



Navy Public Works Center Norfolk



Strategic Sourcing

*Commercial Activities
Utilities Privatization
Business Process Reviews*

03 September 03



Commercial Activities Program



- Refuse
- Transportation
- Base Maintenance
- Environmental
- Utilities (Thermal)
- Philadelphia
- Contract Inspection and Specification Writing



REFUSE



- In-House decision 7 March 2000
 - Began MEO 3 September 2000
 - Second year Post MEO completed
- Original solicitation was for three years
- Currently no plans for re-solicitation



TRANSPORTATION



- In-House decision 31 July 2000
- Began MEO 27 January 2001
- First year N124 Post MEO Review reported problems with cost and quality
- Worked with NAVFAC on get well plan
 - ✓ Revised quality control and assurance plans
 - ✓ Could be reviewed in September 2003 (our plan is it will be)



BASE MAINTENANCE



- In-House decision on 3 Aug 01
- Completed 1st year of performance 31 Jul 03
- Contractor performing internal Post MEO Review
- Scheduled for N124 Post MEO Review in Sep 03



ENVIRONMENTAL



- In-House decision 10 July 2001
- Completed 1st year performance 31 Jul 03
- Contractor performing internal Post MEO Review



UTILITIES (Thermal)



- In-House decision 21 Nov 02
- RIF complete 17 Oct 03
- MEO implementation 1 Nov 03
- All planning is complete to begin first year performance on schedule



PHILADELPHIA



- Final draft PWS - 4 Feb 03
- Draft closed for comments - 20 May 03
- Open RFP - 15 Sep 03
- Start IRO - 17 Nov 03
- Complete IRO - 23 Jan 04
- Close RFP - 31 Jan 04
- Tentative decision - 07 Sep 04



CONTRACT INSPECTION & SPECIFICATION WRITING



- Issue RFP - 30 Jul 03
- Start IRO - 25 Aug 03
- Complete IRO - 23 Sep 03
- Close RFP - 30 Sep 03
- Tentative decision - 09 Mar 04



Strategic Sourcing Completed CA Studies



Code 09E
20-May-03

CA PERFORMANCE SUMMARY
as shown in CAM IS

CAID FUNCTION	S712 REFUSE	S717 TRANSP	S999 ENVIRON	Z999 MAINT	S728 UTILITIES	TOTAL STUDIES
ANNOUNCED	51	547	169	913	271	1,951
MEO FTEs	17	350	85	450	163	1065
CORE FTEs *	0	9	8	55	0	72
TOTAL FTEs	17	359	93	505	163	1137
ORIG COST **	\$11,501	\$149,688	\$60,225	\$411,642	\$112,631	\$745,687
MEO COST	9,211	131,790	32,233	218,442	63,044	454,720
SAVINGS	\$2,290	\$17,898	\$27,992	\$193,200	\$49,587	\$290,967
STUDY HRS	6,799	26,607	29,965	63,787	29976	157,134
FTEs @ 1776	3.8	15.0	16.9	35.9	16.9	88.5
STUDY COST ***	\$328	\$1,188	\$1,639	\$2,991	1,707	\$7,853

* Not included in MEO cost.
 ** Original Cost = (MEO Cost / MEO FTEs) x (Announced FTEs - Announced Core FTEs)
 *** Includes Contractor support, LantDiv support and SouthDiv IRO (IRO for Refuse & Transportation only)



UTILITIES PRIVATIZATION



Discussions are continuing with the offerors that made the competitive range. Third round of discussions began in Aug 03. First and second rounds showed good progress. Expecting to get best and final offers in Sep/Oct 03.



Business Process Reviews



- Completed: Business Process Improvement of Public Works Center Overhead in 2000 in 2000
- Included: Code 09, Code 10, Code 20, Code 90, Code 150 and HRO
- Purpose: To identify the most efficient and cost effective overhead organization capable of supporting the direct labor commodity-specific MEOs being developed by the study teams
- Bottomline: Study needs to be refreshed as we go into FY-04.



WRAP-UP



QUESTIONS