

PROGRAM MANAGEMENT PLAN
Demonstration Program on Reduction in
Long-Term Facility Maintenance Cost – Pilot Program

1. TABLE OF CONTENTS

- | | |
|---|---|
| 1. Table of Contents | 7. Acquisition Strategy |
| 2. Scope | 8. Risk Analysis |
| 3. Team Identification | 9. Communications Strategy |
| 4. Funding | 10. Program Delivery Team (Army) |
| 5. Schedule | 11. Review and Approval |
| 6. Program Quality Control Plan
and Objectives | |

2. SCOPE

2.1 PURPOSE: This Program Management Plan (PgMP) has been developed to establish the management procedures for executing the Army's involvement in the subject program. Successful execution of this work will require the concerted effort of many organizations. The responsibilities and authorities of each of the parties involved in the execution of this program are delineated in this plan. Individual projects related to this program range in size and complexity and will require individual planning within the scope of the requisites developed under this program. Individual Project Management Plans (PMP) will be prepared for each project and will refer to this PgMP for common elements. Appropriate information is contained in this PgMP to allow the progress of all work under the program to be continually monitored and measured. This PgMP is developed under the auspices of ER 5-1-11, and maintained by the US Army Corps of Engineers, Savannah District. This PgMP is a dynamic document that will be updated by the Program Manager in coordination with the Savannah District PDT and sent to the Program Team to reflect changing requirements and conditions.

2.2 PROGRAM DESCRIPTION AND OBJECTIVES: The Demonstration Program on Reduction in Long-Term Facility Maintenance Cost or Reduction in Long Term Maintenance Initiative is also called the Design Construction Commissioning (DCCx) Pilot Program. This program was authorized under the National Defense Authorization Act for Fiscal Year 2002, Section 2813 as modified by Section 2813 of the 2003 Act. This program was authorized by Congress to include operations and maintenance of facilities for up to five years after beneficial occupancy. Each agency (Army, Navy, Air Force) was authorized a maximum of 12 projects for the demonstration program. A report covering this demonstration program shall be prepared for the Secretary of Defense for presentation to Congress.

The purpose of the demonstration program is to develop criteria and procedures to add whole building commission and out year maintenance into the design and construction development of MILCON projects. Additionally, the purpose of this demonstration

program will be to measure the level in which projects developed containing requirements of this program are constructed with better equipment and materials, and whether buildings that are maintained properly as specified within this program provide better comfort for the occupants, last longer and operate more efficiently than buildings that are not maintained as well. The demonstration program will document whether these new business approaches preserve the capital investment and reduce the long-term facility maintenance costs with tangible benefits. The demonstration program will explore where and how the most value can be achieved for the MILCON dollars invested in O&M during the first years of occupancy. The overall objective of the pilot program is to demonstrate savings and benefits in facilities that have proper maintenance.

2.3 DEFINITION: Design Construct Commission is the process of developing and maintaining facilities to include whole building commissioning and to provide with the construction contract up to five years of O&M services for said facility, excluding general grounds keeping and janitorial services. Building commissioning is defined as the process of verifying that the installation and performance of selected building systems meet or exceed the specified design criteria and therefore satisfy the design intent. Building commissioning shall include a physical inspection, functional performance testing, listing of noted deficiencies, and a final commissioning report. Building commissioning shall be performed by a professional agent or authority. This program shall use the quality management process applied to building construction to ensure peak operational efficiency and hopefully demonstrate the financial benefits of the program over current practice.

2.4 HISTORY: Several problems appear systemic under the current practice of design and construction development, facility turnover and subsequent facility maintenance. Funding shortfalls have resulted in significantly less than the normally required scheduled maintenance activities for new buildings not being performed. Customer complaints about HVAC systems not working properly have increased. Building systems have become more complex without adequate system documentation, functional performance testing or sufficient provisions for maintenance. The design intent has not been clearly conveyed, there have been unclear standards and criteria for gauging system performance during construction, O&M manuals have not been satisfactorily developed, O&M staff have not been well trained, and there have been numerous change orders and cost overruns during construction.

2.5 PROGRAM DEVELOPMENT: The following goals and milestones are to be achieved in the execution of the program:

2.5.1 RESEARCH: Obtain input from commercial industry and experts in this field to determine the most practical way of implementing commissioning and O&M services into design and maintenance. Research criteria or processes from other agencies or organizations for whole building commissioning. Develop list of topics that need to be

addressed in criteria document. Establish Steering Committee with representatives from all agencies in the pilot program to oversee direction of program.

2.5.2 CRITERIA DEVELOPMENT: Establish a Unified Facilities Criteria (UFC) document defining the program, processes and actions. This document shall contain contract and technical instructions for Districts to follow in implementing the program. It shall contain a model set of performance-oriented specifications for pilot projects that could be used in RFP's or design-bid-build projects.

2.5.3 METRICS DEVELOPMENT: Establish list of logical, measurable metrics that can be reported to show tangible and intangible savings. Metrics shall include hard data such as energy consumption and savings, initial first cost and routine maintenance costs, as well as soft data such as customer satisfaction and generalized savings or expenses over current business practices. Baseline information for both hard and soft data shall be collected on similar facilities not developed under this program for comparison. Identify a Bata test site for collection of the finalized list of metrics.

2.5.4 INTERNAL COMMUNICATION: Establish a web page for sharing documents and information in support of the program. Develop draft policy letter for USACE issue to Districts. Identify training requirements, develop and conduct training sessions for field QA personnel supervising DCCx program. This may include online course or additional modules to QA courses already in place. Create lessons learned database for DCCx.

2.5.5 REPORTING: Develop draft initial report for the Secretary of Defense. The first report will occur prior to beneficial occupancy of first demonstration project. Initiate survey of pilot projects on a yearly basis after BOD. Provide yearly report to Congress via the Secretary of Defense for 2005 and 2006 and longer if required.

2.6 LOCATION OF WORK: The pilot initiative will cover MILCON projects all over the country. Savannah District, Seattle District, Louisville District and Reserve Command all have pilot project(s) and will help in gathering data and providing information required. Savannah District will share responsibilities on gathering data. Savannah District will take the lead in preparation of the report to the Secretary of Defense and presenting findings for the report to Congress.

2.7 CUSTOMER: The customers in this demonstration program are the Army, Army Reserve, and Army National Guard. This PgMP covers only the Army program. The Navy is preparing an independent report on their pilot projects.

2.8 STEERING COMMITTEE: HQUSACE has organized a committee with NAVFAC, HQAF, ACSIM and NGB to share information on the pilot program. The diverse group collaboration of the steering committee will provide ideas for strategies and make decisions on the direction of pilot guidance documents.

3. TEAM IDENTIFICATION. The Savannah District provides overall Program Management for this demonstration program. Roles and responsibilities of key organizations include the following:

3.1 OFFICE OF THE SECRETARY OF DEFENSE

- Receive results and findings from the Army and NAVFAC proponents and prepare a report on the program to Congress.
- Receive results from the Air Force should they participate in this pilot program.

3.2 ACSIM

- Provide General oversight to the program.
- Provide recommendations on projects that should be considered under this pilot program.

3.3 HQ USACE

- Provide programming guidance and participate on the Steering Committee.
- Coordinate DCCx policies within USACE.
- Direct which projects will be included in the demonstration program.
- Provide funding for management, development and operation of the demonstration program.

3.4 USACE DIVISION OFFICES

- Provide oversight of program activities within their area of operation.
- Provide recommendations on projects within their area of operation that should be considered under this pilot program.

3.5 SAVANNAH DISTRICT

- Provide a single point of contact Program Manager.
- Develop the UFC document.
- Coordinate the development of the evaluation criteria metrics and baseline metrics.
- Develop the initial draft specifications to be attached to the UFC document.
- Coordinate all data sampling and data collection on initial projects, baseline projects and follow-on projects.
- Ensure open communication through web page development, policy letters, training requirements, and lessons learned.
- Provide assistance to other Districts developing projects under this Program.
- Manage all reviews and identify and lead all Project Development Teams (PDT) in the execution of this Program.
- Coordinate all data mining necessary for preparation of the report of findings for the Secretary of Defense.
- Prepare the report of findings for the Secretary of Defense.
- Manage Program funds.
- Provide membership on the Steering Committee
- Provide recommendations on projects to be included in the pilot program.

3.6 HUNTSVILLE ENGINEERING CENTER

- Refine the initial draft specifications and obtain industry review.
- Assist in the development of evaluation criteria.
- Assist in data collection and mining.
- Provide membership on the Steering Committee.
- Provide recommendations on projects to be included in the pilot program.
- Provide technical assistance and expertise as requested.

3.7 OTHER USACE DISTRICTS

- Assist in data collection and mining.
- Provide membership on the Steering Committee as appropriate.
- Provide recommendations on projects to be included in the pilot program.

3.8 STEERING COMMITTEE

- Provide recommendations for Program direction and execution.
- Provide reviews of the UFC, specifications and metrics.
- Serve as a clearinghouse for ideas.
- Provide recommendations on projects to be included in the pilot program.

- 4. FUNDING.** For the development of criteria, data collection and mining and report development, HQUSACE will provide Army Standards and Criteria funding based upon an approved PgMP and budget. For the development of specifications and project execution of individual projects within this pilot program, funding will be by agency MILCON funds. Each individual project will be funded via normal resources. Additional project funding requirements to implement DCCx on a project will be identified under this program.

5. SCHEDULE.

5.1 GENERAL: Program schedules will be prepared and maintained by the Savannah District Program Manager. Schedule information will be posted on the program web page or PPDS. The Program Manager will keep the appropriate parties informed through information exchange at the monthly Steering Committee meetings, PRB reports, and out of cycle reporting to HQUSACE as necessary. Individual project schedules will be contained in the project PMP and controlled by the Project Manager in the District having area of responsibility.

5.2 CONGRESSIONAL REPORTING: For reference the reporting requirements according to the National Defense Authorization Act for Fiscal Year 2002, SEC. 2813 Demonstration Program on Reduction in Long-Term Facility Maintenance Costs, are the following:

- a. **REPORTS-** Not later than January 31, 2005, the Secretary of Defense shall submit to congress a report on the demonstration program, including the following:
 - (1) A description of all contracts that contain requirements referred to in subsection (a) for the purpose of the demonstration program.
 - (2) An evaluation of the demonstration program and a description of the experience of the Secretary with respect to such contracts.
 - (3) Any recommendations, including recommendations for the termination, continuation, or expansion of the demonstration program, that the Secretary considers appropriate.

- b. **EXPIRATION-** The authority under the demonstration program shall expire on September 30, 2006.

5.2 SCHEDULE FOR CRITERIA DOCUMENTS: Major program milestones are driven by the need to have a report to Congress via the Secretary of Defense before the deadline of January 2005.

Establishment of Steering committee	25 Feb 2003
Gather information from experts	Feb - Jun 2003
Draft metrics developed and discussed	25 Mar 2003
Draft specification offered	25 Mar 2003
UFC outline presented and discussed	24 Apr 2003
Draft UFC submitted	30 Jul 2003
UFC document review	1-23 Aug 2003
Corrections to UFC	30 Aug 2003

5.3 SCHEDULES FOR STUDY ACTIVITIES:

Start survey of baseline projects	Aug 2003
Provide report on baseline survey	20 Sep 2003
BOD of first pilot (Gillem CID Lab)	Feb 2005
Draft Report Data due	Sep. 2004
Draft Report due	Oct 2004
Corrected Report due	Nov 2004
Final Report Due	15 Dec 2004
Gather yearly data from pilot projects	Sep 2005
Provide draft report	Oct 2005
Provide corrected report	Nov 2005

6. PROGRAM QUALITY CONTROL PLAN AND OBJECTIVES. All products developed under this pilot program will have quality controlled through the use of independent reviews conducted at opportune times throughout the production of this product. Reviews will be accomplished through Savannah District in house resources, Huntsville Engineering Center resources, other District resources, and the Steering

Committee as necessary. The Program Manager will provide quality assurance via technical and procedural reviews of each product.

7. **ACQUISITION STRATEGY.** Several products will be created during the course of this demonstration program. The acquisition strategy for each of the main products is identified as follows:

- 7.1 **RESEARCH.** Research into industry standard practices or the practices of other DoD organizations will be acquired through Industry Day symposiums, individual interviews with interested industry experts, idea exchanges during steering committee meetings and other informal exchanges. Research into current industry criteria or codes will be conducted through web-based searches or other literary searches.

- 7.2 **UNIFIED FACILITIES CRITERIA.** Because there are no available resources outside the Government familiar enough with contracting practices and procedures related to the DCCx program, this document will be developed utilizing Savannah District in-house resources. Technical information gained from all research will be incorporated as necessary.

- 7.3 **DCCx SPECIFICATIONS.** Initial technical specifications regarding DCCx requirements have been developed by the Savannah District for the initial project in this pilot program – the Fort Gillem Criminal Investigation Laboratory. These documents have been greatly refined by Louisville District in the development of the second project under this pilot program and these further refined documents are currently under review by an independent industry specialist AE under contract with the Huntsville Center.

- 7.4 **EVALUATION CRITERIA METRICS – CUSTOMER BASELINE SURVEY.** An initial baseline customer survey will be developed by an AE under contract with the Huntsville Center and refined as necessary and recommended by technical review and the Steering Committee.

- 7.5 **EVALUATION CRITERIA METRICS – HARD METRICS AND BASELINE DATA.** Criteria required for hard metrics on pilot program and baseline non-pilot program projects will be developed utilizing an industry specialist AE under contract with the Savannah District. Refinements will be made as necessary based on lessons learned, recommendations of technical reviews and input from the Steering Committee.

- 7.6 **DATA GATHERING AND MINING.** Data will be gathered by each District having a pilot project with the assistance of Savannah District in-house personnel and an industry specialist AE under contract with the Savannah District.

- 7.7 **REPORTING.** Reports and recommendations will be written by Savannah District in-house or an industry specialist AE under contract with the Savannah District as necessary.

8. **RISK ANALYSIS:** The major risk associated with this demonstration project is the short time allotted for the study phase before the first report is due to Congress. A draft report and data is due by Sep. 2004, which is before the BOD date of the first pilot project and before any or little maintenance work is done on any of the pilot projects. It will be difficult to prove any tangible benefits of the program at that early stage.

A second risk associated with successful completion of this demonstration project is the ability to collect timely baseline hard and soft data. For proper conjectural and scientific comparisons, baseline projects of similar nature must be compared. If data from testing of baseline facilities is not available, comparison conclusions will be impossible to make and reporting data on cost savings or expenses will be jeopardized.

9. COMMUNICATIONS STRATEGY.

9.1 **COMMUNICATIONS GUIDELINES:** In order to ensure success in this demonstration program, the following communications guidelines are to be encouraged with all participants in the program:

- Communicate early and often
- Deal in facts and truth
- Be accessible and prompt
- Anticipate and prepare rather than react, but always be responsive
- Communicate to audiences inside and outside USACE
- Communicate to audiences that agree and disagree with USACE policies/actions
- Spend more time listening than talking; encourage dialogue and two-way communication.
- Communicate by word and deed. Do what we say we will do.

9.2 **ROUTINE REPORTING.** Monthly status report of pilot project progress will be published and available on a dedicated web page. The Program Manager and the Steering Committee will provide input for the web page.

9.3 **COMMUNICATIONS WITH THE CUSTOMER.** Interested customers can view the web page, download sample specifications or evaluation document samples and view the program status reports. Questions can be submitted to the Program Manager via e-mail.

9.4 **COMMUNICATIONS DURING DEVELOPMENT OF CRITERIA DOCUMENTS.** Review comments on criteria documents will be entered into DrChecks review session. Savannah District will set up the review schedules and suspense individuals to enter comments. Minutes of monthly meetings will be distributed to the Steering Committee via e-mail. Review comments on monthly meeting minutes will be submitted to the author of the minutes for redistribution.

9.5 COMMUNICATIONS DURING PROJECT ACQUISITION, CONSTRUCTION AND STUDY PHASE. All lessons learned during the acquisition phase, construction and O&M phase will be entered into Projnet/DrChecks. Each item should have a keyword DCCx or “commissioning” in the title to facilitate searches. A sample format is provided in the UFC document so that all entries can be queried via keyword searches.

9.6 COMMUNICATIONS DURING STUDY PHASE. Each host District Project Managers of the pilot project will be contacted to ensure proper requirements for data collection are identified and to facilitate site visit for data gathering. Representatives from host Districts will be invited to the Steering Committee meetings.

10. PROGRAM DELIVERY TEAM (ARMY): Current members of the program delivery team are identified below. This is expected to be a dynamic list changing as new projects are identified for the demonstration program.

10.1 PROGRAM MANAGER:

Veijo Panu
US Army Engineer District, Savannah
100 Oglethorpe St.
P.O. Box 889
Savannah, GA 31402-0889
912-652-5584 (office)
912-652-5891 (fax)
veijo.panu@sas02.usace.army.mil

10.2 HNC TECHNICAL MANAGER: Tony Torres, 256-895-1771

10.3 PILOT PROGRAM PROJECT MANAGERS:

- Ft. Gillem CID Lab – Robert Smith CESAS 912-652-5706
- Rochester USAR Center – Joe Gates CELRL 502-315-6849
- Ft. Story USAR Center – Mike Braden CELRL 502-315-6909
- Ft. Lewis WA, Battle Simulation Center - Maj. Steven Ward CENWS-PM-MB 206-764-3533
- Hunter AAF, GA Physical Fitness Training Center - Robert Sauntry CESAS-PM-MC 912-652-5477

10.4 STEERING COMMITTEE:

NAME	AGENCY	PHONE	EMAIL
------	--------	-------	-------

Almquist, Peter,	HQUSACE	202 761-5775	mailto:peter.w.almquist@usace.army.mil
------------------	---------	--------------	---

Bauer, Gary, HQUSACE 202 761-1228
gary.bauer@usace.army.mil

Chase, Mark, NAVFAC 703 685-9390
<mailto:chaseme@navfac.navy.mil>

Gates, Joe, COE/LRL 502 315-6849
<mailto:joseph.g.gates@lrl02.usace.army.mil>

Lee, Lawson (Stan), COE/HNC 256 895-1541
lawson.s.lee@usce.army.mil

Loughner, Eric OCAR, 703 601-3403
<mailto:eric.loughner@ocar.army.pentagon.mil>

Lovo, Jim, HQUSACE 202 761-0052
<mailto:james.v.lovo@usace.army.mil>

McBride, Richard, LTC ACSIM-ARD 703 601-3413
<mailto:mcbride@ocar.army.pentagon.mil>

Moore, Robert, HQAF/ILEC 703 601-0180
<mailto:robert.moore@pentagon.af.mil>

Nagel, Adrian MAJ, NGB-ARNG 703 607-7941
<mailto:adrian.nagel@ngb.army.mil>

Oddi, Peter A COE/SAS 912 652 5332
<mailto:peter.a.oddi@sas02.usace.army.mil>

Olson, Dale, HQAF 703 601-0194
<mailto:dale.olson@pentagon.af.mil>

Panu, Veijo TJ, COE/SAS 912 652-5584
<mailto:veijo.t.panu@sas02.usace.army.mil>

Perkey, Rudy, NAVFAC 757 322-8249
<mailto:perkeylr@efdlant.navy.mil>

Ryan, Michael, CELRL-ALT 502 315-6840
<mailto:michael.f.ryan@lrl02.usace.army.mil>

Sartori, Mike, MEDCOM 210 221-7906

Shields, Elvin, NGB-ARNG 703 607-7955
<mailto:elvin.shields@ngb.army.mil>

Stickley, Howard, HQUSACE 202 761-1995
<mailto:howard.p.stickley@usace.army.mil>

Szutenbach, Larry, ACSIM 703 692-9204
<mailto:larry.szutenbach@hqda.army.mil>

Torres, Tony, COE/HNC 256 895-1771
<mailto:tony.torres@hnd01.usace.army.mil>

Viohl, Richard, NAVFAC 202 685-0469
richard.viohl@navy.mil

11. REVIEW AND APPROVALS:

REVIEWED:

SAS-END/Simmons

Gordon J. Simmons

SAS-EN/Barrett

Ralph E. Barrett

SAS-CD/Saxon

Wayne J. Saxon

SAS-CT/O'Keefe

Colleen O'Keefe

SAS-PM/Oddi

POddi

HNC-ED-SY-0/Tony Torres

Antonio Torres

HQUSACE/Bauer

Gary L. Bauer

HQUSACE/Howard Stickley

Howard Stickley

APPROVED:

CESAS/COL Roger A. Gerber
Commander, Savannah District

R. A. Gerber

CEHNC/COL John D. Rivenburgh
Commander, Huntsville Center

John D. Rivenburgh

CESAD/BCP Randal R. Castro
Commander, South Atlantic Division

R. R. Castro

HQUSACE/J. Joseph Tyler
Chief, Programs Management Division
Directorate of Military Programs

J. Joseph Tyler