

# FMHAC Chatter

## Facilities Maintenance & Hardware Acquisition Center

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- Special points of interest:**
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Director's Corner - by Debbie Harms

With the closing Fiscal Year 2010, I would like to update you on how the Facilities Maintenance and Hardware Acquisition Center (FMHAC) associates progressed on several of the Center's key operational metrics. The associates in both the Contracting and Business Development Divisions have been working diligently throughout the year to better serve you, and I believe the data illustrates their efforts have been effective in driving down cycle times, while at the same time, improving customer service for many of our core services. I believe the following snapshot highlights end of FY10 performance on a few fundamental metrics that are critical for the Center:

**New Offer Cycle Time:** FMHAC ended the year with a cycle time for processing new offers of (63.5) days. This cycle time is among the lowest in the country and is even below the national stretch target for our Center of (65) days. This number is even more impressive considering the quantity of new offers also increased substantially the last couple of years.

**Modification Cycle Time:** The Center ended the year with an average cycle time of (8.7) days for processing contract modifications. As with new offers, our modification cycle time ended well below the national stretch target for our Center of (11) days and is again impressive given the increasing number of modification requests.

**Customer/Industry Inquiries:** The Business Management Division ended the year by averaging nearly one-hundred percent on the number of incoming customer/industry inquiries coming into the Center that were answered within (24) hours. Again, I think this is notable given the fact that FMHAC averages nearly (30) inquiries per week, with many of them requiring research and/or coordination between several Center associates.

I know you are all interested in the end of FY10 sales numbers; but unfortunately, we will not have final sales figures until later in October. I promise to address sales for both schedules in the next issue. In the meantime, I just wanted to take the time to publicly thank the FMHAC associates for their impressive performance in serving you, our valued contract holders, during this past fiscal year.

*Debbie Harms* Debbie Harms

## 03FAC SIN 811 002

A few weeks ago an email was sent out to all Industry Partners with the SIN 811-002. Upon reflection, I believe there are some parts of this letter that may be of interest to everyone in 03FAC, so below is an excerpt of that letter:

We want to thank you for being a part of the 03FAC Schedule. Your inclusion in this program has made it a valuable asset for the Government. As a schedule that is becoming one of the leading resources for obtaining facilities maintenance and management, we want to ensure your continued success and our continued success. Therefore, we have prepared this letter to discuss some procedures and issues when presenting solutions to government agencies for the use of Special Item Number (SIN) 811-002 (Complete Facilities Maintenance).

### **RFQ Submission:**

When submitting an offer in response to an RFQ, all companies should be quoting prices as stated on their schedule contract, or lower. In no instance should the quoted price/rate be higher than the price/rate stated on the schedule contract for the labor categories or services listed.

### **Using Subcontractors:**

If your company decides to use a subcontractor, and that labor category is covered on your schedule contract, the maximum that can be charged is the labor rate as stated in your contract. No "subcontractor markup" is permitted. If you wish to use a sub to do work that is not on your contract, it would have to be added to your Ancillary Supplies or Services SIN (either 003-100 or 871-100).

### **Ancillary Repairs and Alterations (SIN 003-97)**

Any tasks performed under Ancillary Repairs and Alterations (003 97) must be ancillary to another service being provided. *It cannot be ordered as a stand-alone project.*

### **Ancillary Supplies or Services (003-100 and/or 871-100)**

If your company proposes an Ancillary Service or Supply (formally ODC), the labor rates and/or charge must be listed on your schedule contract in a firm-fixed price format. Otherwise, this is considered an Open Market purchase, and the requesting agency must handle it as such.

As everyone should know by now, we have been in the process of converting SINs 800-1000 and 811-1000 to the new SINs (003-100 and 871-100). SIN 871-100 is ancillary supplies and services related to energy services, and 003-100 is ancillary supplies and services related to all other SINs under 03FAC (including 811-002).

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# 03FAC SIN 811 002

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These services and supplies must be in a firm-fixed price format and must be ancillary to the primary services offered.

There are three basic methods that we suggest to accomplish this:

1. The most common method is to list individually the supplies or services with a firm-fixed price. We have received some feedback that this is not always possible due to the volume of supplies or services offered.
2. There has been an innovative idea on how to get this accomplished, and we thought it might be beneficial to share it with you. The idea is to start with a firm-fixed price base (for example, a commercial catalog), then add a negotiated firm-fixed percentage for G&A and profit, which will result with a firm-fixed final price. The difference between this and a "cost-plus" arrangement is that in this case the beginning price is fixed (via the catalog), so there is no uncertainty as to what the final price will be. Please consult with your Contracting Officer for more information. This is one way to get a large list of items onto the new SINs.
3. Similar to the catalog approach above, some contractors are using RS Means in order to establish a firm-fixed price.

**As always, the products/services on these SINs cannot be sold as stand-alone and must be ancillary to the services being performed.**

If you have any other methodology that could be used to price items at a firm-fixed price, we are interested in hearing them!

### **Price Escalations:**

There have been some questions regarding price escalations for changes in wage determinations. These escalations are awarded at the contract level and are incorporated into your contract. When responding to an RFQ, the rates (with escalation for out-years) should be proposed. There should be no requests to the task order contracting officer to increase wages based upon SCA changes, as these are already included in your contract.

### **FAR 51 Deviation:**

There is a FAR 51 Deviation that has been issued and (if offered by the ordering contracting officer) could allow your company to provide a total solution by purchasing products or services from another GSA Schedule contractor. For more information, go to <http://www.gsa.gov/far51deviation> .

### **Teaming:**

Another way to provide your customers a total solution is to enter into a teaming arrangement with one or more other Schedule contractors. For more information, go to <http://www.gsa.gov/portal/content/104448>.

## FMHAC Teams Working to Improve Business Operations

Fiscal Year 2010 has been a busy year for the Facilities Maintenance and Hardware Acquisition Center's (FMHAC) employees. In addition to common work duties of the various departments, employees are participating with peers in teams developed to improve FMHAC business practices, create a more enjoyable work environment, increase training, and improve office processes.

Elaine Rasmussen, Eric Stonner, and Patrick Mazzei have worked with many contract specialists throughout GSA's 11 regions as well as with the team lead out of Central Office, Gail Hausworth, to develop and implement new ways to increase 1102 training. Bi-weekly conference calls are held, but each region is responsible for developing their own training techniques. The FMHAC's techniques are intended to energize employees for future training and reconfirm/update current employee contracting knowledge. Practices include weekly contracting trivia questions and monthly presentations. The trivia questions offer 1102's a challenging, yet fun way to earn continuous learning credits, and monthly presentations given by Eric Stonner and Patrick Mazzei are unorthodox and informal in nature. Eric Stonner states, "The key for our presentations is to make people forget they are in a training class." Topics include qualifications on becoming FAC-C Level III certified and negotiating techniques.

Kendra McQueary and Josilyn Reed are working with several areas within FMHAC to produce a quality Fiscal Year 2011 Business Plan for the Center. Collaboration among finance, marketing, and management allow FMHAC to focus on areas of future concern, such as Administrator Johnson's recent initiatives in the areas of acquisition excellence, workforce excellence, customer-focused offerings, and environmental sustainability. Over the last three months, initial steps have been taken toward shaping an environmentally friendly acquisition center through the implementation of a Telework Optimization Pilot (TOP). This program has significantly decreased the center's environmental footprint by reducing carbon emissions, taking the Center one step closer to meeting Administrator Johnson's goal of a "Net Zero" environmental footprint. Future trends are focused on providing environmentally friendly green products and services.

Don Denno, Lori Kunellis, and Elaine Rasmussen make up the Enterprise Acquisition Solutions (EAS) Utilization Team. Although in the developments stages, this team's initiative is to revamp/ and enhance the Center's contracting process. FMHAC recognizes the need to adapt to a changing acquisition environment and is prepared to do so. The next couple of years will be important as the old way of doing business with multiple data systems is phased out and a single fluid contracting interface is developed. Outlook for the future is exciting, as the FMHAC continues to mold and reshape internal and external factors affecting both FMHAC and its industry partners.



## SLC Name change

### SUPERSTORE LEADERSHIP COUNCIL HAS CHANGED IT'S NAME TO "PARTNERSHIP FOR FACILITIES AND HARDWARE SOLUTIONS" (PFHS)

The SuperStore Leadership Council (SLC) has been renamed. The council has evolved since its inception in 2002. Originally based on the 51V Hardware Superstore schedule the council has been a partnership of FMHAC employees and volunteer Industry Partners of the 51V Hardware Superstore and, more recently, the 03FAC Facilities Maintenance and Management schedule. The Council has widened its focus to include issues with the 03FAC Facilities Maintenance and Management schedule. With that evolution in mind, it was decided to change the name to reflect a more accurate description of the scope and focus of this group.

Several names were submitted by employees within the FMHAC (we changed our name too from CFMH) and you our Industry Partners and the winner was "**Partnership for Facilities and Hardware Solutions (PFHS)**". Although the name has been changed, the focus and collaboration between 51V and 03FAC Industry Partners continues and will deal with issues, problems and policy impacts in the future. Membership to this council is open and if your company would like to become a member and be included in all discussions, please contact Mary Snodderly at [mary.snodderly@gsa.gov](mailto:mary.snodderly@gsa.gov) to submit your company's name and a point of contact. The FMHAC looks forward to the bright future for our schedules and with your participation within the "Partnership", we'll be ready to deal with any issue in the future.

## FMHAC Marketing Subcommittee



Marvin Steirlauf, Vice President  
Sales and Marketing

### HUBZONE PRIORITY RECONFIRMED

For the second time this year, the U.S. Court of Federal Claims ruled that companies operating in Historically Underutilized Business Zones (HUBZones) must have top priority among small businesses when competing for government contracts. The most recent decision, released August 13, 2010, held the Air Force violated the 1953 Small Business Act when it failed to first consider DGR Associates Inc., a HUBZone firm, before awarding a contract to an 8 (a) small business. The decision comes after the Government Accountability Office (GAO) in May ruled it will sustain protests regarding HUBZone set-aside denials when the required statutory conditions are met. The issue comes down to the word "shall" in the law. The Court of Federal Claims and GAO interprets the language of the HUBZone competition provision — 'shall be awarded' — to be mandatory. Some small business advocates disagree and are calling on Congress to change the wording in the statute. Senators Mary Landrieu (D-La.), chairwoman of the Small Business and Entrepreneurship Committee, and Richard Durbin (D-Ill.), the majority whip, introduced the Small Business Programs Parity Act (S. 3190) on March 26. The bill would simply strike "shall" and replace it with "may," giving contracting officers authority and flexibility to choose the type of small business with which they want to contract. The White House is in favor of small business parity as well and rejected GAO's decisions in 2008 and 2009 that HUBZones come first before other programs. The administration said GAO put a lot of weight on the word "shall" in the statute and told agencies to ignore GAO's decisions. OMB in July 2009 directed agencies to ignore GAO's recommendations because they would "significantly limit the discretion contracting officers have historically possessed." The memorandum from OMB Director Peter R. Orszag stated that GAO's decisions "are not binding on federal agencies and are contrary to regulations promulgated by the Small Business Administration that provide for 'parity' among the three small business programs." Last August the Justice Department's Office of Legal Counsel issued an opinion disagreeing with GAO's interpretation of the HUBZone statute. The memo argued that its opinion -- rather than GAO's decision -- was binding for executive branch agencies.



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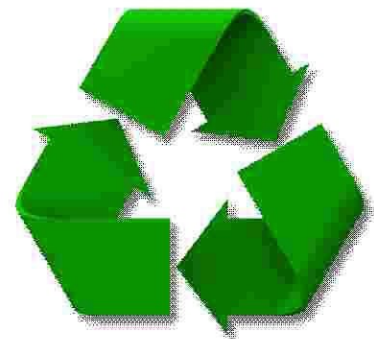
**Facilities Maintenance & Hardware Acquisition Center (FMHAC)  
- Financial Outlook**

FY10 Q3 Compared to FY09 Q3			
QUARTER 3 ONLY			
	FY09 Q3	FY10 Q3	% Change
51V	142,497	145,129	1.85%
03FAC	57,094	84,278	47.61%
Total	199,591	229,40725	14.94%

FY10 Q3 Compared to FY09 Q3			
CUMULATIVE			
	FY09 Q3	FY10 Q3	% Change
51V	518,062	493,757	-4.69%
03FAC	166,660	239,883	43.94%
Total	684,722	733,640	7.14%

Upcoming events to watch for:

**51V is Going GREEN**



More information to come

# Welcome New Industry Partners!

Contract No.	Company Name	Sched No	Cont Beg Date	Contract No.	Company Name	Sched No	Cont Beg Date
GS-21F-0001X	JOHNSTON INDUSTRIAL SUPPLY, INC.	51V	10/1/2010	GS-21F-0204W	MALCOLM PIRNIE, INC.	03FAC	7/30/2010
GS-21F-0224W	WELDSALE COMPANY, L.L.C.	51V	9/24/2010	GS-21F-0203W	CAROLINA FILTERS, INC.	03FAC	7/29/2010
GS-21F-0222W	M P T RACING, INC	51V	9/14/2010	GS-21F-0201W	FOURTH UTILITY, LLC, THE	03FAC	7/27/2010
GS-21F-0219W	AMRON INTERNATIONAL DIVING SUPPL	51V	9/7/2010	GS-21F-0202W	AWNCLEAN U. S. A., INC.	03FAC	7/27/2010
GS-21F-0211W	PACIFIC CORROSION CONTROL CORP	51V	8/25/2010	GS-21F-0200W	LINC SERVICES, MID-ATLANTIC LLC	03FAC	7/26/2010
GS-21F-0212W	RAM PRODUCTS CO, LP	51V	8/25/2010	GS-21F-0199W	A. PICKETT CONSTRUCTION, INC.	03FAC	7/20/2010
GS-21F-0206W	H&E EQUIPMENT SERVICES, INC.	51V	8/15/2010	GS-21F-0198W	TRADEMARK ELECTRIC, INC.	03FAC	7/19/2010
GS-21F-0207W	EATON LEONARD TOOLING, INC.	51V	8/9/2010	GS-21F-0195W	PYRAMID SERVICES, INC.	03FAC	7/15/2010
GS-21F-0205W	STAR CREATIONS, INC.	51V	8/4/2010	GS-21F-0189W	PEPCO ENERGY SERVICES, INC.	03FAC	7/9/2010
GS-21F-0193W	YOST VISES, LLC	51V	7/15/2010	GS-21F-0190W	J & A SURA INC	03FAC	7/9/2010
GS-21F-0194W	ROUND TABLE TOOLS INC	51V	7/15/2010	GS-21F-0191W	PENN AIR CONTROL, INC	03FAC	7/9/2010
GS-21F-0196W	JACKSON CREEK MANUFACTURING, INC	51V	7/15/2010	GS-21F-0188W	REVA INC.	03FAC	7/8/2010
GS-21F-0192W	EBE ENTERPRISES, LLC	51V	7/12/2010	GS-21F-0186W	DRESSER-RAND COMPANY	03FAC	7/7/2010
GS-21F-0183W	ANSLEY BUSINESS MATERIALS OF CHI	51V	7/1/2010	GS-21F-0187W	URIECO CONSTRUCTION, INC.	03FAC	7/7/2010
GS-21F-0182W	STAR STRUCK, LLC	51V	6/23/2010	GS-21F-0185W	TL SERVICES, INC.	03FAC	7/2/2010
GS-21F-0180W	AIRSUPPLY TOOLS INC.	51V	6/21/2010	GS-21F-0184W	CSS BUILDING SERVICES INC.	03FAC	6/29/2010
GS-21F-0175W	SPRAYING DEVICES, INC.	51V	6/10/2010	GS-21F-0181W	KOETTER FIRE PROTECTION OF AUSTI	03FAC	6/22/2010
GS-21F-0174W	L & L SPECIAL FURNACE COMPANY, I	51V	6/9/2010	GS-21F-0179W	MID-ATLANTIC WATER-PROOFING MD, I	03FAC	6/20/2010
GS-21F-0226W	CROWN ENERGY SERVICES, INC.	03FAC	9/27/2010	GS-21F-0178W	CARPENTER ELECTRIC, INC.	03FAC	6/17/2010
GS-21F-0225W	QED SYSTEMS, INC.	03FAC	9/23/2010	GS-21F-0177W	HEALTHY BUILDINGS SOLUTIONS, LLC	03FAC	6/15/2010
GS-21F-0223W	INNOVATIVE PEST MANAGEMENT INC	03FAC	9/15/2010	GS-21F-0176W	FRED PHILLIPS CONSULTING LLC	03FAC	6/14/2010
GS-21F-0221W	JCI METAL PRODUCTS	03FAC	9/13/2010	GS-21F-0173W	ACUMEN ENTERPRISES, INC.	03FAC	6/9/2010
GS-21F-0220W	UTILITY MANAGEMENT SERVICES, INC	03FAC	9/7/2010	GS-21F-0172W	GEILER COMPANY, THE	03FAC	6/7/2010
GS-21F-0218W	HOLADAY-PARKS-FABRICATORS, INC.	03FAC	9/2/2010	GS-21F-0171W	WAT-KEM MECHANICAL, INC.	03FAC	6/4/2010
GS-21F-0216W	ADAPT ENGINEERING, INC.	03FAC	9/1/2010				
GS-21F-0215W	KNIGHTO, LLC	03FAC	8/31/2010				
GS-21F-0217W	JONES LANG LASALLE AMERICAS, INC	03FAC	8/31/2010				
GS-21F-0214W	RETROCOM ENERGY STRATEGIES, INC.	03FAC	8/26/2010				
GS-21F-0213W	BEAR CONSTRUCTION COMPANY	03FAC	8/25/2010				
GS-21F-0210W	MALONE FINKLE ECKHARDT & COLLINS	03FAC	8/20/2010				
GS-21F-0209W	TI ASSET MANAGEMENT, INC.	03FAC	8/19/2010				
GS-21F-0208W	CB RICHARD ELLIS, INC.	03FAC	8/9/2010				