



Trends and the Future of Facilities Management

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Federal Buildings and Mission in a Changing World:
Innovation, Design, and Technology to Meet Evolving Needs

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Role

U.S. Government's Single Real Property
Manager for overseas facilities

Facilities

- 17,661 facilities
- 265 locations
- \$14 billion value of owned portfolio

People

- 81,000 employees overseas under Chief-of-Mission authority



Our Mission

Build and operate safe, secure, functional platforms that enhance the ability of the U.S. Government to attain its diplomatic objectives.

. . . . In a Changing World

- East Africa Bombings 1998
- Overseas Presence Advisory Panel 1999
- PMA Real Property Initiative 2005
- Transformational Diplomacy 2006



Meeting Evolving Needs

New Operating Philosophy

- Results-Based Operation
 - Performance
 - Accountability
 - Discipline
 - Credibility
- Communication and Transparency



Meeting Evolving Needs

Performance-Improving Initiatives

- Standard Embassy Design
- Design/Build Contracting
- Right-Sizing
- Capital Security Cost-Sharing Program
- Long-Range Overseas Buildings Plan
- Industry Advisory Panel
- Small Missions Initiative
- Lock-and-Leave Policy
- ProjNet
- Steel Stud Curtain Walls
- Williams 20



Meeting Evolving Needs

The “Williams 20:” New Ways to Think and New Ways to Build

1. MOVE to a true risk allocation process that is fair, clear and acceptable to all parties.
2. AVOID adding a non-traditional scope of work to the general contractor’s Design-Build team.
3. ALLOW specialty contractors to perform highly sensitive and special work (separate contract).
4. REPRESENT to the Design-Build team that all “*Rights of Passage*” issues have been handled so they will not impact an orderly construction process. (e.g. host country requirements)
5. MOVE to provide simple, clear and firm RFP language for procurement.
6. ENSURE estimates are derived from empirical data extracted from normal conditions.
7. MOVE Value Engineering to the planning phase of Project Development.
8. LOOK for Project Directors who can create and maintain a strong team.
9. PAY more attention to the quality of the Design-Build team’s on-site staffing.
10. FIX customer expectations at the pre-construction session and control them through the construction period.



Meeting Evolving Needs

11. DELIVER a building site that is ready for construction now.
12. MAKE the Standard Design (SED) a true "site adaptation" vehicle.
13. MOVE to a "TRUE" Design-Build delivery method for our NECs by providing the Design-Build team a standard design that equals approved construction document.
14. INCREASE emphasis on smart, energy efficient, and sustainable building going forward.
15. HELP bring the procurement team to the *"new ways to think, new ways to build"* mentality.
16. DEAL appropriately with change orders immediately (set time periods in the early stages of the process).
17. DESIGN reviews must be expedited and cannot generate requirements that add to scope without identifying funding and allowing time extension.
18. CONSIDERATION must be given to the "how-to" for Operations and Maintenance in the planning phase of our projects.
19. ADD a commissioning staff to the on-site team and ensure that this staff is an active participant in pre-construction.
20. BEGIN to get serious about the use of public-private partnerships to assist with some of our work.



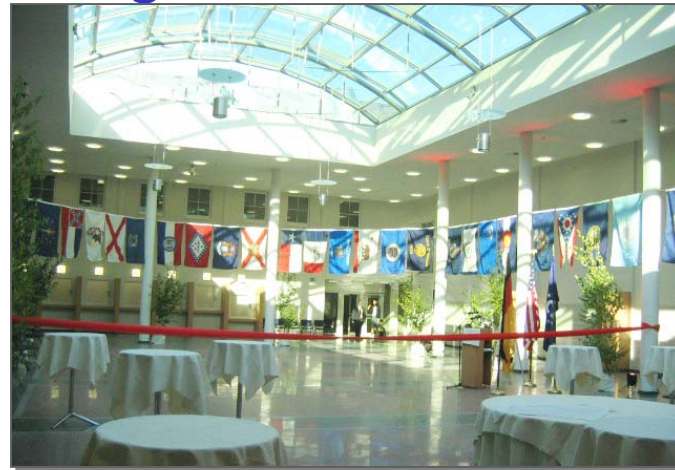
Current Workload

- 40 NEC /Annex projects under design/construction (\$3.4B)
- 24 rehab projects underway (\$332.2M)
- 197 Compound Security Upgrades and FE/BR replacement projects underway (\$190M)
- 14 NEC/Annex projects planned for FY 06
- 76 NEC projects in FY 2006-2011 Long-Range Overseas Buildings Plan (\$6.5B)



2001-2005 Major Projects

1. Abidjan
2. Abu Dhabi
3. Abuja
4. Baghdad IOB
5. Bogotá IOB
6. Cape Town
7. Dar Es Salaam
8. Dar Es Salaam USAID
9. Dili
10. Doha
11. Frankfurt
12. Istanbul
13. Lima (USAID)
14. Kabul NEC



US Consulate General Frankfurt, Germany



US Consulate General Istanbul, Turkey



Results

15. Kabul ARG/USAID
16. Kampala
17. Luanda
18. Nairobi
19. Phnom Penh
20. São Paulo
21. Sofia
22. Tashkent
23. Tbilisi
24. Tunis
25. Yaounde
26. Yerevan
27. Zagreb



US Embassy Sofia, Bulgaria



US Embassy Tashkent, Uzbekistan



US Embassy Tbilisi, Georgia



US Embassy Yerevan, Armenia



US Embassy Zagreb, Croatia



OMB's PART Ratings

- Capital Security Construction – 97%
- Regular Capital Construction – 86%

New Embassy Compounds Opened

- 2001 – 1
- 2005 – 12

Funds Obligated

- 2001 – \$965 million
- 2005 – \$2.52 billion

8,419 people moved to safer facilities since 2001



PMA Real Property Initiative

Results are the key to getting to green

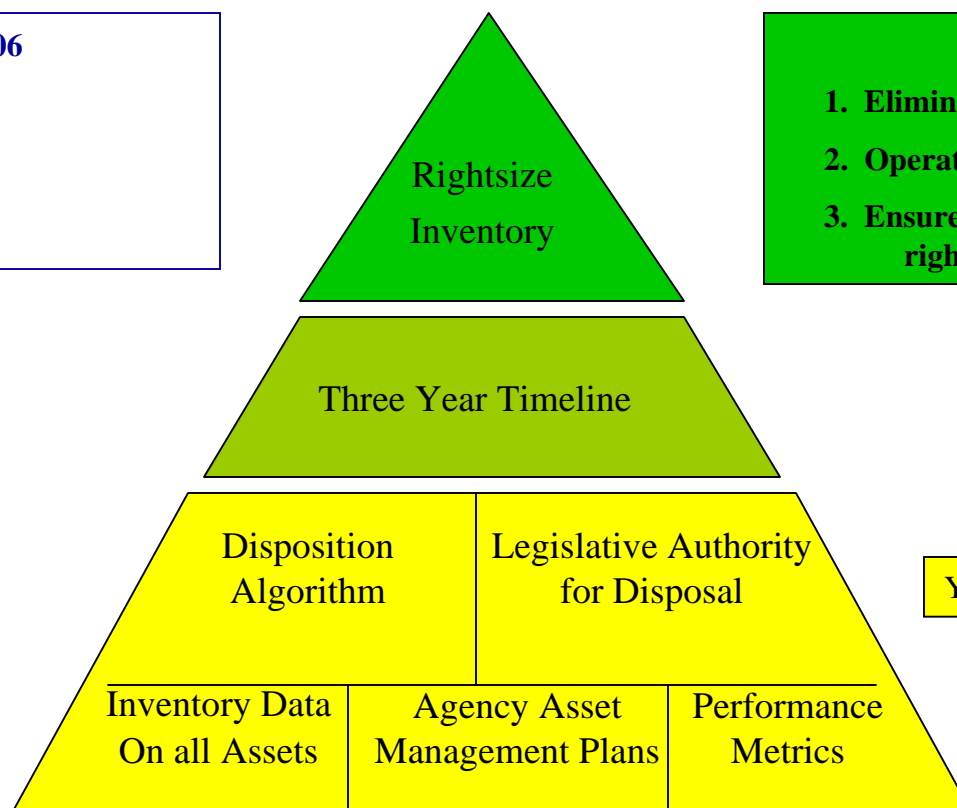
PMA Scorecard Q2'06

Status: ●

Progress: ●

Green =

1. Eliminate surplus assets
2. Operate at right cost
3. Ensure critical assets are in right condition



Yellow = Tools in Place