



Guam DPRI Execution Strategy

Guam Industry Forum

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Agenda



- Master Plan and NEPA
- Small Business Strategy
- Update on Execution Model
 - Criteria, Means and Methods
 - Common Components
 - Program Support Contracts
 - Workforce Housing and Logistics
 - Non-Workforce Logistics
 - Utilities and Site Improvements
 - Facility Contract Packages
- Special Purpose Entities: Utilities and Housing

Guam Joint Military Master Plan



- Joint Master Plan involves many stakeholders
 - OSD, JGPO, HQMC, MARFORPAC, III MEF, CNIC, COMPACFLT, COMNAVMAR, PACAF, USARPAC, GOJ and GovGuam
- Finalizing Guam site laydown
 - Main Base functions
 - Aviation and Embark
- Developing project documents (1391s) for GoJ JFY09 and POM 10 MILCON funding
- Way ahead
 - Spring 2008: draft Master Plan completed
 - Summer 2008: “Working Level” Master Plan approved

Environmental Impact Statement



- Proposed action includes
 - Relocation of Marines to Guam
 - CVN capable pier
 - US Army Ballistic Missile Defense
- Partnering sessions conducted with regulators
 - June 2007, October 2007 and February 2008
- Developing draft EIS concurrently with Master Plan
- Way ahead
 - Spring 2009: draft EIS completed
 - Spring 2009: public meetings
 - Fall 2009: Final EIS
 - **January 2010: Record of Decision (ROD) signed**

Execution Strategy Objectives



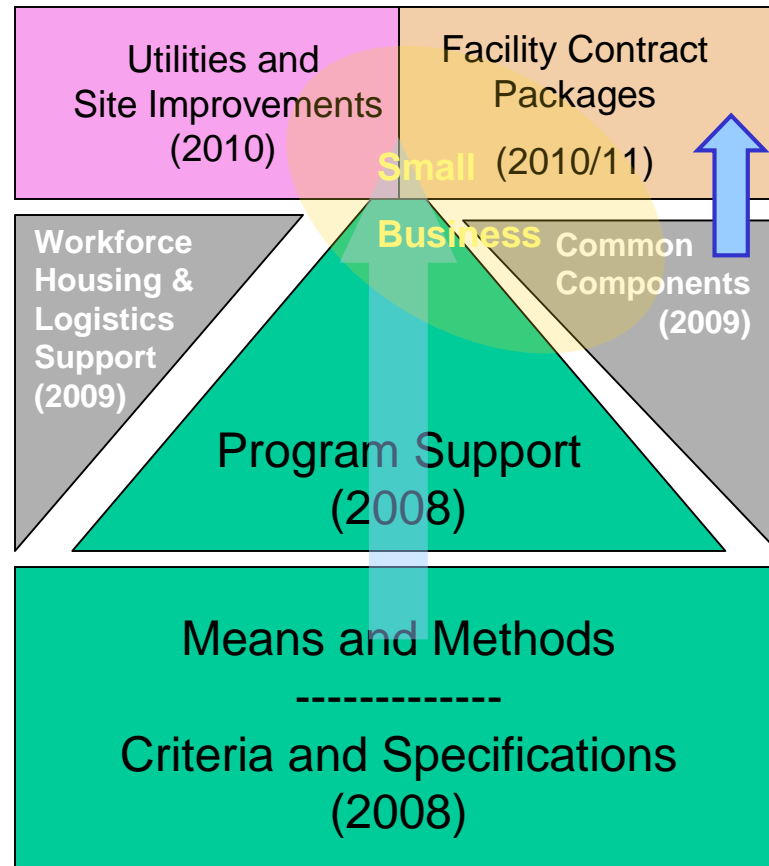
- Enable Mission Requirements
 - Projects delivered in synch with the Service phased military capabilities
 - Construction begins immediately upon completion of ROD
 - Design/Build approach
 - Achieve full scope within programmed amounts
 - Minimize contractor overhead/Maximize product delivered
 - Mitigate inflationary pressures
 - Utilize criteria and standards that enable offsite methodologies to reduce requirement for imported workforce
 - Sustainable, efficient operating performance
 - Utilize standard building components to reduce life-cycle costs, enhance sustainability, and simplify long-term operations, maintenance and repair
 - Apply appropriate building standards for seismic activity and typhoons
 - Design and construct a coherent exterior architectural theme
 - Reflect/highlight USMC mission
 - Consistent with the Installation Appearance Guide
 - Harmonizes with the island environment

Execution Strategy Objectives



- Attract optimal industry partners
 - Tiered approach, considering potential for large, medium and small dollar value contracts
 - Include socio-economic programs (utilize small business)
 - Long term relationship
 - Risk management for inflation, market conditions, bonding, etc.
 - Overhead and mobilization/de-mob costs distributed over program vice project
 - Improved profitability opportunities vs. inherent risks
- Limit Guam socio-economic impacts
 - Including services such as berthing, messing, medical, security, etc.
- Accountability for various fund sources (USG and GoJ)

NAVFAC Acquisition and



Program Management

Small Business

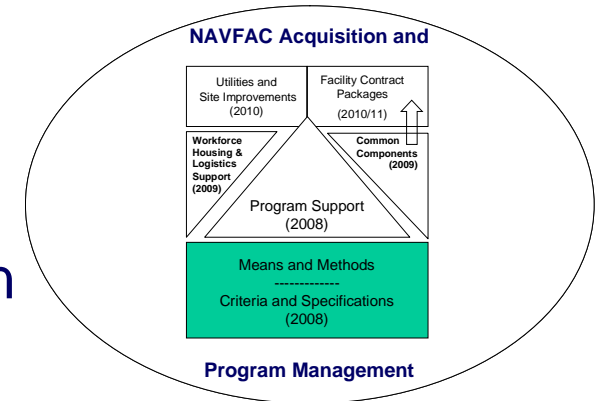


- **Bottom Line Up Front:** NAVFAC will maximize small business opportunities
 - Growing capability on Guam is critical for the future
- **Strategy**
 - SB Goals for DoD and NAVFAC Targets
 - Set Aside A&E and QA services under the Program Support Contract
 - Structure Construction Capability Packages to maximize SB opportunities
- **Way Ahead**
 - *Breakout session to solicit industry input*
 - Market Survey to determine global SB capability / capacity and help shape NAVFAC's SB strategy

Criteria / Means and Methods / Common Components



- **Purpose:** Reduce life cycle costs, simplify long-term maintenance and minimize imported workforce.
- **Scope:** ID, define and source key construction methods and facility components
- **Acquisition Method:** In-house engineering
- **Current Status**
 - Common components will not be separate stand-alone contracts
 - will utilize Performance Specs where appropriate
- **Way Ahead**
 - *Breakout session to solicit industry input*
 - Spring 2009: Integrate requirements for key criteria, means & methods and Common Components into Request for Proposal specifications



Criteria / Means and Methods / Common Components

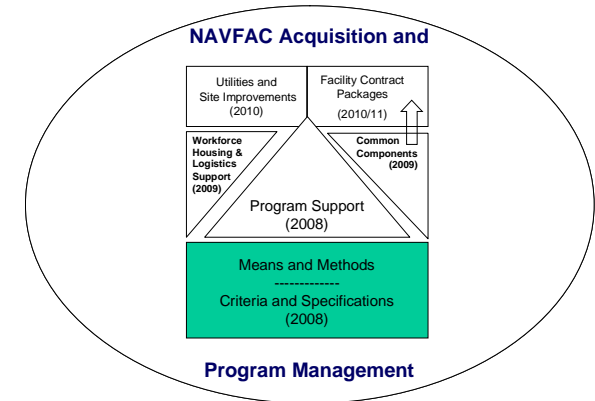


•Preferred Methods

- Sustainable Design (LEED Silver Certification)
- Durability Criteria (Concrete construction)
 - tropical environment
 - typhoons & earthquakes
- Modular construction
- Tilt up and pre cast walls
- Fluid Applied Roofing for low slope roofs
- Standing Seam Metal cladding for sloped roofs
- Central domestic hot water systems

•Preferred Common Components

- Access control systems
- Roofing
- Doors
- Windows



Program Support Contract



- **Purpose:** Provide NAVFAC staff augment for technical support, and to enable early construction start and minimize contractor overhead.

- Contracting Officer and Engineer-in-Charge responsibilities (approval of design changes, modifications, etc.) remain with NAVFAC

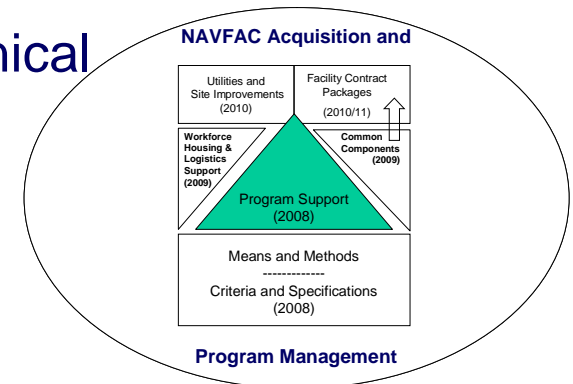
- **Primary Scope:**

- Program Management support (“program” related requirements)
 - financial tracking, pre-award scheduling/activity integration, etc.
- A&E services (prepare RFPs, provide design review, etc.)

- **Secondary Scope:**

- Construction support services (QA, schedule analysis, contractor integration, etc.)
 - currently planning separate MACC (**NTE \$250M total**) for CM functions as well
- Incidental / other services: Planning, Real Estate, Environmental

- **Proposed Acquisition Method:** Brooks Act; FFP + IDIQ (negotiated Task Orders; not Cost +). Base year plus up to nine option years (**NTE \$100M total**).

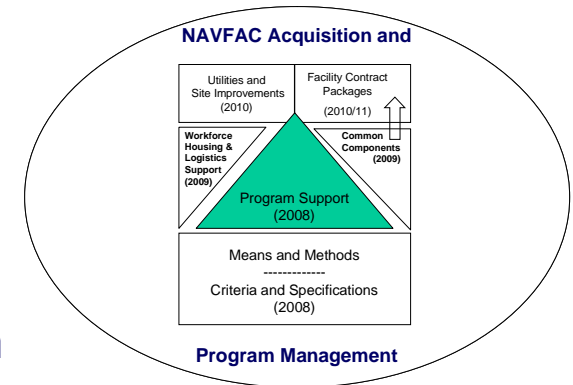


Program Support Contract



• Current Status

- Sources Sought synopsis issued December 2007
 - Received significant industry feedback
- Brooks Act procurement will be utilized for single Program Support Contract (primarily covering Program Management and A&E services)
- Reached agreement with / gained support of Small Business Administration
 - Set asides for A&E and QA services



• Issues

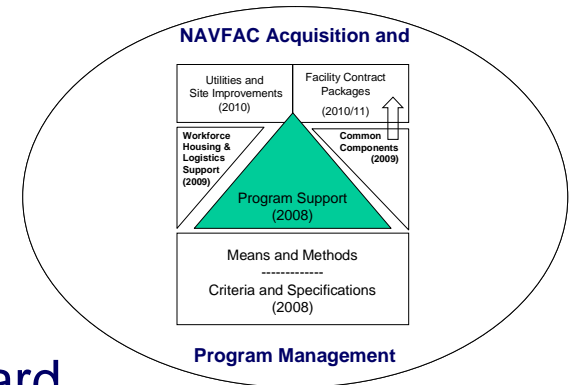
- Organizational conflict of interest principles will be applied
 - However, actions deemed “separate and distinct” may be pursued if legally defensible in every aspect
 - Subcontractors providing Program Support services on a specific project might not be precluded from participating on other “separate and distinct” DPRI Guam projects.
 - Firms are advised to seek legal advice

Program Support Contract



- **Way Ahead**

- *Breakout session to solicit industry input*
 - March to April 2008: synopsise for 45 - 60 days
 - June 2008: receive offers from Industry
 - Summer 2008: target selection and contract award



Workforce Housing & Logistics



- **Purpose:**

- Mitigate inflationary pressures and socio-economic impacts on Guam, stabilize labor costs and provide consistent workforce living standards.

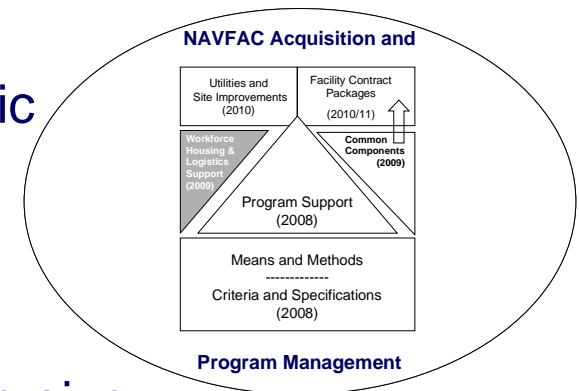
- **Scope:**

- Housing, services and logistical support of varying size workforce (up to 20K workers) for project duration
- Berthing, messing, medical / dental, MWR, etc.

- **Acquisition Method:** TBD

- **Current Status:**

- Released Sources Sought in January 2008
 - will extend closing date to April 2008



Workforce Housing & Logistics



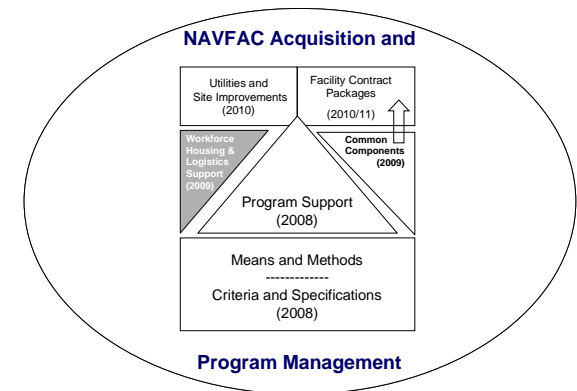
- **Way Ahead**

- *Breakout session to solicit industry input*

- Individual contractor solutions (market)
 - enforcement of standards
 - Contractor investment interest
 - Enhanced Use Lease, etc.
 - Other solutions?
 - Spring 2008: Develop and finalize course of action
 - Spring 2008: Develop decision brief for proper approval

- **Issues**

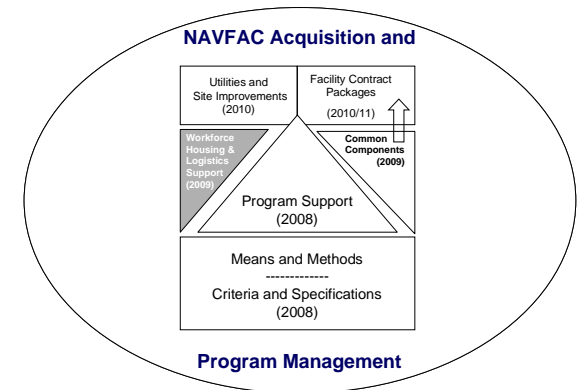
- Mandated use?
 - Funding
 - Follow-on use?
 - Location(s)



Non-Workforce Logistics



- **Purpose:** Minimize logistical challenges in supplying the workforce with materials and equipment in support of construction on Guam
- **Scope:** Centralized warehousing, batch plant operations, mineral products, etc.
- **Acquisition Method:** TBD
- **Issues:**
 - Current challenges: transportation network, production, etc.
 - Should we entertain a contract / strategy or let market drive efficiencies?
 - Should scope include centralizing the procurement of warehouse distribution (e.g. lumber, steel)?
- **Way Ahead:**
 - *Breakout session to solicit industry input*



Utilities and Site Improvement



- **Purpose:**

- Begin construction ASAP upon completion of ROD and minimize contractor overhead

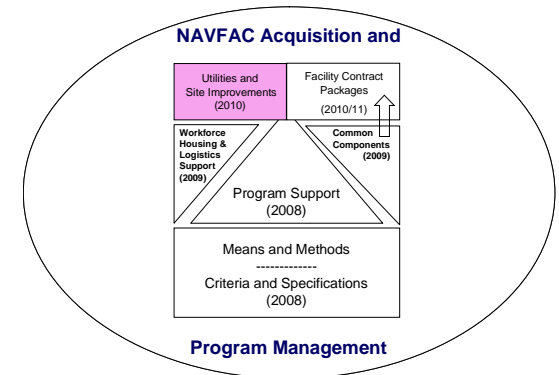
- **Scope:**

- Utility distribution and site infrastructure within each capability package

- **Acquisition Method:** FFP D/B

- **Next Steps**

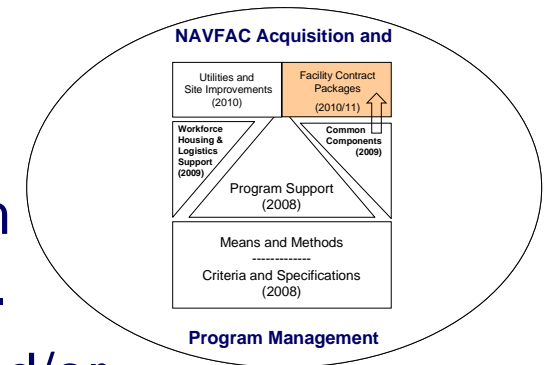
- Spring 2008: finalize project documents for GOJ JFY09 and POM 10 MILCON funding.
- Fall 2009: award initial D/B contracts upon receipt of JFY09 and/or FY10 funds.



Facility Contract Packages



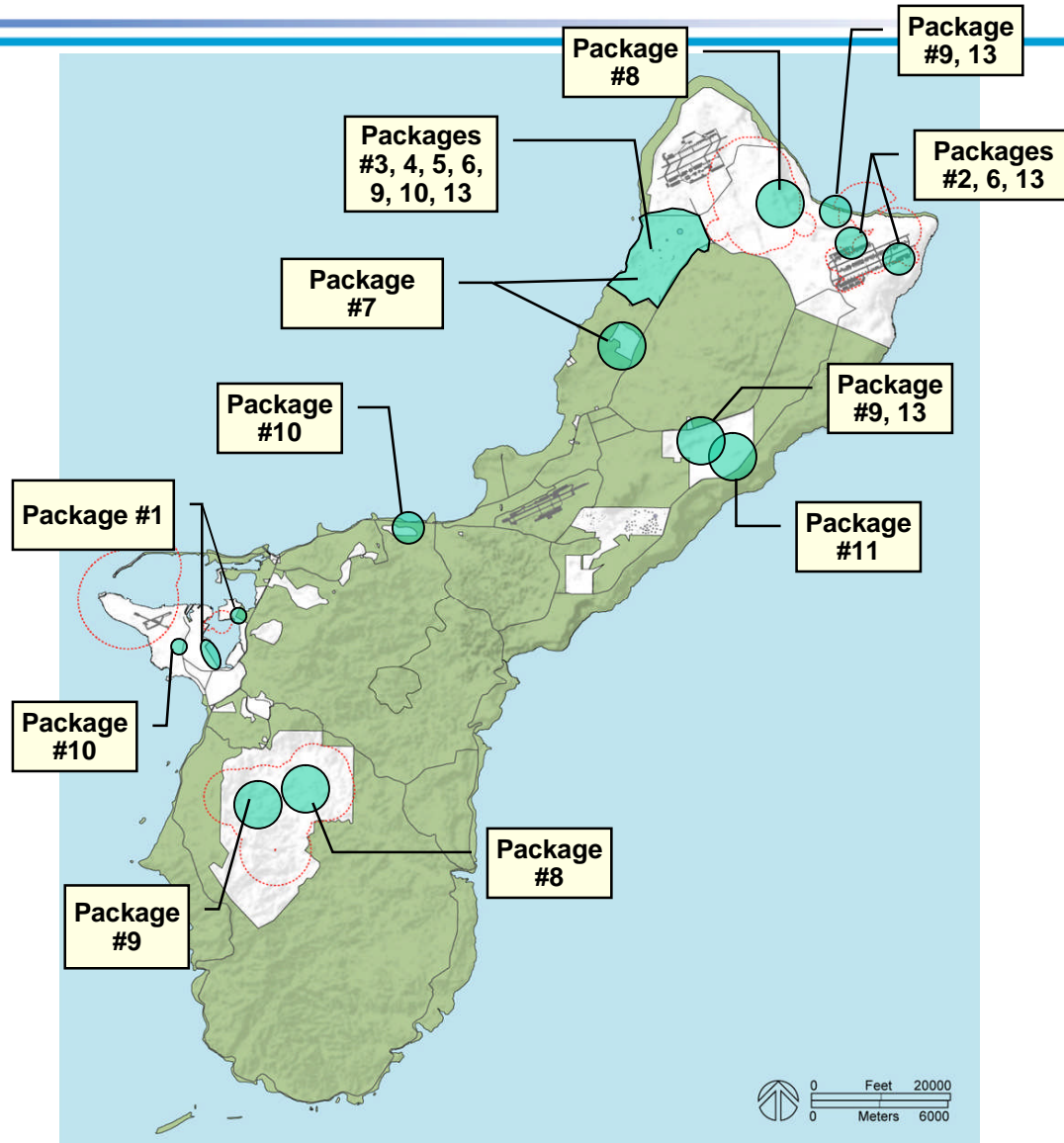
- **Purpose:** Minimize contractor overhead and attract optimal industry partners (include socio-economic programs). Projects delivered in-synch with phased Service military capabilities required.
- **Scope:** Capability packages tied to locations and/or functions and Small Business set asides for specific functions/facilities.
- **Acquisition Method:** FFP D/B
- **Current Status**
 - Spring 2008: finalize project documents for GOJ JFY09 and POM 10 MILCON funding.
 - Fall 2009: award initial D/B contracts upon receipt of JFY09 and/or FY10 funds.



Notional Capability Packages



- ◆ Package #1
- ◆ Package #2
- ◆ Package #3
- ◆ Package #4
- ◆ Package #5
- ◆ Package #6
- ◆ Package #7
- ◆ Package #8
- ◆ Package #9
- ◆ Package #10
- ◆ Package #11
- ◆ Package #12
- ◆ Package #13



Near Term Opportunity



Guam Non-DPRI Military Construction

<u>FY</u>	<u>Proj. No.</u>	<u>Description</u>	<u>Est. Const Cost</u>
FY08	P-502	Kilo Wharf Extension	>50M
FY08	P-494	Harden Base Electrical Systems (PH 1 of 2)	>50M
FY08	P-530	Fitness Center	20-50M
FY08	P-262	Wastewater Treatment Plant Upgrade	20-50M
FY08	P-532	Potable Water Distribution System (PH 1)	20-50M
FY08	H-481	Replace 73 Unit Old Apra (PH 2)	20-50M
FY08	H-01-03	Reconfigure Interior- #4 Flag Circle	<2M
FY08	459-301	VA Community Based Outpatient Clinic	<5M
FY08	SAKW335780B	Upgrade NW Field Infrastructure (PH 2)	<10M
FY08	SAKW059099	NW Field Technical Training Facility	<10M
FY09	P-469	BEQ	>50M
FY09	P-534	Wastewater Collection System	10-30M
FY09	H-02-03	Reconfigure Interior 6 Housing Units Flag Circle	<5M
FY09	55918	Central Utility Plant, Naval Hospital	20-50M
FY09	SAKW335780	Combat Communications Maintenance Facility	<10M

SPE Utilities



- **Purpose:** Partner with GOJ to provide funding and technical expertise in providing utilities commodity supply, transmission and distribution services.
- **Scope**
 - Electric power, water, wastewater and solid waste collection
 - Evaluating three load scenarios:
 - 1) USMC
 - 2) DoD requirements
 - 3) DoD and impacts to Guam
- **Acquisition Method:** Utilities service agreement and land lease/permit if DoD land involved
- **Current Status**
 - May 2008: complete utility studies and partner with GOJ and GovGuam on SPE utility requirements and solution

SPE Housing



- **Purpose:** Partner with GOJ in the contribution of financial instruments to fund and provide quality housing for USMC forces relocating from Okinawa to Guam.
- **Scope**
 - 3,520 housing units
 - Business model to include financial and business elements
- **Acquisition Method:** GoJ TBD
- **Current Status**
 - Fall 08: Finalize concept development
 - FY09 - ROD: Solicitation Process