



NAVFAC Southwest Command Overview

for
Construction Network

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

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Purpose of this Brief



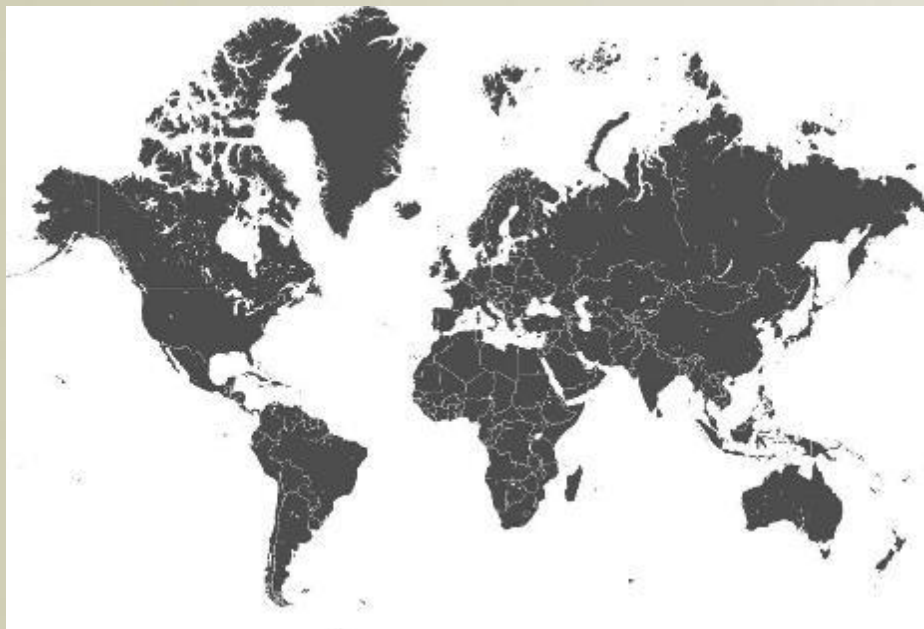
- **The Navy and Marine Corps are making major facility investments**
 - Focused on operational facilities (hangars, runways, piers) and new weapons platforms
 - RDT&E facility investment has increased
 - Utility investment remains steady
 - Quality of life capital improvements is reducing
- **DoN is business minded and looking for partners**
 - Leveraging real estate for capital investment and O&M funding
 - Encouraging energy production and financed energy resiliency
 - Using Public-Public Partnerships (IGSA)
- **Changing methods and reducing administrative controls**
 - Raising a variety of approval thresholds
 - Pushing authority and capability to the field
 - Reducing environmental burden through partnerships and methods

Why is Our Navy Important?



Increasing Globalization

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



*Great Power
Competition:
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!***

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

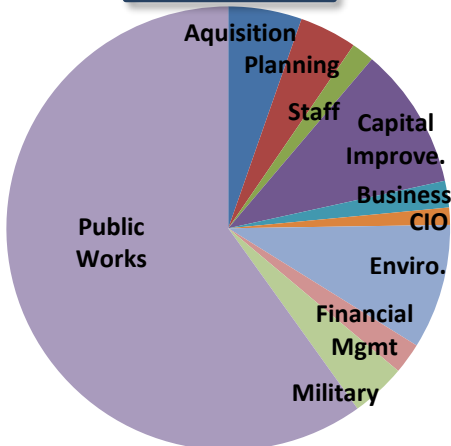
*Training Ranges
Maintenance Hangars
Simulators
Command and Control Centers*

*Indoor Shooting Ranges
Piers
Ammo Storage and Handling
Training Centers
Resilient Utility Systems*

60% of the Fleet to the Pacific

NAVFAC Southwest

Staffing



3366 Civilians and 140 Military at 19 locations

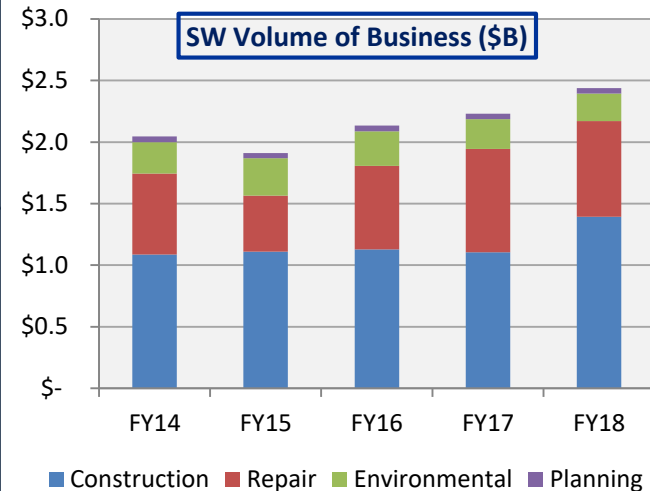
MISSION

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
- MCIWEST, 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
2014-2019
4 MILCONs
\$77M

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

Unmanned Systems, USCG, SYSCOMS



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

Gateway to PACFLT

Ammunition Wharf and Turning Basin, Magazines



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

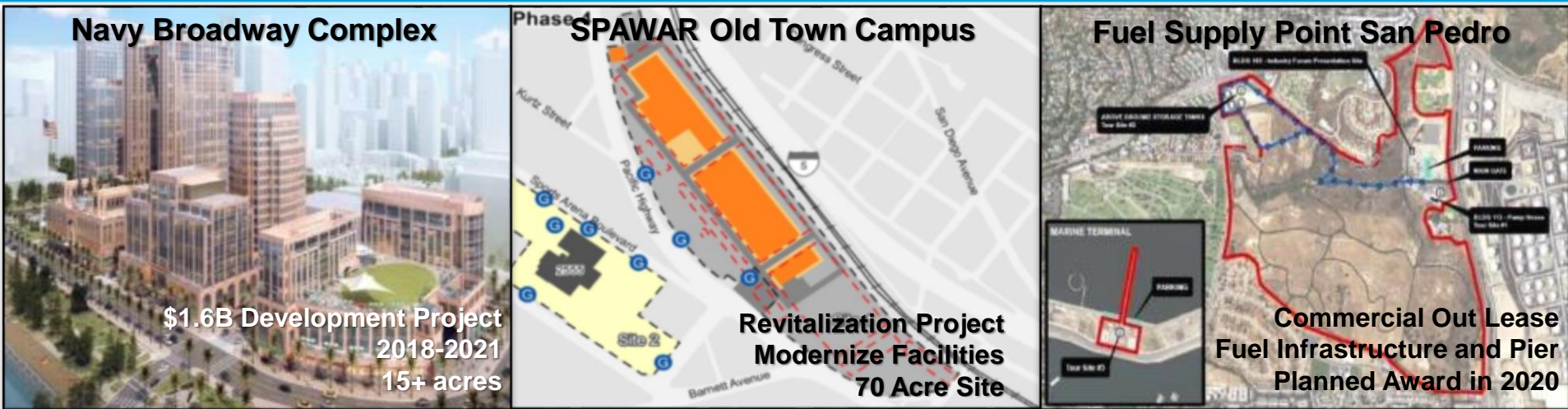
V-22 Osprey Bed Down



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

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

Real Estate Innovation



- **Commercial Out Leasing (COL)** provide revitalized or new infrastructure
- **COL and Public Private Venture or Partnerships (PPV)** build a platform for private and/or public entities to achieve real property development furthering asset utilization and value

Leveraging underutilized assets to achieve mission ready facilities

Old Town Campus, San Diego



10 Buildings

70.5 Acres

2 Miles from Downtown

Next to Old Town Transit Station

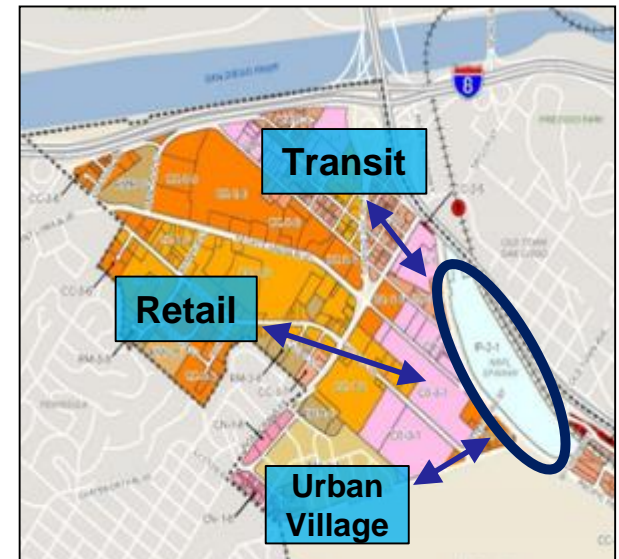
Next to I-5, I-8 & Pacific Hwy

Requirements

4k Personnel, 1.5M sqft of

Admin, Warehouse & Laydown

- Industry Forum held 5 Nov 18 to present DoN real estate authorities and obtain Request for Interest OPPORTUNITIES...
- Public Private Partnership between DoN and entity to modernize existing footprint
- Long-term ground lease for new or renovated Navy facilities
- Land swap with new Navy facilities



OTC proximity to Midway redevelopment

Management Initiatives



- **Alignment with the Pacific creates business 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
- **Electronic Construction Management System (eCMS)**
 - Platform to submit, review, respond to, and store RFIs and submittals for construction and facilities support contracts over \$150K
 - Action items and calendar to help team members stay organized
 - System to capture communications, decisions, and information related to lifecycle of project

Execution Initiatives



• **Public Works Department Optimization**

- Right balance between a PWD's contracting tools and its in-house shop forces creating efficiency and effectiveness
- Creates a multitude of competitive tools for faster and cheaper execution of smaller, less complex work
- Replaces many sole source contracts with competitive procurements, saving ~23% (\$15.8M/year at SW Navy bases)

• **Workload balancing: Shift in execution of projects <\$5M to the installations (<\$10M if size of office supports)**

- Increase technical staff at those offices
- More response to clients, designers, and contractors
- MCON work will not be shifted

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 & Road Paving
 - Flooring
 - Roofing
 - Fencing
 - Painting

Awarded
Pending Awd
Proposals Received
Proposals Due
Sources Sought
18 More Under Development

Lead Installation	Contract Type	Value	Tentative Award Date
Pt Loma	HVE IDIQ	\$ 7,000,000	1/10/2019
China Lake	Gen Con JOC	\$ 49,000,000	2/1/2019
All	NorCal & Nevada MINI-MAC	\$ 99,999,000	7/31/2019
Ventura	Specialty JOC	\$ 49,000,000	7/31/2019
Ventura	Gen Con JOC	\$ 49,000,000	7/31/2019
Ventura	Roofing Pre-priced IDIQ	\$ 30,000,000	7/31/2019
Ventura	Electrical	\$ 25,000,000	7/31/2019
Lemoore	Gen Con JOC	\$ 30,000,000	7/31/2019
Lemoore	Specialty JOC	\$ 40,000,000	7/31/2019
Seal Beach	Gen Con JOC	\$ 15,000,000	7/31/2019
Seal Beach	Roofing Pre-priced IDIQ	\$ 35,000,000	7/31/2019
Seal Beach	Specialty JOC	\$ 49,000,000	7/31/2019
CPEN	Gen Con JOC	\$ 49,000,000	7/31/2019
El Centro	Specialty JOC	\$ 10,000,000	7/31/2019
Fallon	Gen Con JOC	\$ 25,000,000	7/31/2019
Barstow	Gen Con JOC	\$ 49,000,000	7/31/2019
Barstow	Specialty JOC	\$ 25,000,000	7/31/2019
Pt Loma	Gen Con JOC	\$ 99,000,000	7/31/2019
Pt Loma	Specialty JOC	\$ 90,000,000	7/31/2019
Pt Loma	Mechanical/HVAC JOC	\$ 49,000,000	7/31/2019
All	SoCal & AZ MINI-MAC	\$ 99,999,000	7/31/2019
All	Central CA MINI-MAC	\$ 99,999,000	7/31/2019
Ventura	Road Paving pre-priced IDIQ	\$ 25,000,000	12/31/2019
Ventura	Mechanical/Plumbing JOC	\$ 30,000,000	12/31/2019
Lemoore	Road Paving pre-priced IDIQ	\$ 49,000,000	12/31/2019
Seal Beach	Wet Utilities JOC	\$ 20,000,000	12/31/2019
Seal Beach	Road Paving pre-priced IDIQ	\$ 35,000,000	12/31/2019
Monterey	Specialty JOC	\$ 20,000,000	12/31/2019
Barstow	Mechanical/Plumbing JOC	\$ 49,000,000	12/31/2019
Pt Loma	Roofing Pre-priced IDIQ	\$ 49,000,000	12/31/2019
Pt Loma	Painting Pre-priced IDIQ	\$ 20,000,000	12/31/2019

Performance Initiatives



• **Mechanical Systems Improvements**

- Review adequacy of DB Whole Building Energy Simulation Source Selection Factor: Limited information pre-award prevents meaningful simulation
- Hire additional mechanical engineers and technicians
- Seek PWD feedback on mechanical systems performance
- Identify acceptance issues during design
- Improve commissioning team scheduling

• **Commercial standards vs military criteria**

- Use of aluminum wire in addition to copper for outdoor equipment – previously limited to copper wire
- More performance based seismic design with site analysis to better align with industry

Acquisition Initiatives



- Expanded use of Lean Process to all modifications (not just construction) and to task orders up to the SAT (\$250K)
- Eliminated requirement for HQ approval to bring more than five offerors to Phase Two in D/B IDIQs and to make non-price factors more important than price
- Increased use of price-only selection procedures for MACC task orders from \$10M to \$25M
- Increased the threshold for written task order evaluation plans from \$10M to \$25M
- Increased MACC ceiling limit from \$100M to \$250M (or higher with HQ approval)
- Streamlined LPTA process so that evaluation is only required on the 3 lowest priced proposals (changed from 5)
- Revised policy to allow for 5-year contract terms vs options

Acquisition Initiatives



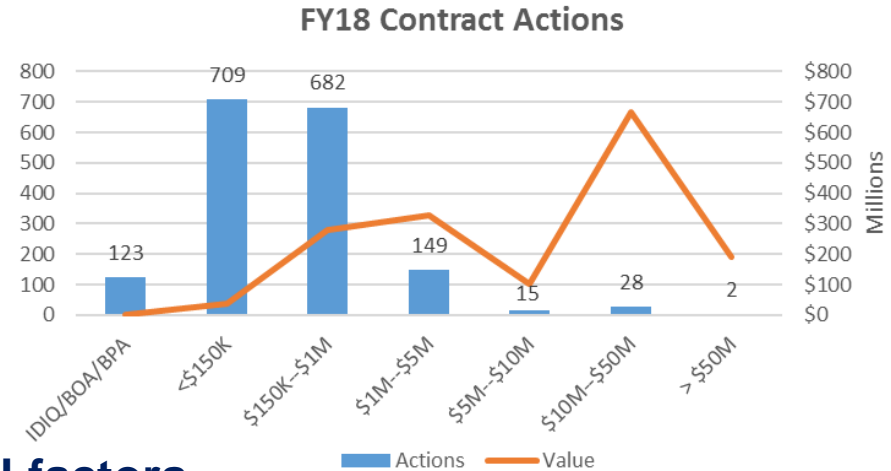
- Streamlined documentation process to allow Contracting Officers to sign their own work up to \$750K (previously \$150K)
- Increased local authority to approve source selection plans from \$100M to \$250M; approve A/E selection reports from \$30M to \$100M; authorize construction options to be exercised for a period longer than 365 days from date of contract award
- Eliminated requirement to prepare a separate decision memorandum documenting whether or not use of a project labor agreement is appropriate and to seek counsel review on streamlined acquisition plans less than \$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

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

MILCON only
DB Preferred for most
smaller projects



- **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

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 Government, Designer, & Contractor is 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", "Projects", "SC Access", and "View Map". The main navigation menu includes "ABOUT US", "CONTACT US", and "NEWS". A large banner image shows workers in safety gear performing maintenance on high-voltage electrical equipment. Below the banner, there is a news article titled "NBPL 69KV Cable Termination Repair" with a sub-headline "NBPL 69KV Cable Termination Repair". The article text describes a repair performed by NAVFAC Southwest Metro Production Office High Voltage Electrical Shop (MPO HVE) personnel on a failed 69KV cable at Naval Base Point Loma's Substation "P" on June 16. Below the article, there 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 "USEFUL LINKS" section is an "ANNOUNCEMENTS" section with a "View All" link and a notice about website security updates. Below the "ANNOUNCEMENTS" section 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