

**Rocks in the Road for Design-Build
in the
Department of Defense
and
H.R. 1**

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Rocks

- Change
- Control
- Market
- Training
- Funding

Resistance to Change

- Some folks just need to retire
- Learning new set of management processes
- Fear of the unknown
- Viewed as more complicated
- Bad experience with a prior Design-Build project
- We have never done that before

Control over the design

- Bridging document problems
- Everyone wants to be the quarterback
- GC or A/E leads the DB team
- Performance Based Work Statements and Statements of Project Objectives

Quality Design Builder Market

- Macro -- Adequate supply -- large projects
- Micro – Want-to-be Design-Builders for smaller projects
- Design-Build MATOC Contracts -- must integrate DB Teams
- Lack of Design-Builder's and knowledgeable owners for smaller projects

Design-Build process training

- Still manage and administer DB contracts like DBB.
- Federal Acquisition Regulation Clauses not yet adapted to DB
- DBIA Training -- excellent overview of Design-Build, but fails to drill down to the operational level.
- How should Design-Build projects be managed in real world.

DoD Budgeting Process

- Funding for design received ahead of construction funds (Design then place on shelf)
- Government fails to plan the project as Design-Build and fails to place cost of design into construction cost estimate.

HR 1

“American Recovery and Reinvestment Act of 2009”.



MILITARY CONSTRUCTION DEPARTMENT OF DEFENSE

- **Funds Valid - September 30, 2013**
- **Military Construction, Army - \$180,000,000**
 - \$80,000,000 **child development centers**
 - \$100,000,000 **warrior transition complexes - Fort Richardson, Alaska - Microsoft Bentley BIM**
- **NAVY AND MARINE CORPS - \$280,000,000**
 - \$100,000,000 **troop housing**
 - \$80,000,000 **child development centers**
 - \$100,000,000 **energy conservation and alternative energy projects**

MILITARY CONSTRUCTION DEPARTMENT OF DEFENSE

- **AIR FORCE - \$180,000,000**
 - \$100,000,000 troop housing
 - \$80,000,000 child development centers

MILITARY CONSTRUCTION, DEFENSE- WIDE

- \$1,450,000,000
 - \$1,330,000,000 construction of hospitals
 - \$120,000,000 Energy Conservation Investment Program

MILITARY CONSTRUCTION DEPARTMENT OF DEFENSE

- **ARMY NATIONAL GUARD - \$50,000,000**
- **AIR NATIONAL GUARD - \$50,000,000**
- **FAMILY HOUSING CONSTRUCTION,
ARMY**
 - \$34,507,000
 - \$80,100,000

OPERATION AND MAINTENANCE

- Must be obligated by Sept 30, 2010
- ARMY - \$1,474,525,000
- NAVY - \$ 657,051,000
- MARINES \$ 113,865,000
- AIR FORCE \$1,095,959,000
- ARMY RESERVE \$ 98,269,000
- NAVY RESERVE \$ 55,083,000

OPERATION AND MAINTENANCE

- MARINE CORPS RESERVE - \$ 39,909,000
- AIR FORCE RESERVE - \$ 13,187,000
- ARMY NATIONAL GUARD - \$266,304,000
- AIR NATIONAL GUARD - \$ 25,848,000

ARMY CORPS OF ENGINEERS—CIVIL

- **INVESTIGATIONS - Energy and Water Development**
*unlimited reprogramming authority for these funds provided under this heading
- **CONSTRUCTION**
- **\$2,000,000,000 - water-related environmental infrastructure assistance**
- **“Formerly Utilized Sites Remedial Action Program” - \$100,000,000**

DEPARTMENT OF ENERGY

“Energy Efficiency and Renewable Energy”

\$16,800,000,000

DEFENSE ENVIRONMENTAL CLEANUP

\$5,127,000,000

GENERAL SERVICES ADMINISTRATION

Federal Buildings Fund, \$5,550,000,000

INFRASTRUCTURE FUNDS

KANSAS

MISSOURI

TRANSPORTATION
ENHANCEMENTS

- \$10,434,515

- \$19,113,660

URBAN AREAS
>200K Population

- \$38,221,026

- \$93,414,889

SUBURBAN AREAS
< 200K Population

- \$67,379,854

- \$80,625,990

RURAL AREAS
< 5k Population

- \$10,689,568

- \$17,095,716

MAY BE USED IN
ANY AREA

- \$288,005,816

- \$426,871,729

H.R. 1

REPORTING REQUIREMENTS

Rules for the money - - spent and reported?

WWW.RECOVERY.CO

- Awarded and distributed in a prompt, fair, and reasonable manner
- Use of all recovery funds are transparent to the public
- Prevent instances of fraud, waste, error, and abuse
- Avoid unnecessary delays and cost overruns
meet specific goals and targets, and contribute to improved performance on broad economic indicators.

TIMELINE

- MAY 15 – AGENCIES FINANCIAL REPORTS BECOME AVAILABLE
- MAY 20 – AGENCIES BEGIN REPORTING COMPETITIVE GRANTS AND CONTRACTS
- JUL 15 – AGENCIES BEGIN TO REPORT THEIR USE OF FUNDS