

American Recovery and Reinvestment Act

American Council of Engineering Companies

Washington, DC

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U.S. GENERAL SERVICES ADMINISTRATION

GSA'S PUBLIC BUILDINGS SERVICE (PBS)

Landlord for over 400 federal agencies, bureaus & commissions

- Portfolio of 353.9 M rentable square feet
- Space for over 1,000,000 tenants
- 8,603 owned and leased assets
- 30 LEED certified properties
- FY' 08 revenue—\$8.23 B
- \$881.2 M in project starts in FY' 08

THE AMERICAN RECOVERY & REINVESTMENT ACT OF 2009

- Creating and saving jobs
- Increasing domestic renewable energy capacity
- Investing in infrastructure with long-term economic benefits
- Stabilizing state and local government budgets
- Assisting those most impacted by the recession



Security of the People, 1942
(Seymour Fogel)



RECOVERY ACT: FUNDING

- \$5.55 B Spending Plan
 - \$750 M Federal courthouses, federal buildings (\$450 M for DHS Headquarters)
 - \$300 M Land Ports of Entry (Border Stations)
 - \$4.5 B Convert existing facilities to high-performance green buildings

Other Agencies' Recovery Act \$\$ Potentially to GSA:

- \$1.0 B Potential Other Agencies' RWA Work

GREEN BUILDING MODERNIZATIONS

\$4.5 B focused on high-performance green building projects

- Includes such improvements as:
 - Renewable energy—photovoltaics and wind
 - Roofing, including green roofs
 - Windows
 - Lighting replacement
 - High-performance building systems
 - Advanced metering

PBS & THE RECOVERY ACT

Projects funded in four categories:

- New Construction
- Full and partial building modernizations
- Limited scope projects
- Small projects

Projects in all 50 states, the District of Columbia and two territories

PBS Recovery Program: Description and Status

- Our infrastructure investments are projected to create or save over 60,000 job-years based on PBS total Recovery funding.
 - Period ending September 30, 2009
 - 726 jobs created or retained
 - 790 jobs including RWA work
 - Period ending December 31, 2009
 - 1585 jobs created or retained
 - 1646 including RWA work
- Major Recipients of GSA's Recovery funds are:
 - Contractors and vendors in the construction and real estate industries, including small businesses.
 - Related construction subcontractors and commercial building supply and equipment manufacturers.
- Status of competition/ work status:
 - Competition status and contract award date varies by building project.
 - 92 projects are in construction phase – as of 1/29/10
 - 300 projects are under contract as of 2/19/10



PROJECT SELECTION CRITERIA

Primary Drivers:

- High-Performance Features Concentrating On Energy Conservation And Renewable Energy Generation
- Speed of Construction Start (Creating Jobs)

Other Factors:

- Execution Risk
- Facility Condition
- Improving Asset Utilization
- Return on Investment
- Avoiding Lease Costs
- Historic Significance

Revisions to the Spend Plan

- Current market conditions are resulting in project cost savings of 8%-10% below estimates
- Revisions to the Spend Plan are submitted to reallocate funds to existing projects and selected new projects
- Options are being created to ensure that funds are fully utilized on our projects

PBS Recovery Program: FY 2010 Obligation and Outlay Targets

Building infrastructure projects:

- Slow, steady economic growth
- Job creation occurs through the life of each project
- Project outlays typically accelerate as construction work ramps up after completion of the design phase
- Outlays are made via progress payments throughout project durations (i.e. one to four years)
 - Construction industry practice is to pay contractors in arrears
 - Our expenditures lag behind the amounts being spent by our contractors.

TRACKING PROCESS

- GSA created a PMO and zonal management structure to track progress on recovery act work
- As we move forward with our infrastructure investments, we have set interim target dates for project awards in each quarter to ensure we obligate \$5 billion of the \$5.5 billion we received in Recovery Act funds by the end of fiscal year 2010.
- We established tracking and reporting systems to help us meet our reporting requirements and to help us better manage our projects. We are monitoring our project variances as “early warning” signals of project slippage.

RECOVERY MILESTONES

- \$2 Billion total by 12/31/09 (Milestone met. \$2.07B)
- \$4 Billion total by 3/31/10
- \$5 Billion total by 9/30/10
- \$5.5 Billion Total by 9/30/11

A S O F ...

Total obligations as of April 23, 2010:

\$4,012,330,871

C O N T R A C T I N G

- Existing procurement process provisions remain in place for Recovery Act contracts
- Existing security requirements remain applicable to Recovery Act contracts
- Contracting options include:
 - Full and open competition
 - Schedules
 - Indefinite Delivery, Indefinite Quantity (IDIQ) contracts
 - New or existing Blanket Purchase Agreements (BPAs)
 - Small business set asides (competitive \$3 M+)

CONTRACTS AWARDED

- Commissioning
- Furniture Fixtures & Equipment
- Lease / Move Management
- Land Acquisition
- Design
- Advanced Metering
- Design / Build
- Construction Manager As Agent
- Contingency
- Construction Manager at Risk
- Construction Contract
- Art in Architecture

A COMMITMENT TO SMALL BUSINESSES

- Recovery Act mandates the maximum number of practicable small business opportunities
- In 2008, PBS awarded 50% (\$1.2 B) of all eligible contract dollars to small businesses
- For projects awarded to large businesses, a substantial portion of the work went to small business subcontractors
- To maximize opportunities, small businesses not already part of the GSA contracting system are encouraged to partner with firms that are

SMALL BUSINESS OPPORTUNITIES

- Opportunities for small businesses range from GSA's large, ground-up construction projects that will require businesses from all construction trades, to small projects to replace single systems within buildings, including work on HVAC, windows, roofs, etc.
- Small businesses are encouraged to look for and bid on opportunities as soon as possible. GSA has already awarded a significant amount of its available funds, and the vast majority will be awarded by the end of FY 2010.

PROJECT LABOR AGREEMENTS (PLA)

- A PLA is a collective bargaining agreement with one or more labor organizations that establishes the terms and conditions of employment for a specific construction project, promoting the efficient and expeditious completion of the project.
- This is consistent with the President's new executive order encouraging executive agencies to consider the use of PLAs in connection with large-scale Federal construction projects.
 - **Executive Order 13502:** provides that it shall be the policy of the Federal Government to encourage use of PLAs in connection with large-scale construction projects (defined as projects where the total cost to the Federal Government of the project is at least \$25 million) as appropriate to promote economy and efficiency in Federal procurement.

Pre-apprenticeship/Apprenticeship Program

- The Recovery Act provided \$3 million to GSA for on-the-job pre-apprenticeship and apprenticeship training programs registered with the Department of Labor, for construction, repair and alteration projects funded by the Act.
- Pre-apprenticeship programs include on-the-job-training, classroom training and work-life training in the construction industry.
- Two awards have been made: Oregon Trades Women, Inc. of Portland, Oregon and Community Services Agency of Metro Washington Council AFL-CIO of Washington, DC.
 - December 2009: AFL-CIO Program graduated 20 students
 - December 2009: OTW Program graduated 23 students
- GSA has re-solicited for the other 6 targeted high unemployment areas.

Investing in the Sustainable Building Industry

- Leveraging investments to become a “green proving ground”
 - Green building technologies, materials, and operations
 - Identify, evaluate, and publicize results
 - Help lead the transformation to a new green economy
- Improve environmental performance of top 200 energy-using buildings
 - Reduce dependence on fossil fuels
 - Reduce use of potable water
- Invest in clean, renewable energy resources
 - Geothermal, photovoltaic solar electricity, solar thermal water heating, and wind power.

FY2010 Capital Program

\$894,037,000 shall remain available until expended for construction and acquisition (including funds for sites and expenses and associated design and construction services) of additional projects at the following locations:

New Construction:

- Alabama, Mobile, United States Courthouse, \$50,000,000.
- California, Calexico, Calexico West, Land Port of Entry, \$9,437,000.
- Colorado, Lakewood, Denver Federal Center Remediation, \$9,962,000.
- DC, Washington, Columbia Plaza, \$100,000,000.
- DC, Washington, Southeast Federal Center Remediation, \$15,000,000.
- Florida, Miami, Federal Bureau of Investigation Field Office Consolidation, \$190,675,000.
- Georgia, Savannah, United States Courthouse, \$7,900,000
- Maine, Madawaska, Land Port of Entry, \$50,127,000.
- Maryland, White Oak, Food and Drug Administration Consolidation \$137,871,000.
- Maryland, Greenbelt, United States Courthouse, \$10,000,000.
- Pennsylvania, Lancaster, United States Courthouse, \$6,500,000.
- Texas, El Paso, Tornillo-Guadalupe, Land Port of Entry, \$91,565,000.
- Texas, San Antonio, United States Courthouse, \$4,000,000.
- Utah, Salt Lake City, United States Courthouse, \$211,000,000

FY2010 Capital Program

Repairs and Alterations: \$413,776,000 shall remain available until expended for repairs and alterations, which includes associated design and construction services:

- DC, Washington East Wing Infrastructure Systems Replacement, \$84,500,000.
- DC, Washington Eisenhower Executive Office Building Roof Replacement, \$15,000,000.
- DC, Washington New Executive Office Building, \$30,276,000

Special Emphasis Programs:

- Fire and Life Safety Program, \$20,000,000.
- Energy and Water Retrofit and Conservation Measures, \$2,000,000.
- Federal High-Performance Green Buildings, \$2,000,000.
- Basic Repairs and Alterations, \$260,000,000

QUESTIONS?