Public Buildings Service
Office of Portfolio Management and Customer Engagement

Meeting Title: Planning and Requirements Management Customer Forum
Date: Wednesday, January 25, 2017; 10:00am- 12:00pm
Location Information: 1800 F Street NW, Washington DC, GSA Auditorium
Meeting Host: GSA PBS Office of Portfolio Management and Customer Engagement

Meeting Agenda

● Welcome - Office of Portfolio Management and Customer Engagement Associate Assistant Commissioner, Benjamin Kochanski
● Opening remarks - Office of Portfolio Management and Customer Engagement Assistant Commissioner, Stuart Burns
● PBS Life Cycle: Planning and Requirements Management Panel Discussion
  ○ Capital Assessment and Allocation, Carrie Mosher
  ○ National Office of Leasing, Michael Trotter
  ○ Program Leader for Lease Project Delivery, Brett Wallen
● Overview of the Client Project Agreement (CPA) and Customer Engagement - Director of Operations and Customer Support, Maria Torres
● Project Delivery and Execution Summary - Director of Project Delivery Excellence, Keith Colella
● Closing Remarks - GSA Public Buildings Service Commissioner, Norm Dong

Meeting Minutes

Welcome - Associate Assistant Commissioner of Customer Engagement, Ben Kochanski -
- The Requirement Planning and Management Customer Forum is an informative and interactive session, focused on improved project planning in support of Real Estate Services that we provide for you.
- The GSA PBS The Office of Portfolio Management and Customer Engagement (OCE) is an access point, integrated with other GSA PBS teams such as Leasing, Acquisitions, Facilities Management, Design & Construction.
  ○ OCE is adding resources to the team and will become more involved and accountable for the Real Estate services that PBS provides to you across the country.

Opening Remarks - Office of Portfolio Management and Customer Engagement Assistant Commissioner, Stuart Burns -
- The Federal Real Property Community is being driven by OMB mandates to Freeze and Reduce The Footprint.
  ○ Space related conversations are now closely focused on refining and finalizing client requirements, improving utilizations, disposing of underutilized space, and eliminating extensions and holdovers to get the best value for government.
    ■ Extensions are expensive and inflate costs for the federal government, so finalizing

requirements is important in the timeliness of executing leases and OA's; with the primary driver being reduction of cost.
- GSA PBS has worked to standardize our project planning processes, and changes to how PBS does business to meet customer needs better. We've refocused on:
  - Improving and standardizing our terminology
  - Enhancing our methods of communicating planning, and project life cycle requirements
  - Applying consistency in the manner which we communicate with clients, and project delivery.

PBS Project Lifecycle Phases and Expected Deliverables Panel Led By -
- Michael Trotter - Office of Leasing, Center for Lease Project Delivery
- Carrie Mosher - Office of Portfolio Management, Capital Assessment and Allocation
- Brett Wallen - Office of Leasing, Center for Lease Project Delivery
- Maria Torres - The Office of Portfolio Management and Customer Engagement, Director of Operations and Customer Support
- Keith Colella - Office of Design and Construction, Director of Project Delivery Excellence

Panel Topic: PBS Life Cycle - Planning and Requirements Management (Michael Trotter)
- GSA has developed the PBS project lifecycle from planning to execution; the lifecycle applies to both prospectus and non-prospectus projects.
  - GSA's new process is to plan projects early.
- Prospectus Project Planning Timeline
  - Prospectus projects have scalability; with the added complexity of increased cost and area. Most complex prospectus projects will be initiated by GSA Planning Manager 18 - 12 months prior to the Capital Investment and Leasing Program (CILP) submission date.
  - Prospectus is a threshold set by authorities; currently at $2.85M. Exceeding the threshold will require submission of the proposed project to authorizing authorities such as OMB and Congress for their approval.
  - The prospectus submittal date based on lease expiration date. If lease award is in same year as lease expiration, the lease will go into holdover.
    - Note: Out of cycle prospectus submissions do not exist.
    - GSA has worked with OMB to allow earlier submission cycles; hence the reason GSA is requesting customer agencies fully defined requirements earlier than we've normally done.
- Below Prospectus Project Planning Timeline
  - Will be initiated by GSA Planning Manager at 42 - 36 months prior to OA expiration.

Phases/Milestones within the PBS Project Life Cycle
  I) Identification Phase
  - Strategic requirements must be established.
  - GSA Planning Manager will review details of the current lease and use that intel to draft the Client Project Agreement (CPA).

- High level project cost estimate and square footage will be determined by the end of identification phase to determine feasibility of the project.
- This must be conducted 36 months prior to OA expiration for non-prospectus projects; and 6 months prior to CILP call for prospectus projects.

II) Initiation Phase
- GSA to identify available housing solutions based on the customer's confirmed strategic requirements.
- GSA Planning Manager initiates the project resource board and kick-off project team.
  - This will provide transparency for the customer in terms of project team members, and who will assist to identify details within the building.
- Client will provide union specs, office sizes, data room matrixs, etc.
- Functional requirements for the project must be finalized by the end of this phase.

III) Planning Phase
- The Project Team will begin moving into design specifications of space (sound proofing, carpet, outlets, etc.), and complete the Program of Requirements.
  - This is to ensure understanding of how the building should look inside. In most cases, it's likely that the actual building may not yet be identified.
- The GSA Project Manager will be working with the customer to finalize technical requirements 29 - 24 months for Non-Prospectus projects; and for Prospectus level projects, 36 - 24 months prior to occupancy.

IV) Execution Phase
- All requirements - strategic, functional, and technical - should be completely finalized.
- Request for Lease Proposal's, award negotiations, etc. details will be confirmed.

V) Close Out Phase
- During formal closeout, security and tenant furniture will be installed in preparation for tenant occupancy.

Panel Topic: Overview of Client Project Agreement and Customer Engagement (Maria Torres)

Objective/Purpose of the Client Project Agreement (CPA)
- The CPA is a workbook that initiates collaboration with PBS business lines; coming together to look at the customer's current and potential future occupancy.
  - The CPA tool is facilitative and collaborative, intended to engage upfront and early with high level strategic requirements.
    - Part 1 of the CPA addresses basic attributes such as existing space, proposed sqft, and delineated area.
    - Part 2 of the CPA facilitates the opportunity for GSA and the customer to address strategic requirements in a more detailed discussion and walk away with a common agreement.
      - This concurrence indicates that we have finalized strategic requirements and are ready to move to the next phase of the project.

The CPA and Customer Engagement
- GSA and the customer will use the CPA to clearly identify space needs earlier.
- With the advent of the CPA, the goal is to end use of continuing needs letters and solely use the CPA to partner, understand client needs, and provide options.
  - At some point in the future, we may move to eliminate use of the SF-81, and only use the CPA to obtain and validate space requirements.
  - Going forward, GSA would like to know your opinion to ensure we are meeting your/client needs.
    - Timelines may be adjusted based on your future feedback as well as our internal analsyis

Panel Topic: Project Delivery and Execution Summary (Keith Collela)
- The GSA PBS Office of Design and Construction identifies the Project Manager based on requirements provided from the project identification through the planning phases of the PBS lifecycle.
  - The more details we obtain from collecting data in these multiple phases, we can assemble the best project team and deliver improved services.
- GSA is currently assessing RWA/cost management ranges to better our delivery of services. Also utilizing team of engineers for prospectus level projects.
- The GSA Regional Project Manager is point person at transactional level; and should be meeting with the client at your level (may not require/what's your preferred method of communication).
- eRETA is GSA's online application to collect and manage Reimbursable Work Authorizations (RWA).
  - Currently implementing system enhancements to better serve the customer/upfront planning electronically. Agencies are encouraged to go electronic with RWA process (if possible), with the caveat that some RWAs may still require a wet signature.
- ePM is GSA's internal Project Management application to manage projects.
  - Customers can request access for smaller scale projects <150K which can facilitate improved project updates.

Closing Remarks from GSA PBS Commissioner, Norm Dong -
- As leases expire, upfront planning is important; it allows for competitive procurement and offers better rates for the tenant and taxpayer.
- Competition often gets mistaken for relocation -- this assumption is not true; we see that lessors have advantages; our focus is meeting agency housing requirements and obtaining best rates for tenants and taxpayer.
- It's not always about the size of footprint, but quality of workplace;
  - We see opportunities to reduce and opportunities to improve workplace.
- This entire effort is a partnership between GSA and tenant agencies.
- GSA never wants to lose sight of tenant feedback, concerns, or insight, as it is critically important.

Discussion Q&As

1. Why does GSA need [functional and technical space requirements] details before approval at this upfront planning stage?
   Answer - By providing functional and technical requirements, GSA and our potential Lessors are able to obtain better estimates and improved schedule estimates.

2. Do projects need to have a designer?
   Answer - With respect to complex projects or lease construction level of detail, after space award every project will be unique, trying to get as many details as possible, in planning stage; you are scoping out hardwares and type of designs for space before sending out design specs on the street.

3. Does prospectus process only mean expiring OA, could process support CI projects?
   Answer - Timelines are similar to infrastructure projects with studies may take more than a year. Timeline still correlates to a 60 month timeline and client input is required.

4. Is GSA looking to have longer leases?
   Answer - Yes; our big push, communicated to Regions, is to evaluate whether or not there are opportunities for longer lease terms, and if so, making these recommendations to our customers.

5. Holdovers are challenging - you must estimate cost in the budget.
   Answer - There is no universal answer to eliminating holdovers; however, the level of collaboration will help bridge gap, starting early will refine requirements; will have a better sense of schedules and any impacts estimates.

6. Where is GSA getting the information to populate the CPA?
   Answer - GSA is meeting early to collaborate in meeting with PBS business lines, depending on institutional knowledge, our databases, financial tools, and portfolio tools to develop partner planning pieces.

8. Recommendation: Don't ask individual field offices about UR; ask HQ POC. For example, as people love space; my agency goal UR 162 net sqft. Recommend putting on form and not asking UR.
   Answer - We would love to meet with customers, to establish process rules/roles on who should be making decisions on which segments of strategic requirements. GSA is aware of Agency standard utilization rate, and will apply what we know the CPA part 1; but we will ask agencies prior to populating or finalizing the UR rates.

9. I would like for the CPA to replace SF81/no duplicative paperwork; see this as an effective replacement.
   Answer - We would too! The SF81 is 40 yrs old and doesn't address current standards. Our goal to eventually use the CPA in

10. Is GSA looking at consolidation of resources? How does it play in developing the CPA?
    Answer - We want the CPA to evolve into a 5 year occupancy plan; long-term plans for your agency and portfolios.

11. How does the CPA apply to continuing needs?
    Answer - CPA requires dialogue between GSA and Customer. Our goal is to have a competitive lease supporting procurement. The CPA is the kickoff tool that facilitates this discussion, and we should be using this CPA in lieu of a standard continuing needs letter.

12. Issue on back end/acquisition - Has GSA looked into "procurement" side? I can't believe it takes 24 months to execute "moving a table".
    Answer - Our job, at the National Headquarters, is to understand our customer needs, review regional variances, and work across PBS divisions to develop processes, policies, and tools for improvement in all areas of real estate, including issues such as these procurement/acquisition activities.

13. We have a few offices meeting GSA new planning threshold milestone at 36 months, but we're still receiving continuous need letters, and ready submit SF81. Should we contact the Region to request the CPA?
    Answer - GSA should be reaching out to you to collaborate on the CPA per our times we covered today. We recently trained our regions, with the CPA effective January 1, 2017. This new process will take time to standardize; although please continue to communicate issues. In addition, GSA is not prescribing a standardized utilization rate; we prefer each agency have a conversation in support of what makes sense to your agency. Agencies are unique, and GSA pushes a "smart standard"; if an agency doesn't have a standard UR, we use 150 usable square feet per person.