



U.S. Consulate, Istanbul Turkey

Interagency Facilities Council

December 4, 2003

Agenda

1. Welcome, Opening Remarks - OBO Director Charles Williams
2. Slide Presentation of NECs Opened in 2003 and Scheduled to Open '04
3. Status Report on Cost Sharing
4. Review of FY04 Budget, Leasehold, Projected NEC Starts '04, 05
Review of Processes for Tenant Agency Interaction with OBO
Project POC list FY 04 and FY05





U. S. Consulate General, Istanbul, Turkey

Presentation to the:
Interagency Facilities Council

December 4, 2003

Charles E. Williams
Director/Chief Operating Officer
Overseas Buildings Operations



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The Challenge

On April 26, 2001, in a statement delivered to the House Subcommittee on Commerce, Justice, State, and Related Agencies Appropriations, Secretary Colin Powell indicated that the highest priority facing the Overseas Buildings Office is:

“...to get construction projects completed on time, under cost and in the most efficient way possible.”

And to ensure that these construction projects result in:

“...well-built, secure and modern embassies...”



Picture of Secretary Colin Powell



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Our Customers

Serve in 263 Cities in 176 Countries

- 57,000 Department of State employees
 - 30% U.S. citizens; 70% foreign nationals
 - 80% based overseas; 20% based in the US
- House over 60,000 USG employees from 25 USG agencies
- Provide facilities to support processing of over 8.4 Million visa applicants per year
- Provide facilities to support U.S. assistance to host country citizens, businesses, and government

DOS Office, Copenhagen



Consular Affairs Area, Singapore



Public Diplomacy, Calcutta



Visa Waiting Area, Ho Chi Minh City

Consular Affairs Entrance, Shanghai



Consular Affairs, Cape Town



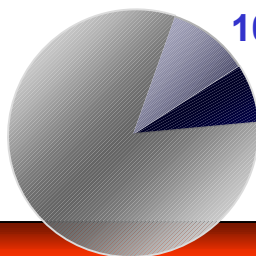
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Our Facilities

166 Embassies and 85 Consulates/Missions

Department of State's Overseas Property Manager

- \$1.5 Billion Annual Program with \$3.5 Billion under management
- Plan, design, build, operate, and maintain all USG Facilities
- Lease, buy, and sell all property - \$12 Billion
- Over 15,000 Properties, 46.6 Million Square Meters
 - 4,800 U.S. owned or long-term leased properties (2.8 Million Square Meters)
 - 10,690 short-term leased properties
 - 144 Culturally Significant Properties



10% Other

8% Office

82% Residential

Ambassador's Residence, Ottawa



Motor Pool Facility, Manila

Staff Housing, Tokyo



Staff Housing, Berlin



Staff Housing, Moscow

American Embassy, Pretoria



Marine Security Quarters, Lima



December 4, 2003



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OBO's Worldwide Workload Status

<u>Responsible Office</u>		<u>Project Groups</u>	
OBO/PE/CC	107	Operational Maintenance	122
OBO/OM/AM	95	Security Capital	92
OBO/REPM/AQD	72	Major Rehabilitation	63
OBO/PD/PEA/CPB	66	Security Upgrades	55
OBO/PD/PEA/NPB	43	RE Site	44
OBO/OM/FAC	42	Operational Repair	33
OBO/PE/DE	30	Build To Lease	21
OBO/PE/IF	28	RE Lease	20
OBO/PD/NID	21	Regular Capital	20
OBO/PD/PDD	6	Other	13
OBO/PE/SPCD	3	Planning Support	12
	<hr/> 513	RE Acquisitions	11
		Functional Improvement	7
			<hr/> 513



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Why We Must Rebuild Our Embassies

THE 1998 BOMBINGS IN AFRICA:

Killed more than 220 people (including 12 Americans)

Injured more than 4,000

THERE ARE OVER 61,000 USG EMPLOYEES FROM 30
AGENCIES AT THE 263 POSTS OVERSEAS

MOST OF OUR EXISTING EMBASSIES DO NOT MEET
CURRENT SECURITY STANDARDS



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Capital Security Construction Program

The Construction Program:

- 150 new embassy and consular compounds
- prioritized by the Long-Range Overseas Buildings Plan
- funded and executed over 14 years, FY05-FY18
- total capital cost of \$17.5 billion
- annual cost ramps up to \$1.4 billion in FY09



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What Is on Our Plate Today

- 15,000 properties at 263 locations
- 27 NEC /Annex projects under design/construction (\$2.5B)
- 11 NEC projects awarded in FY03 (\$864M)
- 68 rehab projects underway (\$514M)
- 81 NEC projects in planning (\$6.4B)



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New Embassy Compound (NEC) *(Typical Standard Structures)*

- Main Office Building (Chancery)
- General Services Support Building(s)
- Marine Security Guard Quarters
- Utility Systems & Parking Facility
- Perimeter Security System
 - Compound Access Control System
 - Personnel Access Control System
 - Nine foot Anti-climb/RAM Wall with Lights
 - Surveillance Equipment



Diagram of Typical Standard Structures for NEC's



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Our Mission

- Results-Based Operations
- Critical Best Practices
 - Standard Embassy Design (SED)
 - Integrated Design Review (IDR)
 - Design/Build Project Delivery
 - Program Performance Review (PPR)
 - Industry Advisory Panel (IAP)

Water Quality Testing & Treatment and Hazard Abatement



Historical Preservation & Restoration

Planning, Design & Construction of New Facilities and Renovation of Existing Facilities



Structural Design & Repairs

Elevator Design, Repair & Replacement Services



Roof, Waterproofing and Building Façade Design, Repair & Replacement Services



Fire, Life, Health, and Safety Services



Underground Fuel Storage Tank Upgrades & Replacements



December



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Completed Project (2002) *Doha, Qatar NAB*

Photo of Doha, Qatar NAB 2002 Completed Project



New Embassy Flag-Raising Ceremony October 20, 2001
Dedication - April, 2002



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Lima, Peru USAID (Annex)



Artist rendering of Lima, Peru USAID (Annex)

100% Complete



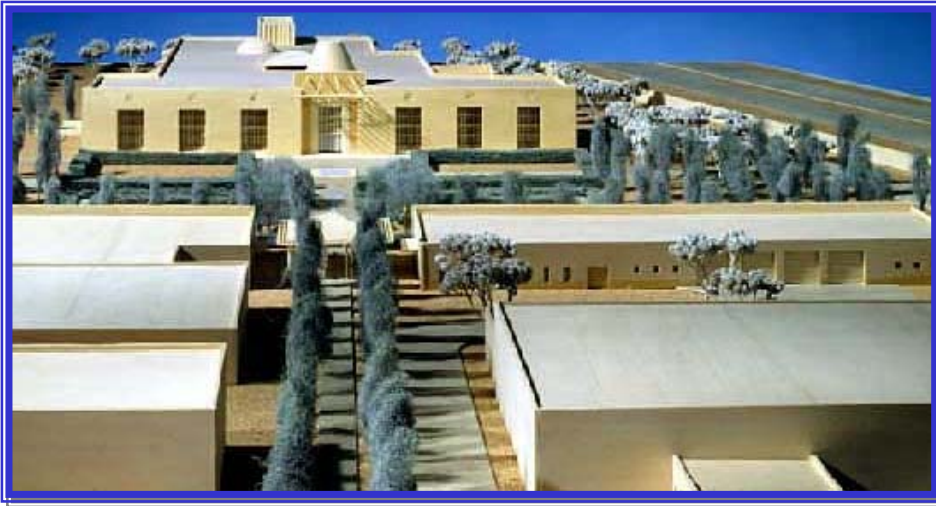
Photo of Lima, Peru USAID (Annex) 100% Complete

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Tunis, Tunisia NEC



Photograph of Tunis, Tunisia NEC

100% Complete



Photograph of Tunis, Tunisia NEC 100% Complete

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Dar es Salaam, Tanzania NEC



Artist rendering of Dar es Salaam, Tanzania NEC

100% Complete



Photograph of Dar es Salaam, Tanzania NEC 100% Complete



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Dar es Salaam, Tanzania (USAID Building)



Artist rendering of Dar es Salaam, Tanzania (USAID)

100% Complete



Photograph of Dar es Salaam, Tanzania (USAID Building) 100% Complete

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Nairobi, Kenya NEC



Artist rendering of Nairobi, Kenya NEC

100% Complete



Photograph of Nairobi, Kenya NEC 100% Complete



OBO Logo

Istanbul, Turkey NEC



Artist rendering of Istanbul, Turkey NEC

100% Complete



Photograph of Istanbul, Turkey NEC 100% Complete



OBO Logo

Zagreb, Croatia NEC



Artist rendering of Zagreb, Croatia NEC

100% Complete



Photograph of Zagreb, Croatia NEC 100% Complete

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São Paulo, Brazil NAB



**Photograph of Sao Paulo, NAB
94% Complete**



**Photograph of Sao Paulo, NAB
94% Complete**



**Photograph of Sao Paulo, NAB
94% Complete**



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Abu Dhabi, United Arab Emirates NEC



Artist rendering of Abu Dhabi, United Arab Emirates NEC



Construction photo of Abu Dhabi, United Arab Emirates NEC

90% Complete



Construction photo of Abu Dhabi, United Arab Emirates NEC 90% Complete

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Dili, East Timor NEC



56% Complete

Construction photo of Dili, East Timor NEC

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Sofia, Bulgaria NEC



Artist rendering of Sofia, Bulgaria NEC

39% Complete



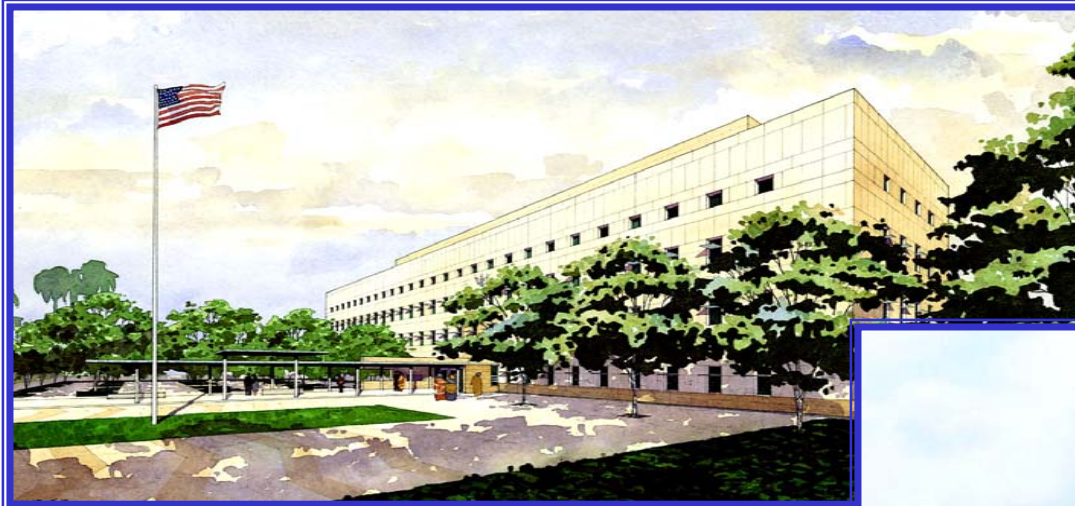
Construction photo of Sofia, Bulgaria NEC 39% Complete

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Abidjan, Côte d'Ivoire NEC



Artist rendering of Abidjan, Cote d'Ivoire NEC

39 % Complete



Construction photos of Abidjan, Cote d'Ivoire NEC 39% Complete

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Yerevan, Armenia NEC



Artist rendering of Yerevan, Armenia NEC

38% Complete



Construction photo of Yerevan, Armenia NEC 38% Complete

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Abuja, Nigeria NEC



Artist rendering of Abuja, Nigeria NEC

36% Complete



Construction photo of Abuja, Nigeria NEC 36% Complete

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Kabul, Afghanistan NEC



Artist rendering of Kabul, Afghanistan NEC (Phase 2)

(Phase 2) 33% Complete



Construction photo of Kabul, Afghanistan NEC (Phase 2) 33% Complete



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Luanda, Angola NEC



Artist rendering of Luanda, Angola NEC

32% Complete



Photograph of Luanda, Angola NEC 32% Complete

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Dushanbe, Tajikistan NEC



Artist rendering of Dushanbe, Tajikistan NEC

25% Complete



Construction photograph of Dushanbe, Tajikistan NEC 25% Complete

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Cape Town, South Africa NEC



Artist rendering of Cape Town, South Africa NEC

20% Complete



Construction photo of Cape Town, South Africa NEC 20% Complete



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Tbilisi, Georgia



Artist rendering of Tbilisi, Georgia



Construction photo of Tbilisi, Georgia 19% Complete

19 % Complete



Construction photo of Tbilisi, Georgia 19% Complete



OBO Logo

Yaounde, Cameroon NEC



Artist rendering of Yaounde, Cameroon NEC

19 % Complete



Construction photo of Yaounde, Cameroon NEC 19% Complete

December 4, 2003



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Tashkent, Uzbekistan NEC



Artist rendering of Tashkent, Uzbekistan NEC

19% Complete



Construction photo of Tashkent, Uzbekistan NEC 19% Complete



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Phnom Penh, Cambodia NEC



Artist rendering of Phnom Penh, Cambodia NEC

17% Complete



Construction photo of Phnom Penh, Cambodia NEC 17% Complete

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Conakry, Guinea NEC



Artist rendering of Conakry, New Guinea NEC

16% Complete



Construction photo of Conakry, New Guinea NEC 16% Complete

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Industry Advisory Panel



Industry Advisory Panel Member



Industry Advisory Panel Member



Industry Advisory Panel Members



Industry Advisory Panel Members

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OBO Contact /Communication with Customers

- Director visits 82 posts (33 months)
- AMO visitation at each post annually
- Stewardship Report annually



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OBO Special Recognition

- Winner of Congressional Golden Shears Award
- Finalist for Business Solutions in the Public Interest Award
- OBO's Industry Advisory Panel was identified as one of Gallup's Best Practice Models



- **To protect USG employees in case of attack**
 - Over 61,000 USG employees from 30 agencies work overseas at 251 embassies and consulates
 - Most embassy and consulate facilities do not meet current security standards
- **To provide USG employees safe, functional working space**
 - Most embassies and consulates are overcrowded, run-down, and do not meet current safety or functional standards



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Benefits of the Cost Sharing Program

- Funds an **accelerated Capital Security Construction Program**-- \$17.5 billion over 14 years, not 26 for 150 new embassy compounds
- **Encourages agencies to rightsize overseas staffing**
- Causes all agencies to
 - help fund overseas facilities
 - consider the capital cost of stationing personnel overseas
- Shows Congress, agencies, and the public the capital cost of stationing personnel overseas



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The Approved Cost Sharing Program Concept

- An annual per capita charge for every position overseas to generate the \$1.4 billion per year for construction, charged to the employer agency.
- All overseas positions are counted except Marine Security Guards, Peace Corps, researchers, and positions located in host government facilities.
- Charges for ICASS positions are passed through like other ICASS expenses, on the basis of % of ICASS services used.
- Agency rent payments for office space are credited as an offset to charges.
- By the end of the program, everyone has secure, safe, functional work facilities.



The Cost Sharing Charges

- 5 year ramp-up to facilitate budget planning: 20% in FY 05, 40% in FY 06, etc.
- Four categories of positions charged
 - Chief of Mission FY05= \$41,807 FY09= \$209,034
 - Classified (CAA) FY05= 11,864 FY09= 59,318
 - Unclassified FY05= 5,629 FY09= 28,145
 - Non-office FY05= 988 FY09= 4,940
- Credit for agency short-term office lease costs as documented by agencies
- Cost-Sharing charges are also included for budgeted New Embassy Compound expansion positions



Lessons from the FY03 administrative process:

- CSCS conceptual design and methodologies are workable. Amounts due for FY05 were determined to the mutual satisfaction of budget offices at almost all 30 agencies.
- CSCS conceptual design and methodologies are efficient. FY03 work was conducted by one full-time professional and 14 volunteers. A very small staff will be sufficient.
- Data collection and validation must start by April to provide budget input to agencies before September 1.
- OBO CSCS, OMB, and agencies should coordinate data collection, management, and evaluation.



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Cost-Sharing Implementation in FY04

- First Quarter
 - Continue work with OMB and Congress on legal authority
 - Update briefing materials for general circulation
- Second Quarter
 - Update Guidance Document
 - Review FY03 Survey data and update information
- Third Quarter
 - Circulate data for FY06 charges to all agencies
 - Revise and finalize FY05 charges with agency updates
- Fourth Quarter
 - Reach agreement and confirm FY06 charges
 - Issue final FY05 invoices to collect the funds due



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Planned NEC Projects

FY 2004

Accra

Algiers

Belgrade

Belmopan

Berlin

Lome

Panama City

Rangoon

Surabaya

USAID Projects:

(not approved in CJS Conf. Rpt.)

Abuja

Accra

Kingston

USAID Funded:

Bamako

Conakry

Kampala

Phnom Penh

FY 2005

Beirut

Bogota (Annex)

Harare

Karachi

Kathmandu

Moscow (Annex)

Mumbai

Quito

Skopje

Suva

USAID Projects:

Harare

Kathmandu



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OBO Budget

	FY 2003	Likely FY 2004
Capital Security Projects	604,594	761,400
Compound Security Projects	145,499	100,000
Worldwide Security Upgrades	750,093	861,400
Operations	505,194	530,000
Total OBO Appropriation	1,255,287	1,391,400



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Leasehold Account

- Budget Reality:

- FY 04 Projected Requirement \$268 million
- FY 04 Anticipated Resources \$210 million
- Estimated FY 04 shortfall \$58 million

OBO has to Reprogram from other areas

- Result

- Inability to fund any new commercial leases
- Inability to expand the Build-to-Lease program
- Inability to undertake any new fit-out of leased space
- Inability to begin any major new rehabs
- Inability to add more facility maintenance specialists
- Reduce Maintenance and Repair funds



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September - December: Agencies tell the DOS Regional Bureaus which posts they want to add to the Priority List of Diplomatic Facilities for Replacement. Regional Bureaus consider agency views as they recommend posts to promote into the Top 80 on the Priority List.

March - April: Agencies tell the Regional Bureaus which posts among the Top 80 should go first in the Long-Range Overseas Buildings Plan (LROBP). Regional Bureaus consider agency views as they recommend their highest priorities for the LROBP among the Top 80 posts.

Factors considered include relations with host governments, regionalization needs, and operational and functional concerns.



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December: OBO asks posts already scheduled for NECs in the LROBP to provide Regional Bureaus with rightsized staff projections.

February: OBO asks new NEC posts in the LROBP to provide their rightsized staff projections. Post Admin and Country Teams assemble staff projections for all agencies. Agency representatives at post certify approval of the projection.

March - May: Agency HQs review staff projections and Regional Bureaus certify that they considered regionalization and rightsizing.

Space Requirement Plans (SRPs) that identify specific facilities needs are developed after Congress appropriates funds. Draft SRPs are circulated to agencies at post and HQ for input and adjusted - within budget - to meet agency needs.