Camp Pendleton Day Panel Discussion

NAVFAC Southwest

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

20 June 2019
Projecting Power for National Defense

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

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

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

**Naval Base Ventura County**
- 2013-2021
- 4 MILCONs
- $60M

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

*At or pushing capacity. BOS impacts. Utility system limitations.*
We, the Owner, need...

“A solution that achieves Mission Readiness”
Getting to the right solution

Funds arrive 4+ years later than the requirement

Inflation

Mission growth

Technology changes

Material and labor supply

Efficiencies and better options are needed to maximize resources

Factors that influence cost of project which can change after final budget is approved

“Need by” date unchanged (only more urgent), Budget unchanged (only more risk factors)

Program Year -2 -3 Budget Year Execution Year Build year

Need is Known Budget is Set Requirement Funds Timeline Pressurized
Making continuous improvements

- Earlier release of planning and design funds in project development timelines
- Rigorous use of project readiness “gates” to ensure cost and scope realism
- Integration of teams earlier and more over-the-shoulder collaboration
- Using metrics to ID projects that need help and consistent use of Project management tools and best practices

Creativity and “solutions-based” thinking
Challenging ALL assumptions
Leveraging industry partnerships to inform best practices
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
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

• MILCON only
• DB Preferred for most smaller projects
Acquisition Streamlining Initiatives

• DFARS 219.502-2 – Set aside for Small Business A-E contracts for military construction or family housing projects under $1 million (10 U.S.C. 2855) (Changed from $400K to $1M)

• Expanded use of Lean Process to all modifications (not just construction) and to A-E task orders up to the SAT ($250K)

• Based on need, may now have MACC ceiling limits up to $999M (or higher with HQ approval) and MACC Task Order limits up to $100M

• Plan to streamline/reduce evaluation criteria for MACC and Stand-Alone Construction Procurements:
  – Eliminate Technical Approach and Energy Efficiency Criteria
  – Revise Safety Factor to Acceptable/Unacceptable
  – Change Small Business Utilization Plan to Acceptable/Unacceptable
  – Keep Experience, Past Performance, and Technical Solution Criteria
    • Evaluate Small Business Support Past Performance under Past Performance

• Revised policy to allow for up to 5-year contract term (Typically 2 year base + 3 year option) vs annual options
Acquisition Streamlining Initiatives

• Streamlined LPTA process to review proposals in price order for technical acceptability and stop when acceptability reached (from 3 to 1)
• Eliminated requirement for HQ approval to bring more than 5 offerors into Phase Two in D/B MACC IDIQs and to make non-price factors more important than price
• May now use price-only selection procedures for MACC task orders up to $25M (was $10M)
• Increased local authority to approve source selection plans from $100M to $250M; approve A/E selection reports from $30M to $100M
• Eliminated requirement to obtain Level III Contracting Officer approval when the price of a modification or the sum of the modifications issued to date will exceed the original contract price
# Significant FY19 Procurements

<table>
<thead>
<tr>
<th>Project #</th>
<th>Project Title</th>
<th>Location</th>
<th>Est. Cost</th>
<th>RFP Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>P586</td>
<td>Missile Assembly Building and High Explosive Magazine</td>
<td>NB Ventura County, CA</td>
<td>&gt; $10M</td>
<td>07 FEB 2019</td>
</tr>
<tr>
<td>P5001</td>
<td>Full Motion Trainer Facility</td>
<td>MCB Camp Pendleton, CA</td>
<td>&gt; $10M</td>
<td>08 FEB 2019</td>
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<tr>
<td>ST15-1744</td>
<td>FY19 Maintenance Dredging - Piers 1, 3 &amp; Paleta Creek</td>
<td>NB San Diego, CA</td>
<td>&gt; $10M</td>
<td>08 FEB 2019</td>
</tr>
<tr>
<td>DE18-0848</td>
<td>Phibcor-500 Demolish Building</td>
<td>NB Coronado, CA</td>
<td>$1M - $5M</td>
<td>10 FEB 2019</td>
</tr>
<tr>
<td>PE17124M</td>
<td>Repair BEQ 53451</td>
<td>MCB Camp Pendleton, CA</td>
<td>$1M - $5M</td>
<td>14 FEB 2019</td>
</tr>
<tr>
<td>MI1703M</td>
<td>Repair BEQ Building 5698</td>
<td>MCAS Miramar, CA</td>
<td>$5M - $10M</td>
<td>15 FEB 2019</td>
</tr>
<tr>
<td>Q949/Q950</td>
<td>SOF ATC Facilities</td>
<td>NB Coronado, CA</td>
<td>&gt; $10M</td>
<td>21 FEB 2019</td>
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<tr>
<td>P110</td>
<td>LCS Mission Module Readiness Center</td>
<td>NB San Diego, CA</td>
<td>&gt; $10M</td>
<td>18 MAR 2019</td>
</tr>
<tr>
<td>P284</td>
<td>F-35 Maintenance Hangar</td>
<td>NAS Lemoore, CA</td>
<td>&gt; $10M</td>
<td>06 MAR 2019</td>
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<tr>
<td>P1018</td>
<td>CMV-22B Airfield Improvements</td>
<td>NB Coronado, CA</td>
<td>&gt; $10M</td>
<td>12 MAR 2019</td>
</tr>
<tr>
<td>RM15-1243</td>
<td>Repair Electrical Distribution System &amp; Manholes</td>
<td>NB Coronado, CA</td>
<td>$1M - $5M</td>
<td>14 MAR 2019</td>
</tr>
<tr>
<td>P777</td>
<td>Directed Energy Systems Integration Lab</td>
<td>NB Ventura County, CA</td>
<td>&gt; $10M</td>
<td>27 MAR 2018</td>
</tr>
<tr>
<td>SD1804M</td>
<td>Repair Fire Alarms at B625 BEQ</td>
<td>MCRD San Diego, CA</td>
<td>$1M - $5M</td>
<td>27 MAR 2019</td>
</tr>
</tbody>
</table>

## Environmental Leadership

### COMPLIANCE
One of the most highly regulated regions in the country with precedent-setting regulations.
Work with federal, state, and local agencies to minimize impacts of environmental requirements on Navy operations.

### CONSERVATION & PLANNING
- 50 Federally listed Threatened and Endangered Species; goal is to obtain de-listing, reduce regulatory burden and free up lands for training.
- Supporting ASN NEPA initiatives to improve efficiency, effectiveness, and reduced cycle time through active role in implementation and local efforts.

### CLEANUP
- Work with EPA, state, and local agencies to advance cleanup on active and BRAC bases to free up land for training or redevelopment.
- Supporting USMC on San Onofre Nuclear Generating Station (SONGS) Decommissioning requirements.

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**Enabling essential DoN training and operations. Supporting the Fleet!**
Regional Environmental Program

Environmental Compliance
• Over 300 regulatory inspections annually
• More than 1,700 regulatory environmental permits managed
• FY18 Execution $11.6M in projects/permits, other requirements

Environmental Restoration
• 1126 sites Region-wide with 978 sites where clean-up response is complete
• Goals: 95% completed FY21
• Annual program approx. $55M

NEPA
• 11 Ongoing Navy EAs and 2 Navy EISs
• NRSW Completed 2 EAs and over 1000 CATEXs in FY18

Natural Resources (NR)
• 21 Total Integrated Natural Resource Management Plans (INRMP)
• FY18 Execution – $6.8M in projects
• 50 Threatened and Endangered Species in Region

Cultural Resources (CR)
• Programmatic Agreements (PA) 8 existing, 4 inititiated
• Integrated Cultural Resource Management Plan (ICRMP) Status
  - 14 Complete, 6 updates in process
  - $130k in projects in FY18, $780k funded for FY19
# Environmental Procurements In-Progress

<table>
<thead>
<tr>
<th>Short Title</th>
<th>Environmental Scope</th>
<th>Type</th>
<th>Capacity/Duration</th>
<th>RFP</th>
<th>Planned Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>8(a) EMAC</td>
<td>Restoration</td>
<td>Multiple Award, Fixed Price</td>
<td>$95 M / 5yr</td>
<td>Feb 2018</td>
<td>FY19 Q3</td>
</tr>
<tr>
<td>NEPA Planning</td>
<td>NEPA</td>
<td>8(a) A/E IDIQ</td>
<td>$4 M / 5 yr</td>
<td>Jan 2019</td>
<td>FY19 Q3</td>
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<tr>
<td>Infrastructure</td>
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<td></td>
<td></td>
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<tr>
<td>SB EMAC</td>
<td>Restoration</td>
<td>Multiple Award, Fixed Price</td>
<td>$240 M / 5 yr</td>
<td>Pending - FY19 Q2</td>
<td>FY19 Q4</td>
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<tr>
<td>MARAC</td>
<td>Restoration</td>
<td>Multiple Award, Cost Plus</td>
<td>$240 M / 5 yr</td>
<td>Pending - FY19 Q2</td>
<td>FY20 Q1</td>
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<tr>
<td>Natural Resources</td>
<td>Conservation</td>
<td>SB Multiple Award</td>
<td>$30 M / 5 yr</td>
<td>Pending - FY19 Q2</td>
<td>FY20 Q2</td>
</tr>
<tr>
<td>MAC</td>
<td></td>
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<tr>
<td>Water Monitoring,</td>
<td>Compliance</td>
<td>SB A/E IDIQ</td>
<td>$100 M / 5 yr</td>
<td>Pending - FY19 Q2</td>
<td>FY20 Q2</td>
</tr>
<tr>
<td>Abatement</td>
<td></td>
<td></td>
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<tr>
<td>Exotic Weed</td>
<td>Conservation</td>
<td>Multiple Award, Pre-priced ELIN</td>
<td>$49 M / 5 yr</td>
<td>Pending - FY19 Q2</td>
<td>FY20 Q3</td>
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<tr>
<td>Abatement</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Cultural Resources</td>
<td>Conservation</td>
<td>SB Multiple Award</td>
<td>$30 M / 5 yr</td>
<td>Jun 2018</td>
<td>FY20 Q3</td>
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<tr>
<td>MAC</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>RADMAC</td>
<td>Restoration</td>
<td>Multiple Award, Fixed Price</td>
<td>$500 M / 5 yr</td>
<td>FY19 Q4</td>
<td>FY21 Q1</td>
</tr>
</tbody>
</table>

Asset Management

Wide variety of products

• Installation and Area Development Plans, Project Planning, Geospatial data

• Public Private Venture Housing and Bachelor Qtrs

• Real Estate Agreements ISO Navy & Marine Corps Bases
  – Out-grants, AG leases, in-grants, disposals, appraisals, surveys, property management, base closure, and seek opportunities to engage industry for underutilized property and assets

• Financial Improvement and Audit Readiness (FIAR)
  – Verification of asset data base management and currency of information on facilities and property owned by the DoN.

• External Engagement
  – Engage with local, county, state and other federal agencies to influence land use decision to protect our land, air space and sea corridors.

• Encroachment Partnering (EP)
  – Focuses on systematic encroachment identification and prevention. Partnerships created for purpose of acquiring restrictive use easements to create protective buffer zones
  – NAF El Centro / NAS Fallon / NAWS China Lake / NBC Coronado (La Posta)
Future Workload

Search “NAVFAC Southwest”

Future Workload Report at NAVFAC Southwest Homepage

USEFUL LINKS

- Contractor Visit Protocol
- Future Workload Projection for Q1 FY2019
- How to Obtain an Architect-Engineer Contract with NAVFAC Southwest


Full transparency on projects & acquisition tools