SAME Orange County Post
2018 Sustaining Members Forum

NAVFAC Southwest

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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

30 August 2018
Why is Our Navy Important?

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

San Diego’s Navy is Critical to National Security

60% of the Fleet to the Pacific
NAVFAC Southwest

**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

3366 Civilians and 140 Military at 19 locations

FY14 FY15 FY16 FY17 FY18

$- $0.5 $1.0 $1.5 $2.0 $2.5 $3.0

SW Volume of Business ($B)

Construction Repair Environmental Planning

- Construction
- Repair
- Environmental
- Planning
Major Programs: Current OPS

Enabling a rebalance. Programmatic approach. Dynamic requirements.
Rapid exchange of lessons learned. Acquisition strategies driven by IOC timelines.
New Platforms: Future OPS

At or pushing capacity. BOS impacts. Utility system limitations.
# Naval Weapons Station Seal Beach (Corona and Fallbrook)

<table>
<thead>
<tr>
<th>FY</th>
<th>Project</th>
<th>Title</th>
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<td>FY19</td>
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<td>Marine Corps Reserve Center</td>
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*Additional $175M of waterfront and magazine projects under development*
Old Town Campus, San Diego

10 Buildings
70.5 Acres
2 Miles from Downtown
Next to Old Town Transit Station
Next to I-5, I-8 & Pacific Hwy

Requirements
4k Personnel
540k sf Admin Space
959k sf Warehouse
293k sf Open Laydown

Private industry options:
- Long-term lease in return for building new facilities
- Renovate and modernize a portion of existing footprint
- Provide Navy facilities in another part of metro San Diego
- Build new Navy facilities on another piece of DON land
- ???

November 2018 – Industry Day
## FY18 & 19 Workload Distribution

### Navy Installations

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<tr>
<th>Project Size</th>
<th>NB San Diego</th>
<th>NB Coronado</th>
<th>NB Point Loma</th>
<th>NWS Seal Beach</th>
<th>NB Ventura County</th>
<th>NAWS China Lake</th>
<th>NAS Lemoore</th>
<th>NAS Fallon</th>
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### Marine Corps / Air Force Installations

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<th>MCAS Camp Pendleton</th>
<th>MCAS Yuma</th>
<th>MCAS Miramar</th>
<th>MCAGCC 29 Palms</th>
<th>MCRD San Diego</th>
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**FY18 & 19 Workload >$2.2B**
# NAVFAC SW Planned
## Multiple Award Construction Contracts

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<tr>
<th>Title</th>
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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
  • MCON work will not be shifted

• Alignment with the Pacific: Expanding work opportunities

• NAVFAC Enterprise Reorganization
  • End of “Integrated Product Team” construct
  • Integration AM, EV and CI personnel into communities
  • Leadership and Project Managers collocated as before (Coastal, Desert & Marine Corps)
  • Greater flexibility in technical assignment and skills development
## Focused Contracts for Installations

- **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

### Contract Information

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Acquisition Strategy

FY17
53% Design-Bid-Build
47% Design-Build

FY18
44% Design-Bid-Build
56% Design-Build

FY19
43% Design-Bid-Build
57% Design-Build

• Acquisition strategy is based on several factors
  – DBB
    • Operational “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-Technically Acceptable
    • Low Price
Construction Contract Modifications

• NAVFAC SW Improvements
  • Lean modification process for ≤ $150K
    • 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 25-50-00.00.20, Cybersecurity of Facility-related Control Systems
  • Navy-only directive for all projects in FY17 and beyond
  • ITG 2017-01, Application of Cybersecurity to Facilities-Related Control Systems provides interim basic criteria guidance
  • Provides Cybersecurity Hygiene Checklist
  • Cybersecurity policies are evolving - assistance is available through the Contracting Officer’s Representative (COR)

• Additional Future Guidance
  • Interim ECB describes requirements for incorporating cybersecurity in the design of all facility-related control systems
  • Tri-Service Unified Facility Guide Specification (UFGS) containing detailed cybersecurity guidance is scheduled for release later in FY18

Lengthy Timeframes. Extensive coordination with suppliers. Communication between Govt & Ktrs essential
Defense Biometrics Identification System (DBIDS)

• Once a DBIDS card is obtained the background check is complete and is shown in the system which is visible by all bases.
  – The same DBIDS card will work for every installation.
  – The DBIDS card needs to be registered with each installation a member requires access. It is not automatic.
  – Every installation will require a sponsor residing at their base for authorizing access.
  – Criminal record will slow or stop processing

• Marine Corps bases transitioning from RAPIDGate to DBIDS effective 1 Oct 18

• Air Force still using old system of issuing a long term pass for Prime Contractor personnel. Subcontractors issued a badge from Pass & ID.
Future Workload

Search “NAVFAC Southwest”

Future Workload Report at NAVFAC Southwest Homepage

USEFUL LINKS

- Contractor Visit Protocol
- Future Workload Projection for Q3 FY2017
- How to Obtain an Architect-Engineer Contract with NAVFAC Southwest


Full transparency on projects & acquisition tools