

Win More Work!

Understand how the Airforce funds
construction projects

April 17th, 2024

Agenda

- Introductions
- Presentation
- Q&A – Please use the Q&A feature to ask question

About Us

GovSpend's vision is to be the leading trusted source of data, analytics, and insight for organizations buying and selling in the public sector marketplace.

Our Federal solution, Fedmine, empowers you to make better decisions, foster collaboration, and builds a greater sense of community in the government procurement ecosystem.

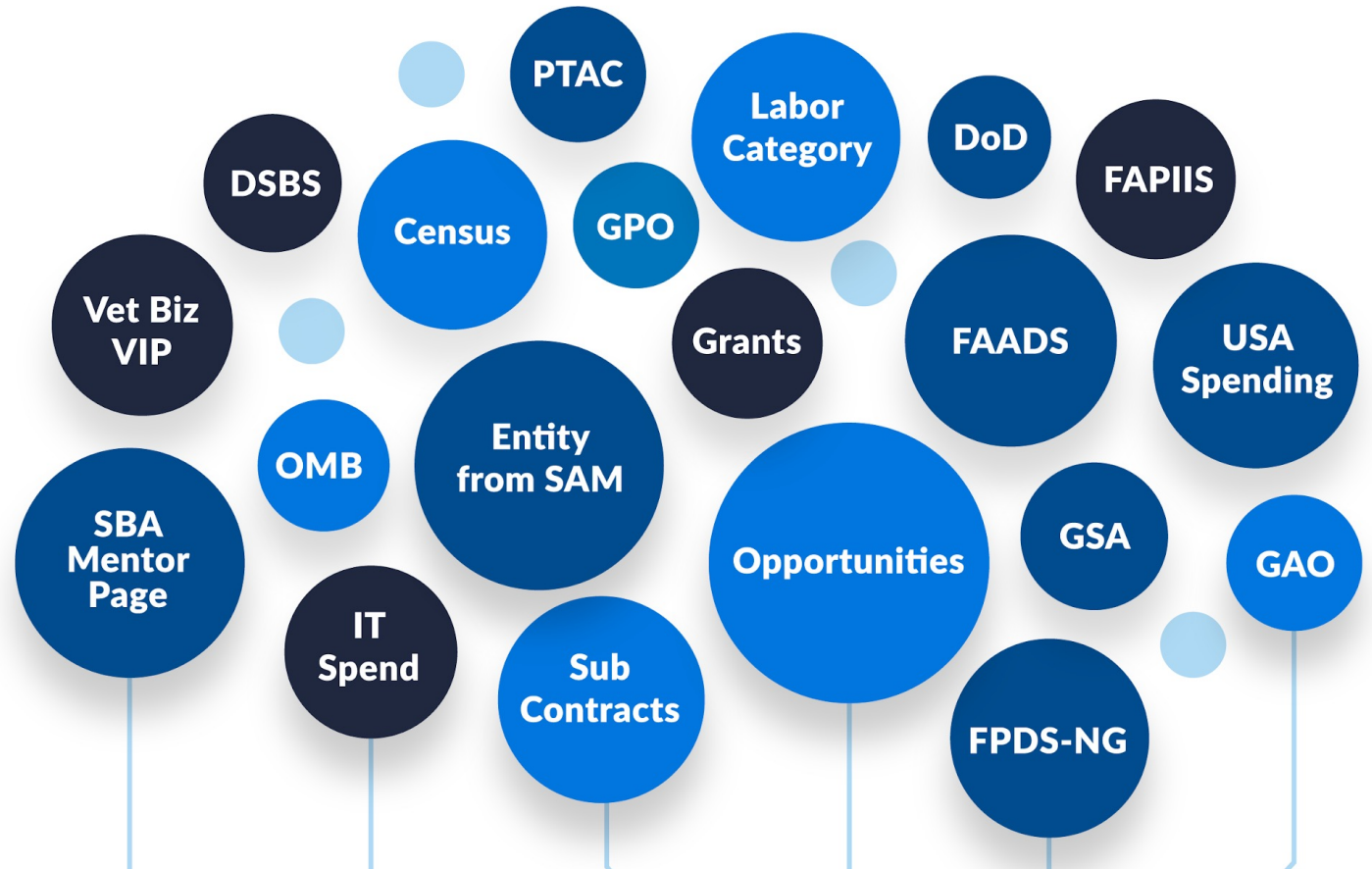
Our SLED solution provides relevant intelligence using spending, contract, contact and bid data directly from thousands of State, Local and Educational agencies.

Our new module, Meeting Intelligence, which utilizes AI to transcribe countless agency meetings to deliver insights directly to your inbox.

Fedmine

Fedmine's purpose-built advanced data platform provides contractors and agencies decision-quality information derived from 18 seamlessly integrated federal contract data sets.

Founded in 2004, Fedmine was acquired by GovSpend.



Our Presenters

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Air Force Spending

Categories <small>Click to view profile for this category</small>		2023						2022					
		Total	%	Y ⁺ SB	Y ⁺ SB%	OTSB	OTSB%	Total	%	Y ⁺ SB	Y ⁺ SB%	OTSB	OTSB%
+	Research and Development	\$20,508,743,854	21.52 %	\$2,840,917,458	13.85 %	\$15,362,690,818	74.91 %	\$14,631,077,271	18.22 %	\$2,524,353,131	17.25 %	\$10,985,901,855	75.09 %
+	Professional Services	\$18,179,174,942	19.07 %	\$4,460,774,842	24.54 %	\$13,642,410,290	75.04 %	\$16,205,343,858	20.18 %	\$4,195,974,841	25.89 %	\$11,964,234,853	73.83 %
+	Aircraft, Ships/Submarines & Land Vehicles	\$13,104,044,856	13.75 %	\$21,692,306	0.17 %	\$13,082,352,550	99.83 %	\$9,042,557,660	11.26 %	\$24,634,992	0.27 %	\$9,010,131,976	99.64 %
+	Equipment Related Services	\$9,914,780,789	10.40 %	\$693,358,102	6.99 %	\$9,200,795,848	92.80 %	\$8,634,422,190	10.75 %	\$654,213,027	7.58 %	\$7,954,307,699	92.12 %
+	IT	\$8,158,583,102	8.56 %	\$3,036,126,446	37.21 %	\$4,857,645,146	59.54 %	\$6,507,079,522	8.10 %	\$2,545,455,755	39.12 %	\$3,781,322,151	58.11 %
GRAND TOTAL :		\$95,305,340,098						\$80,297,585,787					

Air Force Spending

Facilities & Construction	\$6,631,452,620	6.96 %	\$3,513,249,967	52.98 %	\$3,114,860,991	46.97 %	\$6,966,724,326	8.68 %	\$3,248,114,345	46.62 %	\$3,708,611,982	53.23 %
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Facilities & Construction Subcategories	2023						2022					
	Total	%	SB	SB %	OTSB	OTSB %	Total	%	SB	SB %	OTSB	OTSB %
Construction Related Materials	\$146,237,946	0.15 %	\$104,610,142	71.53 %	\$41,627,804	28.47 %	\$121,515,937	0.15 %	\$82,586,283	67.96 %	\$38,929,654	32.04 %
Facility Related Materials	\$117,030,158	0.12 %	\$89,162,408	76.19 %	\$27,867,750	23.81 %	\$122,008,010	0.15 %	\$80,472,948	65.96 %	\$41,535,062	34.04 %
Construction Related Services	\$1,170,124,319	1.23 %	\$657,533,946	56.19 %	\$512,590,373	43.81 %	\$1,133,429,065	1.41 %	\$652,086,126	57.53 %	\$481,342,940	42.47 %
Facilities Purchase & Lease	\$19,769,792	0.02 %	\$14,596,095	73.83 %	\$5,173,697	26.17 %	\$25,291,415	0.03 %	\$16,293,845	64.42 %	\$8,997,571	35.58 %
Facility Related Services	\$5,178,290,404	5.43 %	\$2,647,347,377	51.12 %	\$2,527,601,366	48.81 %	\$5,564,479,899	6.93 %	\$2,416,675,144	43.43 %	\$3,137,806,756	56.39 %

Part I

Key Terms

- **SRM – Sustainment, Restoration & Modernization**
 - One year O&M appropriation/ covers renovation and repair
- **MILCON – Military Construction**
 - Five year line item appropriation/ new construction only
- **ERA – Environmental Restoration Account**
 - One year O&M appropriation/ only for environmental
- **PPBS – Planning, Programming, Budgeting System**
 - How the Air Force goes from needing something to getting it funded

Key Organizations

- **BCE - Base Civil Engineer**
 - Manages all infrastructure - utilities, facilities, environment
- **AFCEC – Air Force Civil Engineer Center**
 - Responsible for oversight and budgeting of all Air Force SRM & ERA funds
 - Provide oversight and program management for MILCON
- **USACE – United States Army Corps of Engineers**
 - Manages MILCON projects on Air Force installations *
- **CONS – Contracting Squadron**
 - The authority for all contract actions (e.g., solicitation, award, mods, etc.)

* NAVFAC shares this responsibility with USACE on certain Air Force installations

Primary Types of Contracts

- **Individual Order**
 - Single contract for only one requirement
 - Firm fixed price, cost plus, time & material
- **Indefinite Deliver Indefinite Quantity (IDIQ)**
 - Acquire supplies and/or services when the exact times and/or exact quantities of future deliveries are not known at the time of contract award
- **SATOC (Single Award Task Order Contract)**
 - Competitive or sole source award to single contractor who provides services as tasks orders are issued.
- **MATOC (Multi-Award Task Order Contract)**
 - Competitive award to multiple contractors who compete each task order
- **SABER (Simplified Acquisition of Base Engineering Requirements)**
 - Fixed price IDIQ for facility/utility repair and maintenance

Sample Project

HVAC problem in Building 905 at Robins AFB

Here's the scenario:

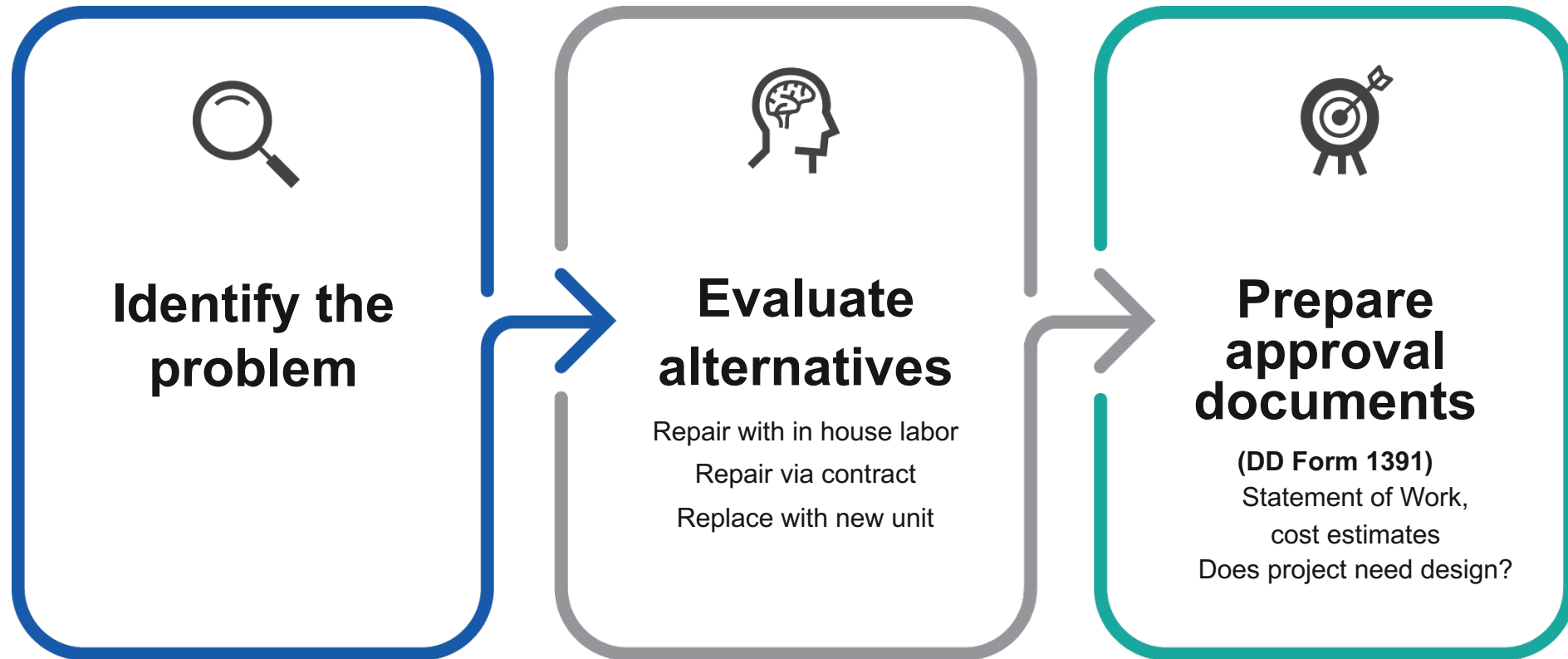
The HVAC in Bldg 905 is not performing adequately. This facility is the office of the Base Commander, some of his staff functions, and a large portion is devoted to training space for Airmen at Robins AFB.

Question:

What should the BCE do to ensure the HVAC is restored so that it meets mission requirements?

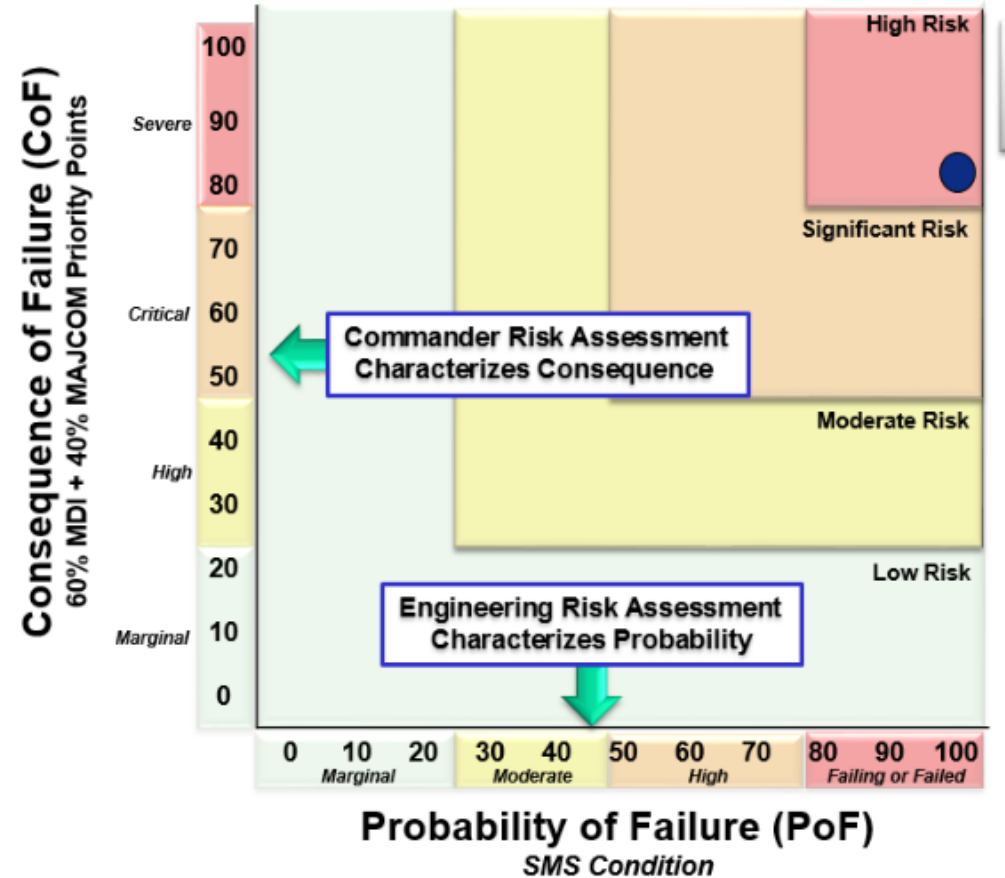


Planning – BCE Role



Programming – BCE Role

- **Prioritize projects**
 - Score projects based on risk framework
 - Probability of Failure and Consequence of Failure
- **Determine funding type**
 - Maintenance
 - Repair
 - New construction
- **Create 1-n list**
 - Installations prioritize all requirements, regardless of FY in a single 1-n list and submits to MAJCOM
 - MAJCOM adds their priority points and submits combined base list to AFCEC



Project Score
 $PoF (100) \times CoF (80.8) = 8080$

Budgeting – AFCEC Role

- **AFCEC builds 5 year prioritized list of all installation projects**
 - Subject Matter Expert review
 - Draw cut line for next FY
 - FY+1 is made up of projects below cut line
- **AFCEC also allots O&M dollars to installations for smaller projects**
 - Allows commanders to get their priorities funded
- **Allocates % of funds for each installation**
 - Also called “de-centralized” SRM funding

Budgeting – AFCEC Role

Overall Priorities

1 (FY25)

2 (FY26)

3 (FY27)

4 (FY25)

5 (FY26)

6 (FY29)

7 (FY25)

8 (FY26)

9 (FY28)

10 (FY29)

11 (FY28)

12 (FY27)

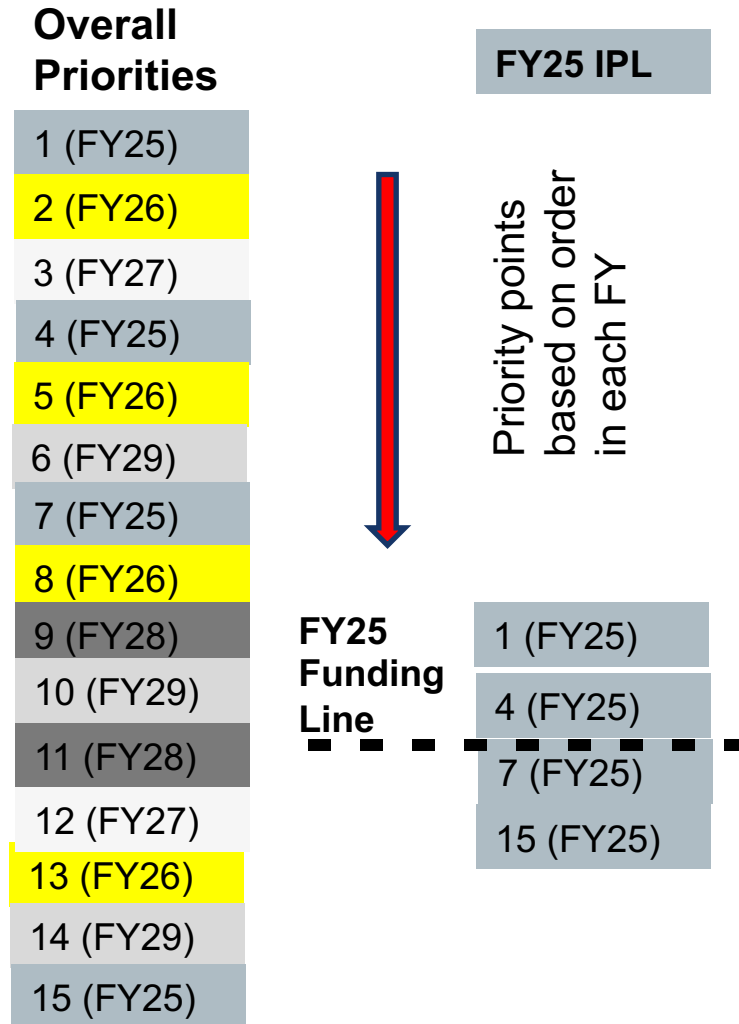
13 (FY26)

14 (FY29)

15 (FY25)

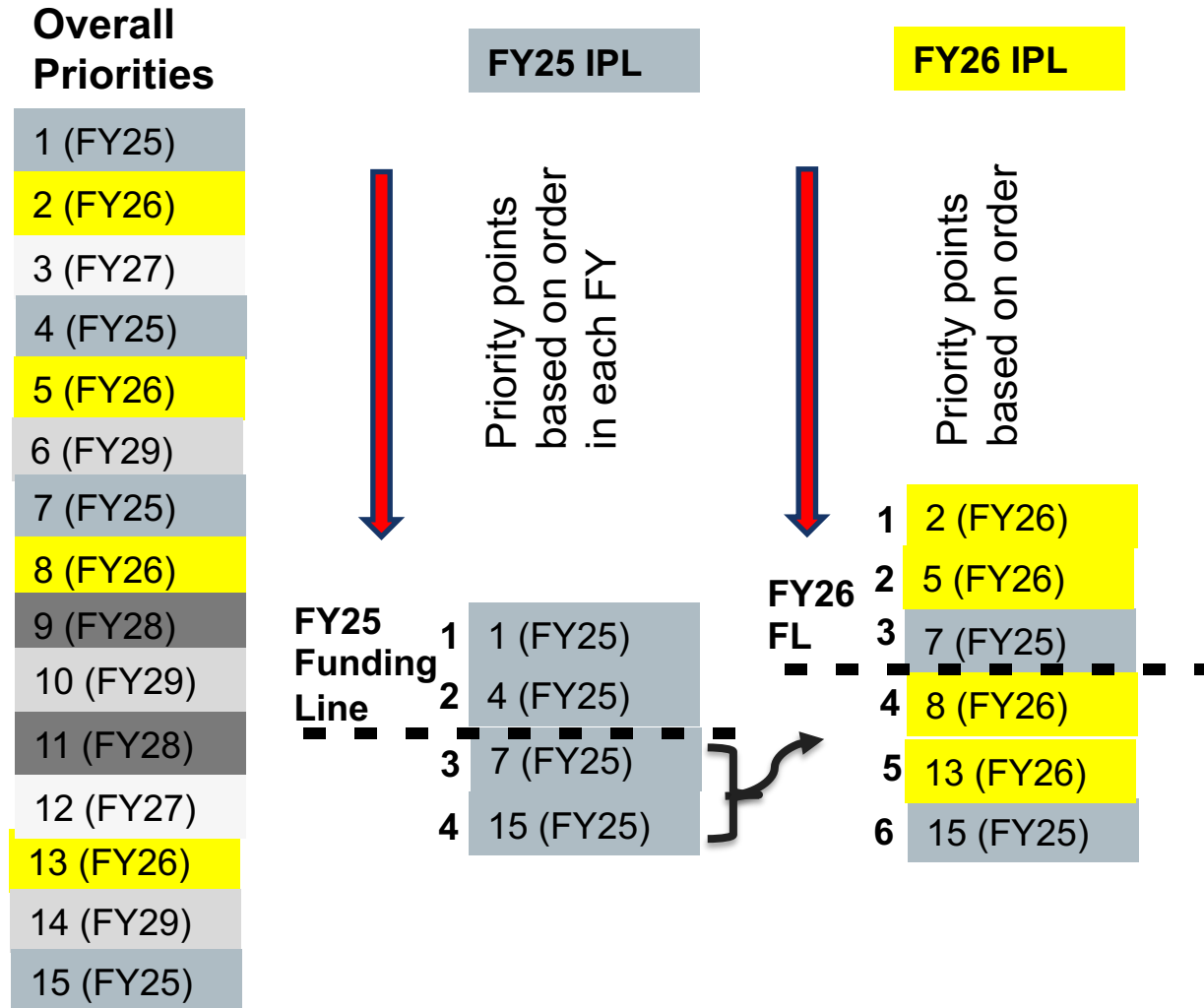
- **AFCEC builds 5 year prioritized list of all installation projects regardless of FY**
 - **Priority based on project score**
- **List includes projects from every single AF installation**

Budgeting – AFCEC Role



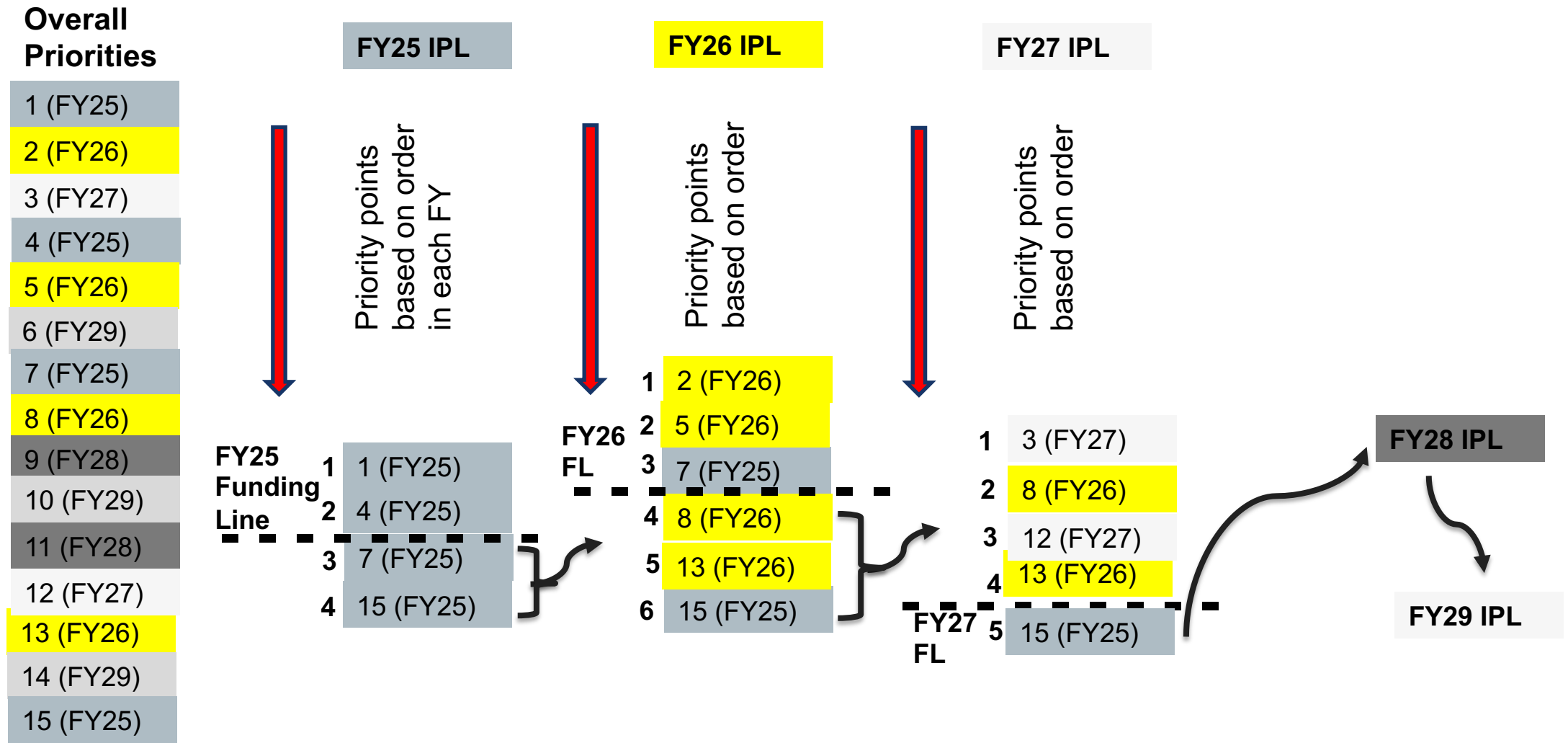
- **AFCEC isolates the FY25 requirements, and renumbers priorities within the single FY, ensuring there are no gaps and all priority points are allocated appropriately.**
- **Projects below the funding line are moved to FY26**

Budgeting – AFCEC Role



- **Projects below the funding line are moved to FY26**
- **Projects keep their original priority number as they are moved to the next FY list**

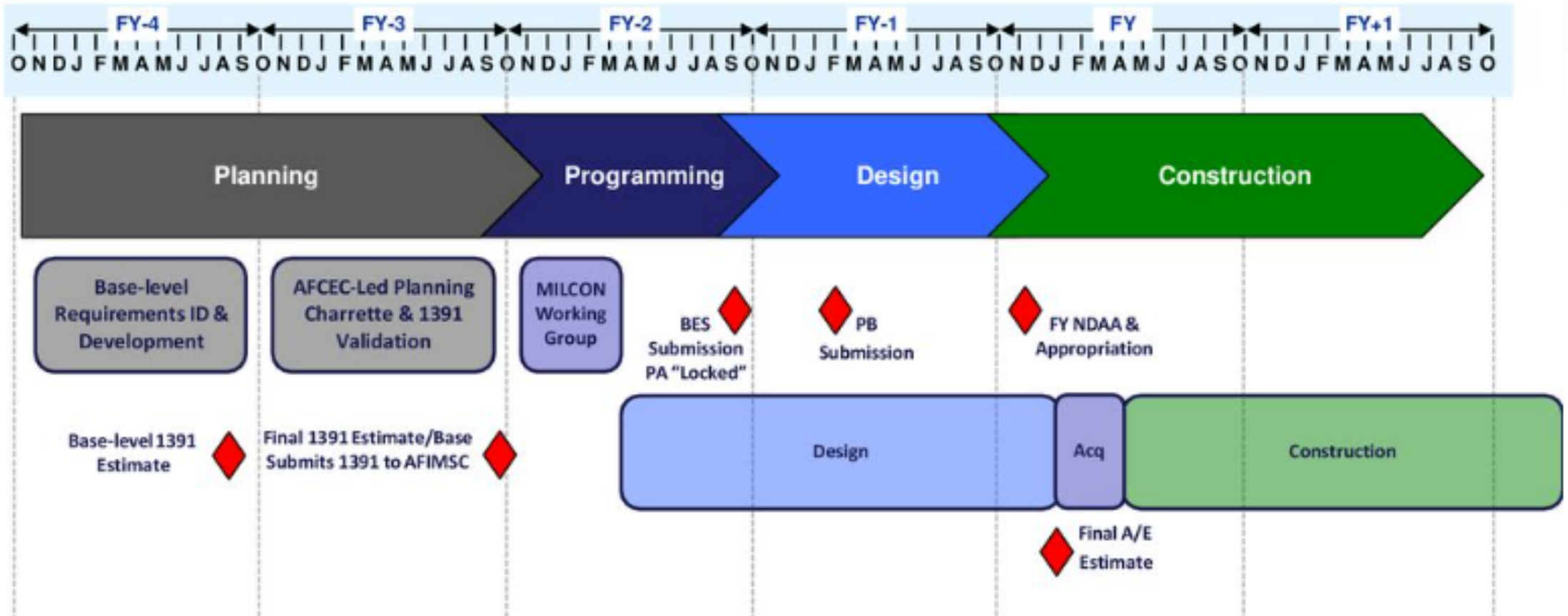
Budgeting – AFCEC Role



HVAC Project: Acquisition Strategy Meetings

- **Now that the installation has the list of funded projects, how do they decide to “make it happen”?**
- **BCE and CONS decide method of contract execution**
 - Meet July/Aug each year for next FY work
 - Air Force Contracting goals
 - BCE timelines for contract award

MILCON Process



Part II

Programming: MAJCOM Role

- AFCEC manages SRM IPL, not the MAJCOM
- AFCEC combines scores from all bases
- AFCEC does seek MAJCOM's input before producing final IPL



Before we Discuss How to Use this Information

The Air Force Civil Engineering folks are continually looking for good firms to help them achieve their mission.

The Air Force Civil Engineering folks do NOT have a responsibility to help your firm.

Regarding the slides that follow:

- What follows is one of many ways to use the information provided above....
There's many paths up a mountain
-

Recap of what we covered in Part 1

- SRM money for existing facilities/utilities
- MILCON money for new facilities/utilities
- Role of Civil Engineering (CE) and AFCEC
- The Corps handles all MILCON (but can also handle SRM)
- Contracting –not CE- awards work via common contract types (e.g. MATOC, SATOC, SABER, Single Award)

Are you and your firm ready to pursue Air Force work

- You have realistic targets
- You're selling a service . . . Your target is buying
- You know NAICS (and hopefully
- PSC)
- You know basics of data mining
- You have sufficient bonding

What to do if you're not quite ready....

- **Don't "waste" time**
- **Lots of Resources**
 - SAME local, regional and national meetings
 - APEX Accelerators (formerly PTAC)
 - Consultant (always my last resort!)
 - SBA Mentor Protégé is not recommended here



Advise to a new client May -July

Do your homework first

- If new to USAF CE, meet with Contracting SB
- Learn CE organization, especially CEN (head of engineering flight in CE)
- Download and review FY 24 projects on IPL
- Do all appropriate data mining

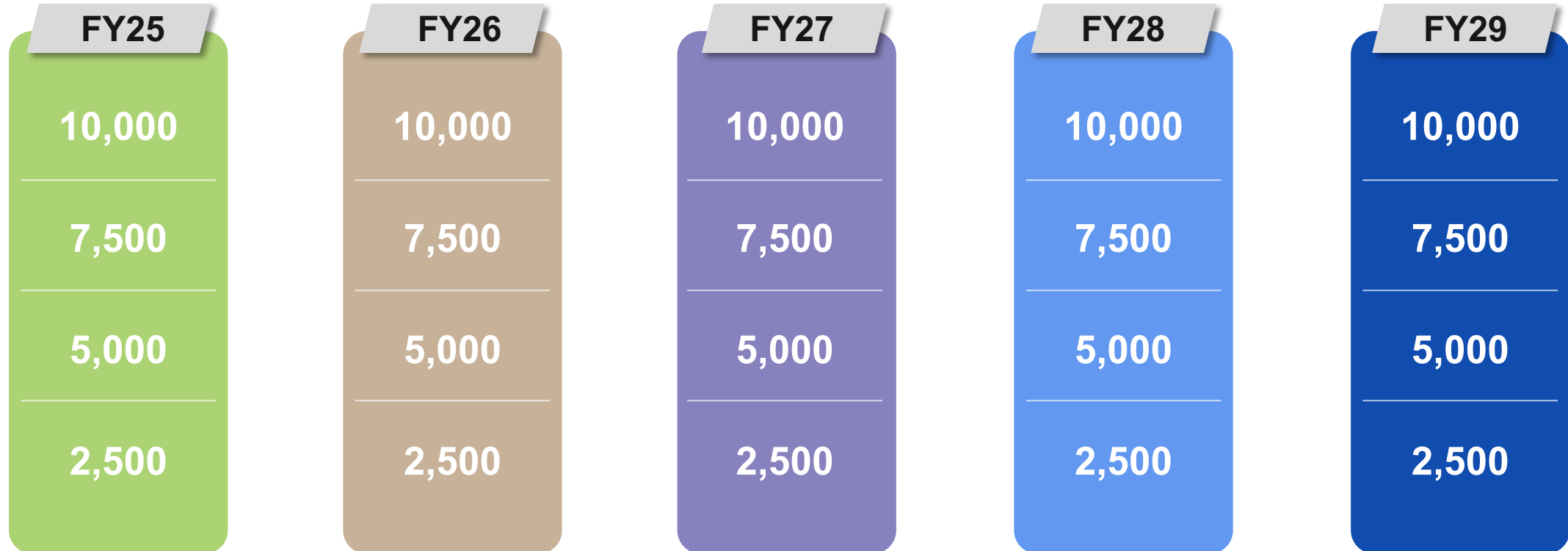
What Information do you need from CEN

- What contracts vehicles do you use?
- How large is your program on an average year?
- Any unfunded FY 24 projects?
- Where do you have the greatest need?
- Given my services, do you see value in what we have to offer

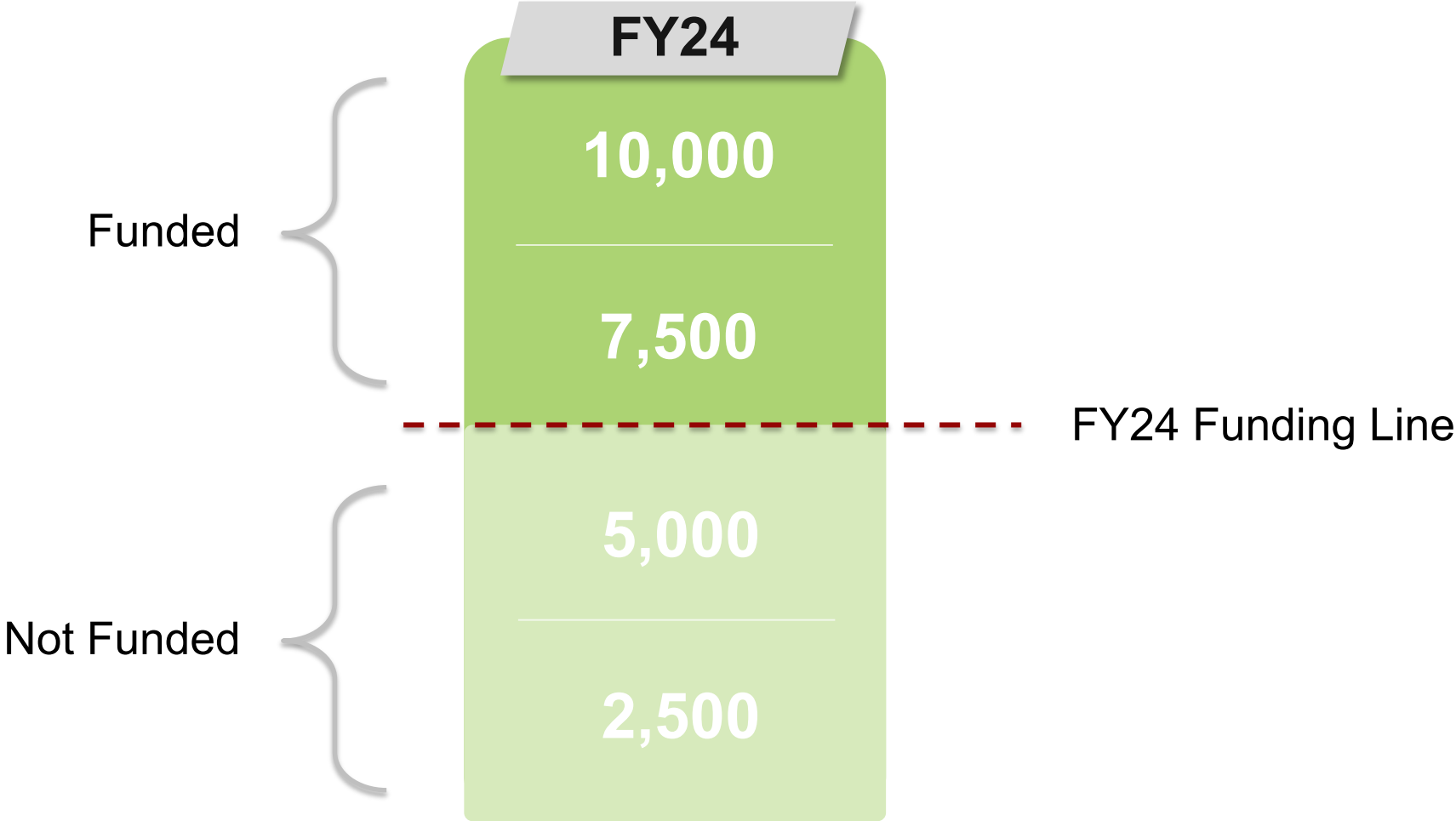
Advise to a new client August -September

. STAY AWAY

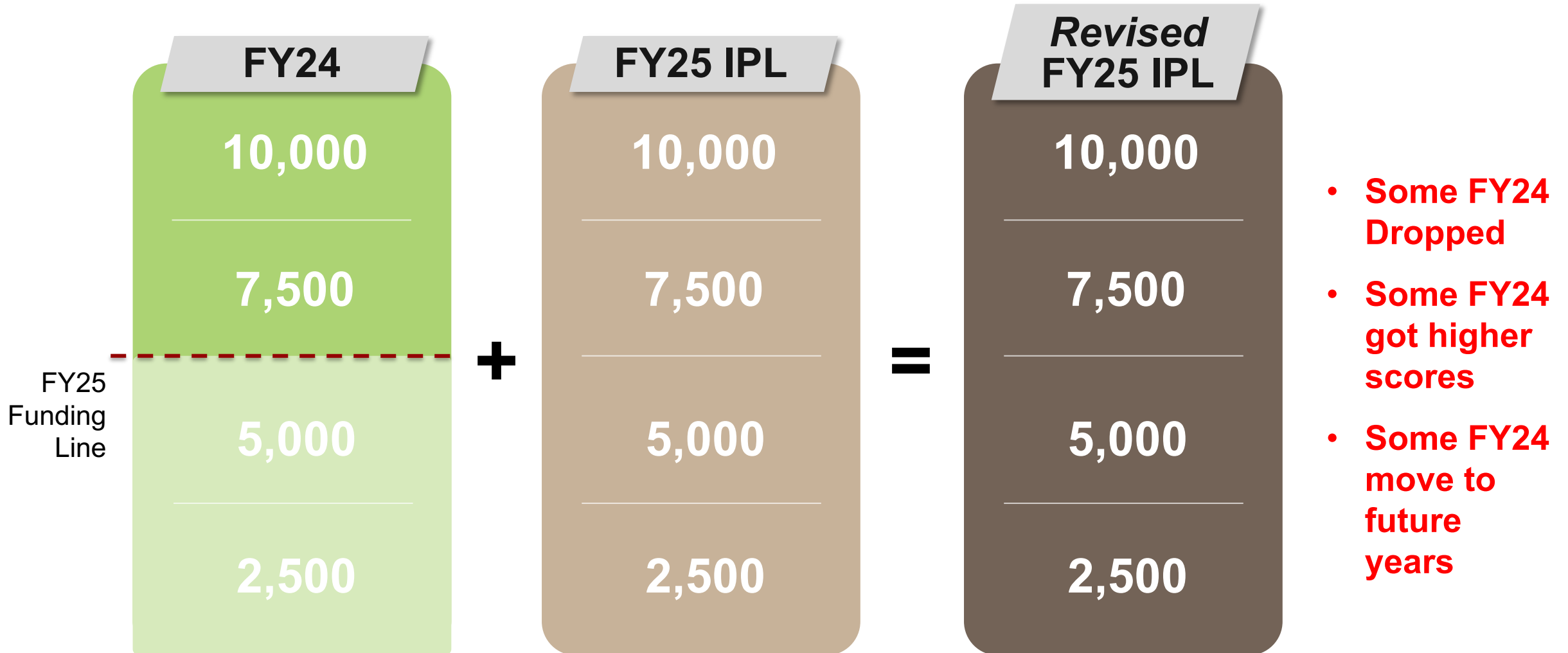
With Air Force CE on SRM...It's all about the IPL



In FY 24 there also unfunded projects



Unfunded FY 25 May Make FY 26 List



Once October hits

- You should be familiar with the FY 25 IPL and
 - Know the unfunded projects from FY 24
 - Know how you can help CEN staff execute their mission given the services you offer.

MILCON

Are you ready to pursue MILCON contracts

- Much larger projects. Design and construction is awarded by the USACE (Corps).
- Are you ready to bond and manager larger MILCON projects?
- Do you have Corps experience or...
- Can you hire someone with it or ...
- Partner with a firm who can teach you

**. If you're not
ready.....don't do it...**

unless its small and well defined scope

MILCON Forecast: Industry Days

This is so much easier than SRM....

- MILCON forecast is available well in advance
- Industry Days are well publicized
- Unlike IPL, MILCON funded work is not subject to funds reallocation

And now a word from our sponsor 😊

Things you must know to effectively market your company

Codes

NAICS codes and PSC codes used by target clients for the services you're providing. Can't effectively data mine without this.

Competitors

Details on major competitors for the type of money (e.g. MILCON competitors vs SRM vs. Env)

Contracts

Contract vehicle: SATOC, MATOC, SABER, stand alone, sole source vs. competitive, type of set aside)

Data Insights

With the data, you can now ask a treasure trove of intelligent questions to gain even more valuable Intel

Part 2 Summary

- **With knowledge of IPL you can target SRM opportunities**
- **By meeting with CEN staff responsible for managing those opportunities you can position yourself for awards**
- **Although MILCON jobs are larger and often far more difficult to manage because of the Corps requirements, they're far easier to identify and track**
- **Good luck....and send questions to Archisa**

Questions

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THANK YOU

