



***Workforce Housing & Logistics
Support (WHLS)
Guam Industry Forum***

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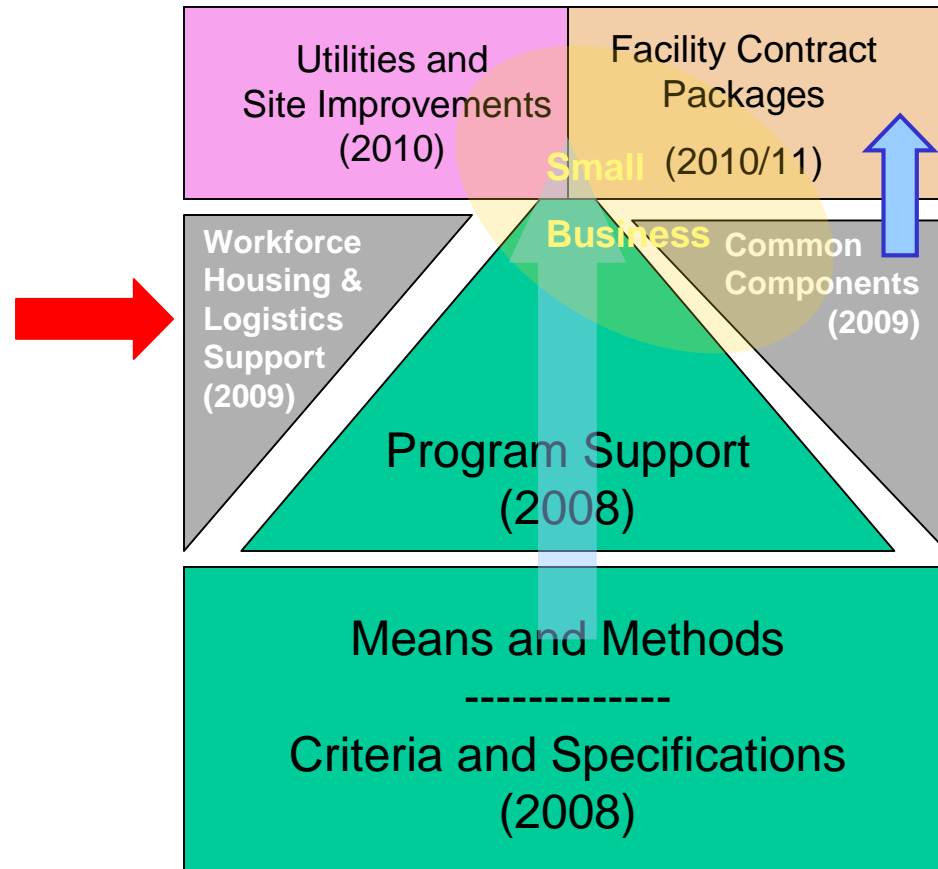
7 March 2008

Agenda



- **Background**
- **Requirements**
- **Objectives**
- **Initial Solution Concepts**
- **Discussion Points**
- **Wrap-up**

NAVFAC Acquisition and



Program Management

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 (Cont)



- 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)

Background: Why this strategy?



- **The Guam Build-up will require approximately 12 to 20 thousand transient workers from off-island in order to complete by 2014**
- **Guam's existing housing, transportation, and medical networks are incapable of absorbing this huge influx of transient workers, requiring some sort of "worker housing" be established**

Background: Why this strategy?



- **Unregulated “worker housing” in the past have led to unsafe/unsanitary living conditions for the workers, and unacceptable socio-economic impacts for the community**

Therefore, adequate provision must be made within the DoD program for a well-regulated Workforce Housing & Logistics Support (WHLS) strategy

Workforce Housing & Logistics Support Requirements



- **Complete “care & feeding” services for up to 20,000 transient workers**
 - Berthing
 - Messing
 - Medical/dental
 - Transportation
 - Morale, Welfare, & Recreation (MWR)
 - Other associated services
- **Must be in-place by 1st quarter 2010**
- **Must be scalable to meet a fluctuating worker population**
 - 1,000 workers initially; up to 20,000 at peak

“Care & Feeding” Details



- **Berthing**

- Per EM 385-1-1* standards (see section 04.A.05)
- Typhoon/earthquake design req'ts

- **Messing**

- 3 meals/day
- includes box/bag lunch on workdays

- **Medical/dental care**

- dispensary/sick-call services
- emergency/medevac?

- **Transportation**

- daily to/from jobsite(s)
- shuttle to shopping/entertainment

- **Morale, Welfare, & Recreation (MWR)**

- sports/leisure facilities
- fitness facilities

- **Other associated services**

- laundry
- barber
- mini-mart/shopette
- security
- maintenance

*Available for download at http://www.hq.usace.army.mil/soh/hqusace_soh.htm

Workforce Housing & Logistics Support Objectives



- **Ensure consistent and adequate workforce living conditions**
 - Clean, safe, well-regulated housing
 - No unsafe, unsanitary “shanty town” housing
 - No workers living in boxes in the jungle
- **Mitigate adverse Guam socio-economic impacts**
 - Minimize burden on Guam’s limited housing, transportation, and medical networks
 - Ensure basic needs of transient workforce are met
 - Reduce likelihood of crime, vagrancy, and other social ills by transient workforce

Workforce Housing & Logistics Support Objectives (Cont)



- **Mitigate inflationary pressures**
 - Stabilize costs; costs not subject to fluctuating supply/demand pressures
- **Minimize contractor overhead/risk**
 - Minimize cost to construction contractors; provide for economies of scale
 - Reduce contractor risk; provide for consistent, predictable costs
- **Attract optimal industry partners**
 - Attract world-class industry leaders with the experience and expertise to 'do it right'

Initial Solution Concept



- **A single WHLS contractor, who serves as the exclusive provider for “care & feeding” of all transient workers**
 - Berthing, messing, medical/dental, transportation, MWR, & other associated services
- **Construction contractors pay the WHLS contractor a set fee (per worker per day) for “care & feeding” of their transient workforce**
 - Contractual agreement between WHLS contractor and individual construction contractors
- **Mandated use of designated WHLS contractor for all transient workers**
 - No other housing authorized

Discussion Points



- **What are the relative benefits and drawbacks of siting the WHLS facilities on:**
 - DoD land?
 - GovGuam land?
 - Private land?
- **Is any one option preferred?**
- **Considerations:**
 - Enhanced Use Lease (EUL) arrangements (for Gov't owned land—either DoD or GovGuam)
 - One housing site, or multiple?
 - Transportation/traffic considerations
 - Utility availability
 - Land availability and proximity to job site(s)
 - Construction timing—start earlier on non-DoD land?

Discussion Points



- **What are the relative benefits and drawbacks of the following acquisition strategies:**
 - Gov't (DoD or GovGuam) build, contractor operated?
 - Contractor build, contractor operated?
- **Is any one strategy preferred?**
- **Considerations:**
 - Availability of private financing for construction of facilities
 - Availability of MILCON or bond financing for construction
 - O&M cash flow considerations

Discussion Points



- **Should the proposed WHLS solicitation be structured to allow for potential follow-on (long-term) use of the facilities in 2014 & beyond?**

- Example: Construct apartment style housing for transient workforce with strip-mall style support facilities on private land (or EUL on Gov't land), with the intent of converting the housing to private-sector unaccompanied personnel housing (or Section 8 housing) and converting the support facilities to shopping/dining.

- **Considerations:**

- Cost for permanent facilities (for long-term follow-on use) vs. temporary facilities (for duration of construction period only)
 - Can temporary facilities provide the necessary typhoon resistance and still be cost effective as temporary structures?
- Use of private land/GovGuam land (EUL?) may permit construction to start prior to ROD with the use of private funds.

Discussion Points



- **Should labor pool sourcing/management be included as part of the WHLS contract?**
- **Concept: The WHLS contractor would serve as a primary (exclusive?) source for transient workers, performing the following**
 - Sourcing & recruiting third-country (transient) labor resources
 - Processing h(ii) visas through DoS
 - Providing transportation to Guam
 - Maintaining ready labor pool of various construction skills
 - Labor pool workers on WHLS contractor payroll
 - WHLS contractor charges fully burdened rate to construction contractors for use of WHLS labor pool personnel; construction contractors pay only for the time they use
 - WHLS contractor resource-levels labor pool assets across numerous construction contractor schedule requirements
- **Could this concept work? Why or why not?**

Discussion Points



- **What else should we be considering to achieve the overall WHLS objectives? Are we missing anything?**
- **Are there private-sector examples of similar projects that might be used as a model?**

Wrap-up



- **Request for Information**

- Posted on FedBizOpps in Jan 2008
- Responses due 14 March 2008
- Should we extend the deadline?

- **Next Steps**

- Gov't (DoD & GovGuam) to develop preferred solution strategy based on industry input from Guam Industry Forum & RFI responses (Apr 2008)
- Release RFP (~Oct 2008)*
- Award WHLS contract (Jul 2009)**

*Actual timeline will depend on the final strategy selected

**Only possible if private funds are used