May 1999 Volume 99 ♦ Issue 1

SPADEWORK

ATLANTIC DIVISION, NAVAL FACILITIES ENGINEERING COMMAND

Construction Division

Why NFOR?

A recent initiative from NAVFAC is the NAVFAC Field Office Readiness (NFOR) that reports quarterly the readiness of all NAVFAC ROICCs. This system replaced the first version of this initiative called FORAS (Field Office Readiness Assessment System). NFOR is a big improvement over FORAS, but more importantly I want to explain why we are doing this readiness report. The primary purpose is to show our NAVY senior leadership our readiness in terms they can understand. Any fighting unit has a similar readiness system that reports to leadership their readiness to deploy or engage in any area of the world. NAVFAC leadership will use NFOR to report our readiness to do our business. This can only help us when the budget "slashers" are looking for anyway to cut resources. When NAVFAC says that C2 readiness will be reduced to C3 or even C4 they will understand this terminology much better that if we say we won't be able to do our job. The other use of NFOR is for the DIVs to use them as a management tool to identify areas we need to focus on. Although NAVFAC initiated NFOR it has been crafted by representatives from the four DIVs. I attended a meeting in February at NAVFAC with Mike Bellamy and representatives from the other three DIVs. We suggested the revised format and name change. We also suggested that future versions of NFOR be submitted semiannually or whenever there is a ROICC change. There is another meeting of NFOR this week at NAVFAC (18-19 May) that will look at future changes to NFOR to make it more useful to us and to NAVFAC leadership. (Mike Bellamy and John Adams will be attending for us!) This is an initiative that I fully support and I want everyone to understand that we are not just reporting for reportings sake. As the 11XX transfer occurs in FY 00 the NFOR will become more crucial in helping us use staff from both the traditional ROICC offices and the FSC offices. If you have any suggestions to improve NFOR please contact Mike Bellamy, John Adams or myself. We want this tool to be useful to everyone and to understand how NAVFAC will use it in the future.
Gary Mackey

Y2K (Year 2000)

The year 2000 (Y2K) is a potential problem for many computer systems. If a system uses a two character "99" identifier for the year, then when the year rolls to 00 on 1 January 2000, the system may not function. This can affect facilities or management information systems. There are extensive efforts underway in DOD and the Navy to identify problem areas and develop plans to correct them. CINCLANTFLT held a confer-

Table of Contents

Page 1 – Why NFOR?, Y2K

Page 2 – RAC Award Fee Process

Page 3 – ROICC Photos, Contractor Quals

Page 4 – Techno Corner, Closing Thought and Old Dogs

ence on Y2K compliance on 6 January 1999. NAVFAC is currently reviewing all management information systems and correcting those that have problems. The status of this effort is described on the NAVFAC intranet at http://www.efdlant.navfac.navy.mil/Lantops_15/home.htm .

LANTNAVFACENGCOM has a team of Y2K coordinators working on various aspects of the problem. Roy Morris, Code 161 is the Command's overall coordinator for facilities. Roy, with the help of PWC teams under Tom Barstow, have surveyed approximately 3,000 facilities for CINCLANTFLT. Richard Paradis, Code 15, has developed Y2K guidance from an acquisition perspective. In addition, the ROICC Offices and Construction Division have issued amendments to contracts bid at year-end FY 98 requiring Y2K compliance. Contracts awarded in *this* fiscal year should include Y2K compliance clauses. ROICC offices have been inventorying and assessing facilities under construction or BOD'd after 22 July 1998. Each ROICC and OICC in LANTDIV has a Y2K coordinator monitoring the issuance of survey letters to contractors requiring them to identify potential Y2K conflicts, the results of which are summarized in a report to Code 09A, CAPT. Zorica. Some offices have been working for a long time on the Y2K problem. The Y2K team from ROICC Camp Lejeune, under the leadership of Mike Lynch, started in Spring 1998 surveying their projects, identifying questionable components in the field and checking Internet website databases for compliance information. They have continued to review their contracts and reduce the number of potential non-compliant contracts. In addition to these efforts, Y2K specialists assessed the $40 million Wastewater Treatment Plant.

Progress to date:

LANTOPs: increased surveys sent to Contractors to 717 of a potential 726 contracts affected, received responses from 483 surveys, identified 18 non-compliant systems and is in the process of remediation

CHESDIV: received responses to 69 out of 87 surveys, has also sent additional help to MCB Quantico to improve Y2K performance.

EFAMED: has received responses from 58 of 89 surveys.

Kelly Wood

Award Fee Process on RAC Work

Award Fee is the term denoting profit in the Remedial Action Contracts (RAC) business. The contractor's performance is evaluated every 4 to 6 months depending on the terms of the contract. The objective is for the contractor to strive for the highest standards of excellence in performance. The first and most critical step is the preparation of independent evaluations by the two individuals closest to the contractor's work, the ARO (E)ICC and the Code 18 RPM or EIC. Two boards review the evaluations and make a recommendation to the Fee Determining Official, the Vice Commander. The intent is to complete the process within 60 days.

The boards review between 25 and 50 task orders each period which amounts to as many as 100 evaluations. Timeliness and quality are two areas where we can make improvements. The following tips can help the ARO(E)ICC prepare a quality evaluation:

1. Set aside adequate time to review the performance this will be easier if you make some notes at least monthly after receiving the Monthly Progress Report.
2. Review the MPRs for the period. Valuable information is provided in the MPRs such as: the performance report, the estimated cost at completion, schedule, modification log, and work directive log. Look at how the variance changes each month in the performance report and how the estimated cost to complete amount has changed. Is the work on schedule?
3. Take attachment 1, Evaluation Criteria for Task Order Management or Construction Services, from the Award Fee Plan in Section J of the contract and look closely at the three areas of evaluation. Use facts supporting one or more of the performance characteristics to describe your rating in the narrative block below each of the three elements: technical, cost and schedule.
3. Take attachment 3, General Characteristics of Level of Performance, from the Award Fee Plan and use this guidance to determine the numerical value of the performance.
4. The ARO(E)ICC can contribute a valuable perspective on the field work. Did the contractor fol-

low the schedule presented at the Pre-Con meeting? Did he have efficient crews sizes? Was the equipment used cost effectively? Were materials approved and delivered without delaying work? Was the work, including the subcontractor portions, managed effectively and did the Quality Control system minimize rework and produce quality workmanship?

5. Review the reasons for any changes in the schedule and budget-were they related to scope or cost growth. In the case of cost growth was it due to unforeseen conditions or weather? Was it possible for the contractor to work more cost efficiently?

The technical board looks closely at the narrative portion of each evaluation. Time is consumed in discussion when the narrative does not support the numerical rating-facts always help. Also, the board questions ratings when there is a wide disparity between the RPM/EIC and ARO (E)ICC ratings, the norm would be 5 percentage points. The AROICC and RPM can talk and share their thought prior to forwarding their evaluations.

The performance board is primarily concerned with the overall management of the program and they generally do not focus on individual task orders. They look for trends in cost control and customer satisfaction in geographical areas.

Continuous improvement in the timeliness and quality of the evaluations will help complete the process within 60 days and insure that the contractor receives the fee that he has earned.

Greg Hedley

ROICC Office Photos

Many of the ROICC office photographs inside the entrance to the Construction Division are outdated and the pictures of completed facilities date back as well. Please send us an up-to-date picture of you office staff and if possible, some pictures of recently completed construction projects. This board is referred to frequently by visitors and by people in the Command who will be visiting your offices. In each case, the pictures should be 8" x 10" in size. Also, be sure to include key of individuals in the picture so that a name can be matched with a face

Are your contractors Qualified?

In the "Safety World" two terms are used frequently to define the level of qualification and experience required of construction personnel. These terms are Competent Person and Qualified Person. On most of our construction/alteration/repair projects, we have various types of work that require the designation of "Competent Person" and "Qualified Persons".

A "competent person" is defined by both OSHA and the Army Corps of Engineers as "a person who is capable of identifying existing and predictable hazards in the surroundings or working conditions, which are unsanitary, hazardous, or dangerous to employees, and who has the authorization to take prompt corrective measures to eliminate them." A few examples of types of work where a designated competent person is required are: where employees are exposed to fall hazards (such as scaffold erection, steel erection, roofing); excavations; and engineering surveys related to demolition work. The competent person should be designated by the contractor, in writing, on the Activity Hazard Analysis (AHA) during the preparatory phase of construction and also documented in the appropriate location on the contractor's quality control report.

A "Qualified Person" by definition means "a person who, by possession of a recognized degree, certificate, or professional standing, or who by extensive knowledge, training and experience, has successfully demonstrated his ability to solve or resolve problems relating to the subject matter, the work, or the project." Some examples where a qualified person is required are development of asbestos surveys, and design of fall protection plans where a conventional fall protection system is infeasible or more dangerous to use. Additionally, a qualified person is required to accomplish performance tests for cranes.

Within this past year, NAVFAC guide specifications were revised and now provide us with <u>two</u> additional Qualified Person requirements. In our safety specifications (Section 01525) we now have <u>Safety Qualifications</u> for on-site Superintendent, QC, or Safety Representatives. On our projects, one of these persons must have the

OSHA 10- HOUR Construction Hazard Awareness Safety Training course or equal. In both Virginia and North Carolina, the State Associated General Contractors (AGC) are accredited and qualified to provide this course of instruction for contractors. Additionally, there are other known sources of instruction from various "Safety Consultant Firms" that have had their course of instruction accredited by OSHA. Before a firm is qualified to train contractors with this 10 hour OSHA safety course, their instructors must complete a one week course of instruction to become qualified " Outreach Instructors" for OSHA. Contractors who take the 10 hour **safety course from these qualified** "outreach instructors" will receive the OSHA certificate of training as documentation of completion of the required qualification.

In our Quality Control specifications (Section 01450), the designated QC manager, in addition to other experience and education requirements, will have completed the course entitled "Construction Quality Management for Contractors". The US Army Corps of Engineers offers this course.

ROICC personnel who review contractor Accident Prevention Plans (APP) submittals should insure copies of the certificates of completion for both these courses are in section 6b (location for mandatory training and certifications). Construction contract surveillance individuals should be proactive by insuring contractor Activity Hazard Analyses are completed and accepted prior to the start of any new phase of work.

In the "Safety World" changes in safety regulations, methods, procedures, and new technologies often result in many of our contractors . being unaware of new requirements. We owe it to our contractors to insure they know new quality control and safety training certification requirements. If we are proactive toward safety we will be part of the solution in reducing accident mishaps on our projects instead of reacting to accidents. "Hindsight explains the injury that foresight would have prevented".

Questions regarding the source of training for either the OSHA 10 hour Safety Course or the CQM training can be addressed to Mr. Bill Garrett (Code 0526) in Virginia or in North Carolina to Walt Baer at ROICC MCAS Cherry Point..

Walt Baer

The Techno-corner

Today's Internet link takes us to the NAVFAC Streaming Video Library for videos on the Y2K problem, CADD/GIS, Installation Life-Cycle Management and others. http://207.132.208.50/video/. ***Thanks to "Wild" Bill Garrett***

Old Dogs

A recent review of open contracts throughout all LANTDIV components has revealed that we have TWO open contracts reporting greater than 95% complete (by dollar amount) for every ONE contract reporting less than 95% complete. Management personnel are requested to engage this issue immediately. Please close out contracts as soon as practicable after the basic occupancy date. ***Dennis Lewin***

Closing Thought

"Unless the job means more than the pay, it will never pay more." - *H. Bertram Lewis*

Gary

G. W. MACKEY, P.E.
Director
Construction Division