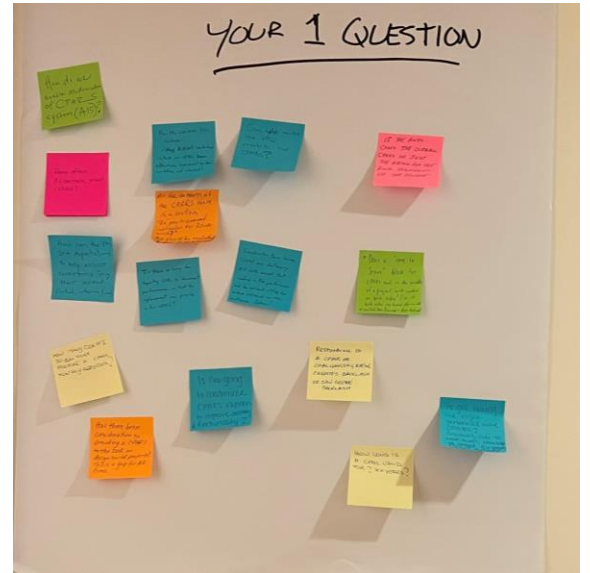
ACTION ITEMS: SAME

1. Code Issues – Provide forum for Government and A-E's to partner to develop code analysis template.
2. Personalities and Relationships – No specific action.
3. UFGS vs Host Nation specs – Provide Industry and Government a forum to share lessons learned and to develop best practice.



CPARS

Outbrief & Follow-on Actions



CPARS: Achieving Consistency and Collaboration Team

Facilitators: [Chris Knutson](#) Jacobs | [Jennifer Aldridge](#) USACE Europe District | [Tim Conley](#) AECOM

Speakers:

- [Barry Forbes](#) | Chief Engineer, NAVFAC EURAFCENT
- [Chris Tew](#) | Chief, Contracting | USACE Europe District
- [Cheryl Fromme](#) | Chief, Engineering & Construction | USACE Europe District

CPARS: Achieving Consistency and Collaboration

Hypothesis: *Both Government and the A/E/C Industry agree the Contractor Performance Assessment Reporting System (CPARS) process has significant room for improvement. Many of the concerns revolve around the consistency of the ratings and lack of collaboration in the process. All parties – Government, Industry and the taxpayers – should benefit from a consistent and reliable performance rating system incentivizing performance and supporting future acquisition decisions.*

Issues:

- Inconsistency in completion of CPARS from project-to-project, organization-to-organization, evaluator-to-evaluator (I.e., subjective vs. objective)
- Lack of collaboration between evaluating entity and the evaluated from interim to final
- Adjudication process for adverse ratings inconsistent from Gov entity to entity or not properly understood by industry
- Lack of understanding of CPARS both by Gov and industry – is there an opportunity to enhance understanding to drive better consistency and collaboration?
- How CPARS is currently used and identification of any gaps or inconsistencies
- Differences CPARS applications to A-E and construction

CPARS: Issues

Previous Issues:

- *Inconsistency in completion of CPARS from project-to-project, organization-to-organization, evaluator-to-evaluator (I.e., subjective vs. objective)*
- *Lack of collaboration between evaluating entity and the evaluated from interim to final*
- *Adjudication process for adverse ratings inconsistent from Gov entity to entity or not properly understood by industry*
- *Lack of understanding of CPARS both by Gov and industry – is there an opportunity to enhance understanding to drive better consistency and collaboration?*
- *How CPARS is currently used and identification of any gaps or inconsistencies*
- *Differences CPARS applications to A-E and construction*

NEW Issues:

- Inconsistency in completion of CPARS from project-to-project, organization-to-organization, evaluator-to-evaluator (I.e., subjective vs. objective)
- Inform both Gov assessors and industry POCs on the expectations early in the process and industry's need to advocate for their position throughout project delivery
- Current threshold for A-E CPARs is \$35K...could be \$250K but data analysis needed to determine ROI and then industry needs to lobby to make change
- Gov should share draft version of Interim / Final narratives for review by contractor
- Harmonise Europe Region policy for CPARs between USACE and NAVFAC
- Establish an A-E 'expectations' meeting at start of each new IDIQ and/or annually to harmonise both Gov and contractor understanding of success

CPARS: Key Takeaways

TOP 3 Key Takeaways:

1. AEC practitioners must sing their praises and hold themselves accountable.
2. In the European region, USACE & NAVFAC have an opportunity to harmonize guidance to staff and industry.
3. All parties can be better informed of the process, procedures and 'best practices' to make what exists operate better.

CPARS: Action Items for Government

ACTION ITEMS: GOVERNMENT

1. NAU to develop local policy enabling further collaboration on Europe regional policy in coordination with EURAFCENT and USAF.
2. Support A-E & contractor partnering sessions at start of each IDIQ award and/or annually.
3. Reinforce issuance of draft narrative to contractor prior to issuing official rating.

CPARS: Action Items for Industry

ACTION ITEMS: INDUSTRY

1. Ensure PM/DM & project leadership understand the CPARS process, procedures, and Government POCs for your projects.
2. Sign your praises and be accountable.
3. Industry advocate to increase A-E CPARS threshold from \$35K to \$250K.

CPARS: Action Items for SAME

ACTION ITEMS: SAME

Europe Region

1. Organise CPARS 'expectations management' session.
2. Be an accountability partner to NAU & EAC on the actions identified in this session.

National:

1. Request USACE & NAVFAC to provide data on CPARs issued by funding level.
2. In coordination with ACEC, outline lobbying plan to raise the A-E CPARs threshold if deemed a useful ROI.
3. Determine how best to distribute information / recommendations collected from this event across Society membership.

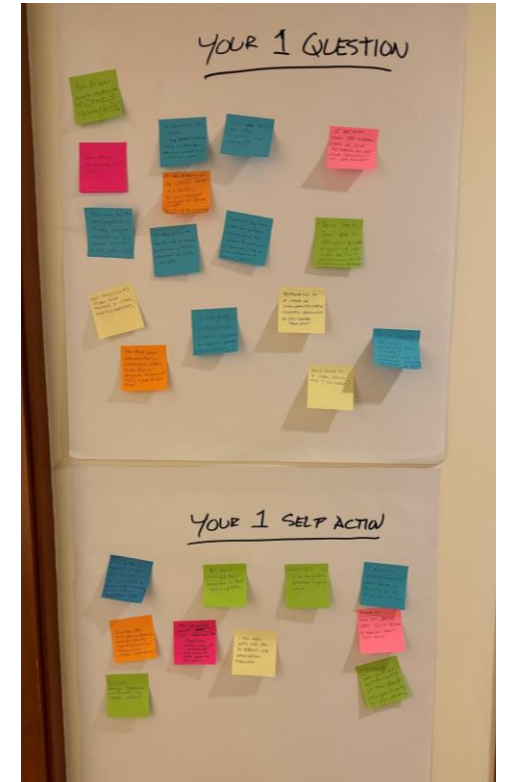
CPARS: Action Items for Industry

ACTION ITEMS: PARTICIPANTS

“Make PM's add CPARS quality, schedule and management ratings to monthly reports and invoice.”

“CPARs overdue should be viewed monthly at the District management meeting to gain attention.”

“Encourage PMs to be more collaborative and use monthly reports to point out "sing our praises" opportunities.”





QUESTIONS & FEEDBACK

