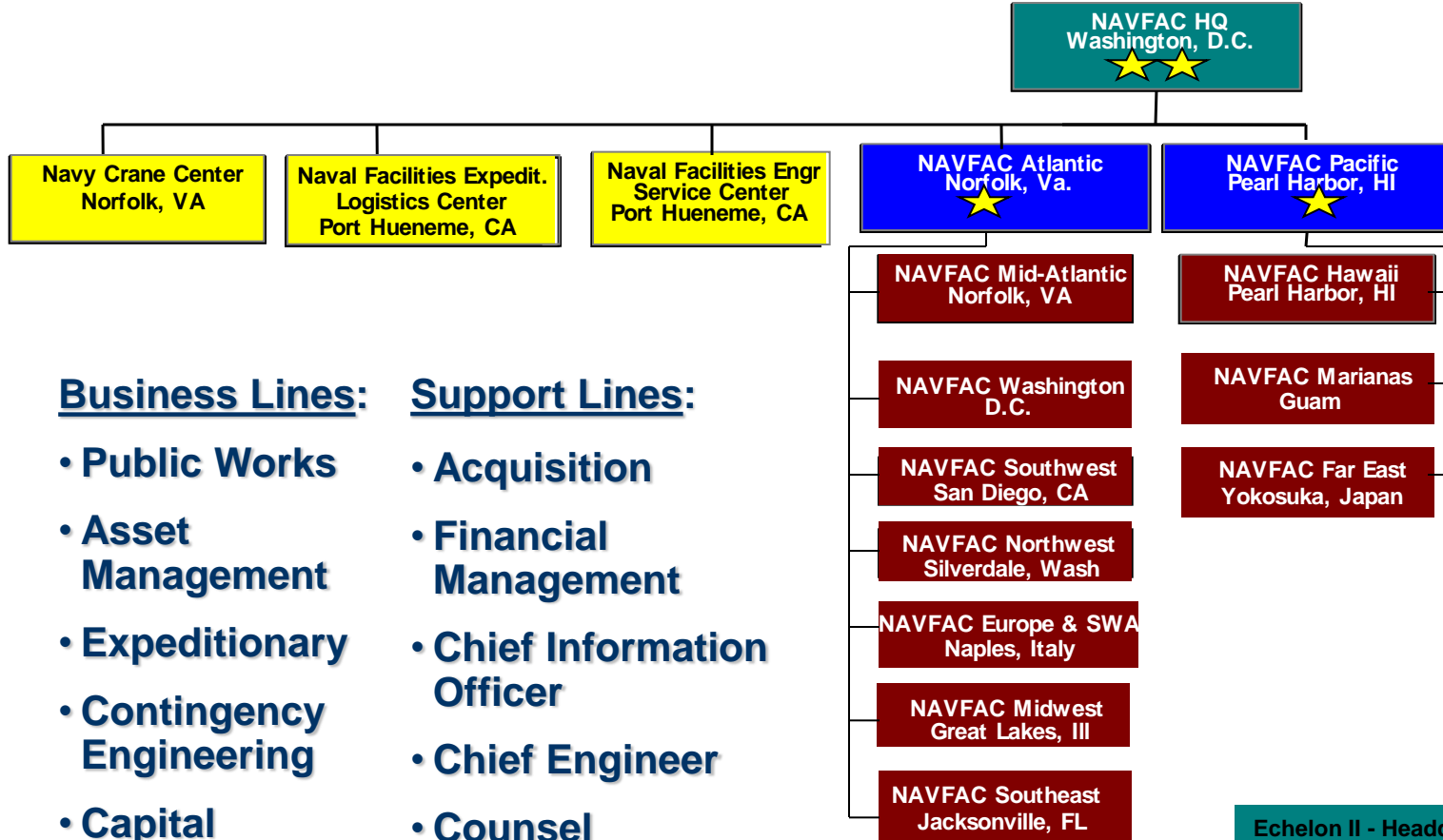




COFPAES Federal Markets Conference

September 22, 2011

***William G. Seifert, P.E.
Deputy Chief Engineer and
Deputy Director, Capital Improvements***

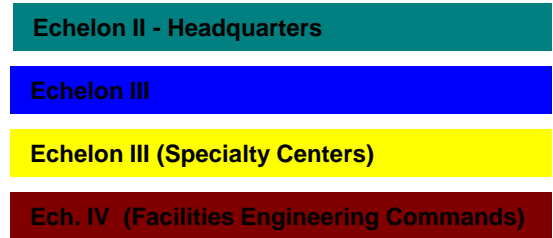


Business Lines:

- Public Works
- Asset Management
- Expeditionary
- Contingency Engineering
- Capital Improvements
- Environmental

Support Lines:

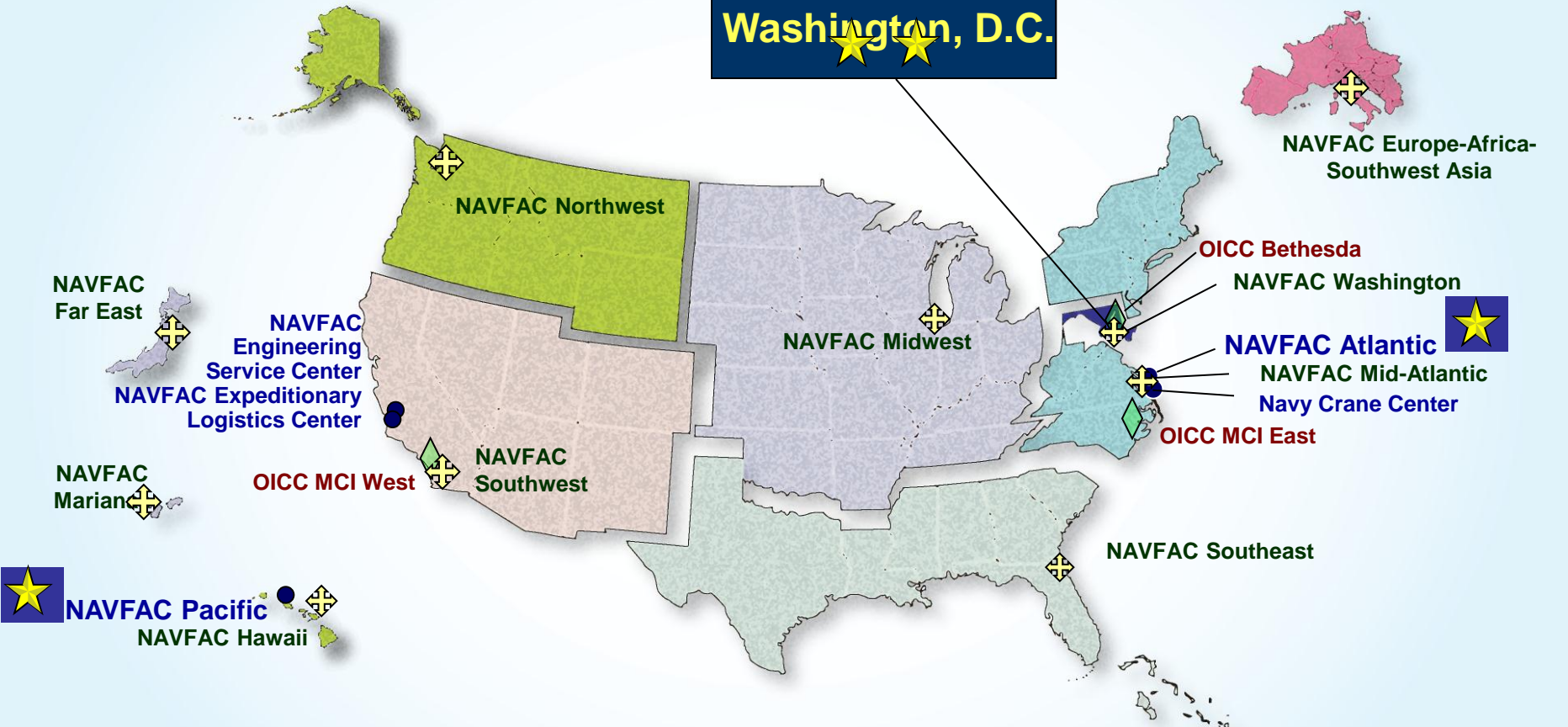
- Acquisition
- Financial Management
- Chief Information Officer
- Chief Engineer
- Counsel



Worldwide Facilities Engineering Expertise



NAVFAC HQ
Washington, D.C.



ECH III Commands (5)

ECH IV Commands (10)

ROICCs (32)

PWDs (67)

OICCs (3)

Capital Improvements



Products and Services:

- **MILCON**
- **Design**
- **Construction**
- **AT/FP**
- **Medical Facilities Design**
- **Ocean Engineering**



Acquisition Strategy



- Design-Build remains primary vehicle
 - Intend to maintain DB Acquisitions at ~75% of MILCON program
 - FY10 & 11 lower than goal due to large complex projects requiring full plans and specification
 - Shift to more in-house design to enhance/maintain core technical competencies
 - Standard Technical Evaluation Factors in Source Selections across Command
 - Continue use of Desirables & Betterments
 - Lower total ownership cost
 - Lower total energy use
- Challenges:
 - Changing & emerging energy & sustainability mandates and ensuring compliance within criteria and designs

Energy Goals Ashore



Federal Energy Mandates

- EPACT 2005
- EISA 2007
- Executive Order 13423 & 13514

SECNAV Energy Goals Ashore

- LEED Gold now
- Require evaluation of energy factors when awarding contracts for systems and buildings
- By 2020
 - Produce at least 50% of shore-based energy requirements from alternative sources
 - 50% of DON installations will be net-zero energy consumers
 - 50% of total DON energy consumption will come from alternative sources

Significant focus to reduce energy consumption

DB Total Ownership Cost (TOC) Template



- **Template initially used for 7 common facility types:**

Admin Bldg	Instructional Training Bldg (general purpose)
Bachelor Quarters	Operational Training Bldg (specialized)
Fitness Center	Child Development Center
High Bay Hangar	

- **Government provides baseline TOC analysis in RFP**
 - RFP has local utility rates/bldg occupancy/use parameters
 - Baseline assumes minimum IBC code requirements
 - Energy analysis based on ASHRAE 90.1 2007 standards
 - Proposal TOC evaluated against GOV baseline TOC
- **TOC template/example RFP published in FedBizOps Oct 2011 for comments**
- **Pilot program Nov 2011; Implement late FY 2012**

NAVY LEED POLICY



FY11 and FY 12 MILCON Projects

- The decision to include LEED Gold (or equivalent) is based on affordability and impact to execution.
- Full project scope, as defined by the "As Enacted DD 1391," be achieved to the maximum extent possible within the Programmed Amount .
- The additional LEED Gold requirement should only be added to the FY11 and FY12 projects when the cost of acquiring LEED Gold in the project does not exceed the budget.

FY13 MILCON projects

- Will be required to obtain LEED Gold (or equivalent).

FY12 PresBud Submit

Department of Navy Highlights



- **MILCON \$2.5B**

- Historical high (FY10 was \$3.8B)
- 55% USMC, 45% Blue Navy
- Balanced portfolio addresses

FY12	MCON	MCNR	TOTAL	%
USN	\$1,111M	\$17M	\$1,128M	45%
USMC	\$1,350M	\$ 9M	\$1,359M	55%
Total	\$2.5B	\$26M	\$2,487M	

- Warfighter needs & new mission/systems
- Warfighter & family Quality of Life
- USMC Commandant initiative to eliminate inadequate barracks by 2014
- CNO initiative to eliminate Homeport Ashore deficit by 2016
- Critical Infrastructure
- Energy

- **Family Housing \$469M**

- Modest increase, inventory largely privatized

- **BRAC \$155M –**

- Outfitting, environmental clean up & caretaker costs

- **SECNAV Energy Goals**

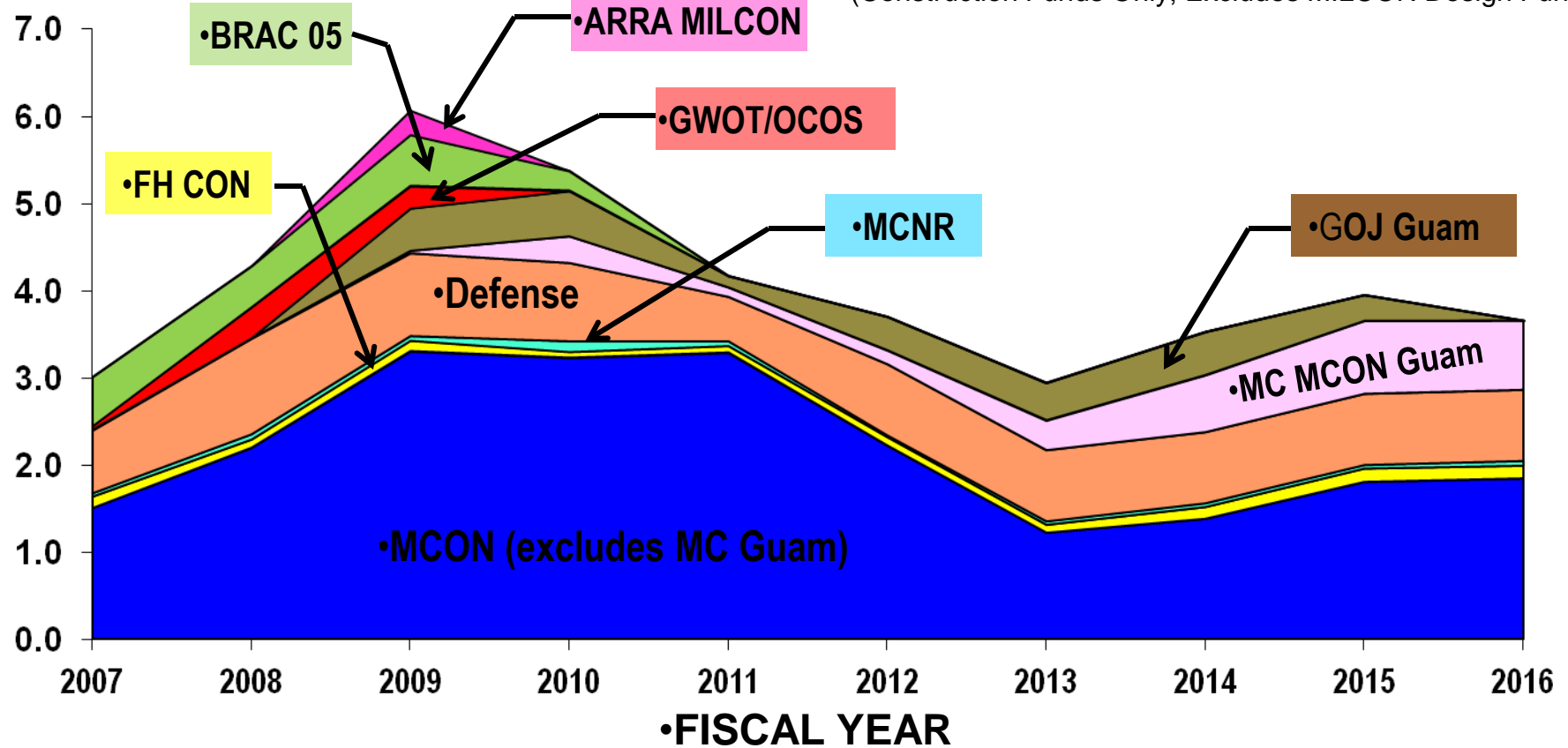
MILCON

Program of Record



•\$ BILLIONS

Includes GOJ PROGRAMMED AMOUNT*
(Construction Funds Only; Excludes MILCON Design Funds)

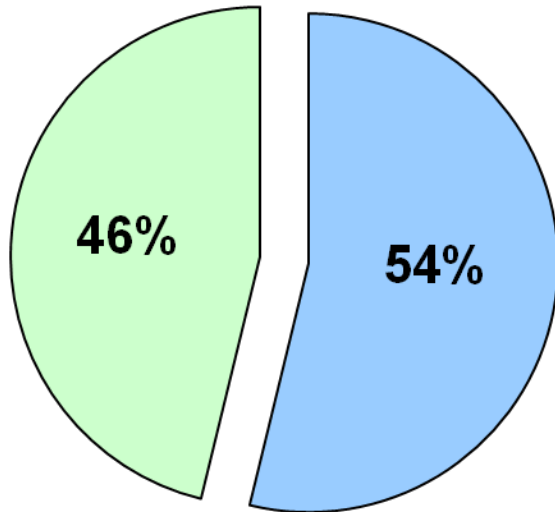


- * Programmed Amount includes SIOH, PCAS, & contingency
- FY2012 through FY2016 based on POM 12 PRESBUD Submit

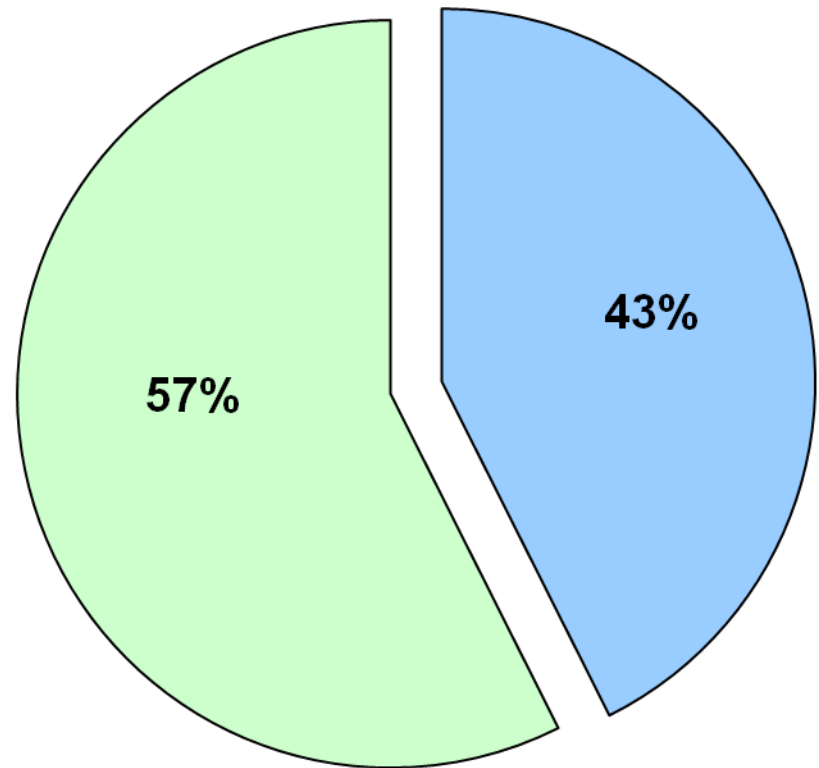
Historical vs Projected Workload Navy and Marine Corps



**Historical FYs 04-09
(MCON and Family Housing)**



**Projected FYs 10-16
(MCON Construction only)**



**Without Family Housing –
Navy 56%, USMC 44%**

USMC

Navy

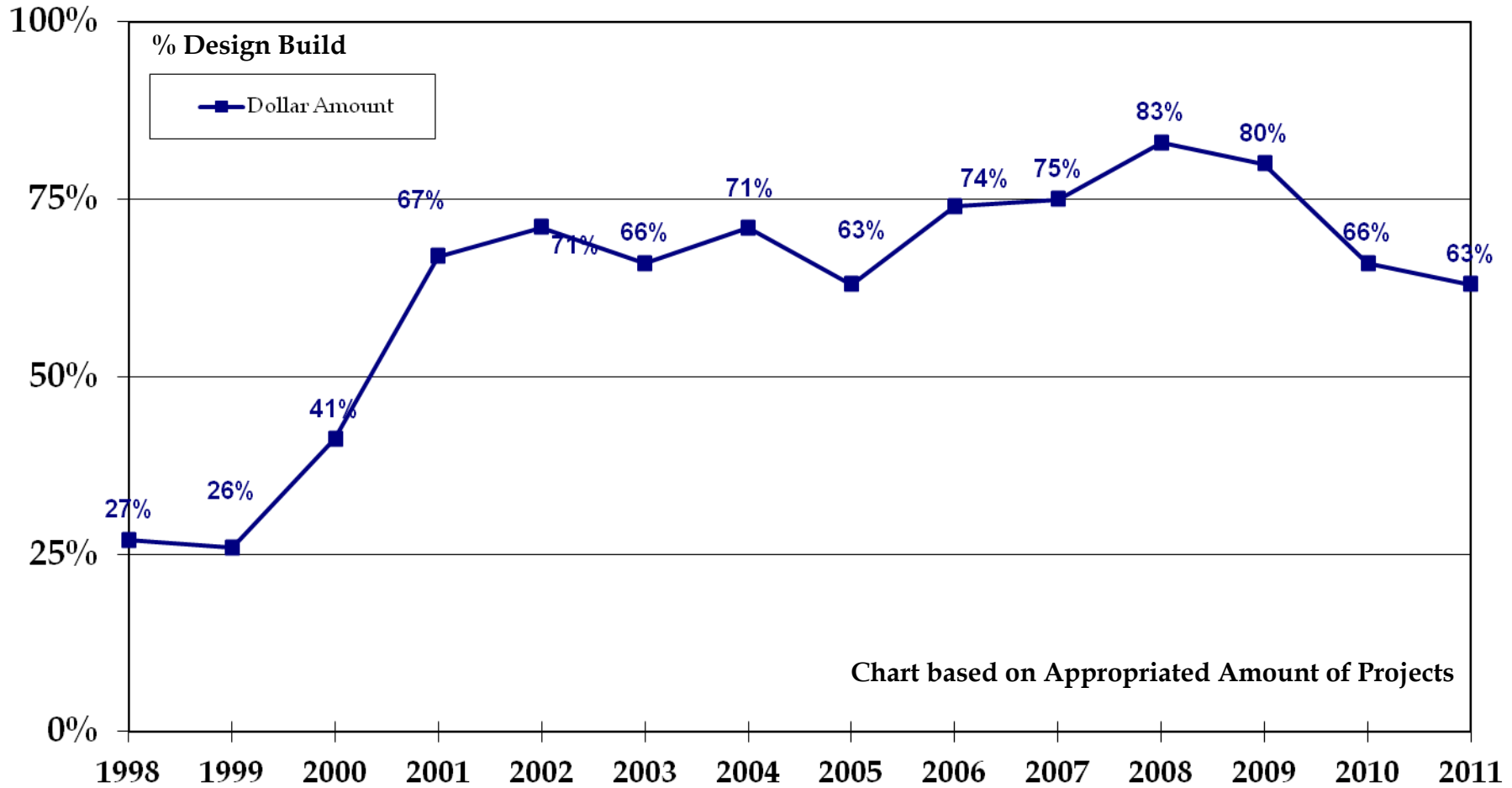
MILCON Workload



CATEGORY	% WORKLOAD
Maintenance & Production	14%
Unaccompanied Personnel Housing	10%
Land Operational Facilities	9%
Utilities, Land, & Site Improvements	24%
Administrative	5%
Waterfront Operational Facilities	3%
Training Facilities	5%
Community Facilities	11%
Medical Facilities	14%
Other	5%

COMPONENT	% WORKLOAD
Southwest	23%
Mid-Atlantic	23%
Marianas	5%
Southeast	10%
Washington	19%
Europe	3%
Hawaii	6%
Northwest	5%
Far East	3%
Midwest	3%

MCON Design-Build Trend Line



DsnBld PA:	132M	168M	142M	395M	590M	810M	667M	599M	764M	829M	1697M	2,472M	2,361M	1,977M
Pgm Amt:	652M	626M	546M	957M	878M	1142M	1198M	963M	1111M	1052M	2075M	3,073M	3,577M	3,156M

MILCON Project Solicitation & Award Forecast



- www.navfac.navy.mil
 - Contracting Information
 - Opportunities
 - Acquisition Strategies & Forecasts
 - FY2010 MCON & MCNR Enacted Project List

MILCON Solicitation/Award Forecast									
FOR PLANNING PURPOSES ONLY									
This list is not, nor is it intended to be a prediction of what military construction projects may ultimately be solicited. Projects may not be approved, and project specifics may vary prior to solicitation and/or award. Projects not included on this list may be solicited. Dates shown are for advance planning only. See FEDBIZOPS for actual solicitations.									
Acquisition Method Abbreviation Definitions - BV38: Best Value Source Selection, RFP - LP: Request For Proposal - Low Price & Past Performance, IFB/ICB: Invitation For Bid/International Competitive Bid									
Responsible Component	P number	Project Name	Activity Name	Design Method	Acquisition Tool	Acquisition Method	Programmed Amount	Projected Solicitation Date	Projected Award Date
NAVFAC Europe and SW Asia	PX85	WATER DISTRIBUTION LINE	NAVSTA ROTA SP	Design Bld Build	MAC - General	RFP - LP	\$5,100,000	24-Nov-2008	15-Jan-2009
NAVFAC Europe and SW Asia	907	AIRCRAFT MAINTENANCE HANGAR	CAMP LEMONIER DIBOUTI	Design Build	Global Contingency Const (GCC)	RFP - BVSS (One Step)	\$12,820,000	15-Dec-2008	20-Mar-2009
NAVFAC Europe and SW Asia	908	AIRCRAFT PARKING APRON	CAMP LEMONIER DIBOUTI	Design Build	Global Contingency Const (GCC)	RFP - BVSS (One Step)	\$15,250,000	15-Dec-2008	20-Mar-2009
NAVFAC Europe and SW Asia	910	TELECOM FACILITY	CAMP LEMONIER DIBOUTI	Design Build	Global Contingency Const (GCC)	RFP - BVSS (One Step)	\$3,330,000	15-Dec-2008	20-Mar-2009
NAVFAC Europe and SW Asia	925	WATERFRONT DEVELOPMENT PHASE 1	NAVSUBPACT SAHRAIN	Design Bld Build	Stand Alone Construction Contract	RFP - BVSS (One Step)	\$38,500,000	18-Mar-2009	30-Jun-2009
NAVFAC Europe and SW Asia	411	FUEL STORAGE TANKS & PIPELINE REPLACEMENT	NAVSUBPACT SOLIDA BAY GR	Design Bld Build	Stand Alone Construction Contract	RFP - BVSS (One Step)	\$8,000,000	18-Mar-2009	30-Jun-2009
NAVFAC Europe and SW Asia	PX82	CHANNEL AND HARBOR DREDGING	NAVSTA ROTA SP	Design Bld Build	Stand Alone Construction Contract	IFB/ICB	\$34,000,000	21-Jun-2009	22-Oct-2009
NAVFAC Marianas	0103	RECONFIG INTERIOR GF00 #4 FLAG CIRCLE NIMITZ HILL	PWIC GUAM	Design Build	MAC - SA DB	RFP - BVSS (Two Step)	\$242,000	25-Jul-2008	28-Sep-2008
NAVFAC Mfg-Atlantic	175	WEAPONS MAGAZINES REPL	NAS BRUNSWICK ME	Design Build	MAC - SA DB	RFP - LP	\$8,220,000	17-Jan-2008	23-Mar-2008
NAVFAC Mfg-Atlantic	691	CLF LAND ACQUISITION INC 1	NOLF WASHINGTON COUNTY NC	Land Acquisition		RFP - BVSS (One Step)	\$15,000,000	31-May-2007	31-Aug-2007
NAVFAC Mfg-Atlantic	135	GTF-BACHELOR ENLISTED QUARTERS	MCAS CHERRY POINT NC	Design Build	Stand Alone Construction Contract	RFP - BVSS (Two Step)	\$30,100,000	11-Nov-2008	27-Mar-2009
NAVFAC Mfg-Atlantic	112V	MARITIME SUBSURFACE SENSOR OPS FACILITY	NAVAL STATION NEWPORT RI	Design Build	Stand Alone Construction Contract	RFP - BVSS (One Step)	\$19,320,000	12-Nov-2008	15-Apr-2009
NAVFAC Mfg-Atlantic	223V	RENOVATE V47 FOR COMBAT CRAFT FACILITY	NAVSTA NORFOLK VA	Design Build	MAC - Industrial	RFP - BVSS (One Step)	\$7,140,000	13-Nov-2008	31-Mar-2009
NAVFAC Mfg-Atlantic	615	APRON EXPANSION, PHASE 1	MCCB CAMP LEJEUNE NC	Design Bld Build	Stand Alone Construction Contract	RFP - BVSS (One Step)	\$8,830,000	13-Nov-2008	30-Mar-2009

- Updated monthly
- For planning purposes
- See FEDBIZOPS for actual solicitations

Summary



- **Military Construction workload downward trend – still a substantial workload**
- **Continued emphasis on energy efficiency and security**
 - **Incorporating increasing energy mandates**
 - **10 May 2011 - SECNAV announced LEED Gold requirement**
- **Market conditions**