

OUTLOOK

SUMMER '07

Understanding BRAC

McDonough Bolyard Peck's
 Construction Industry
 Issues Newsletter

Military bases bring in millions of federal dollars into the surrounding communities each year. The Department of Defense (DOD) objective for achieving maximum efficiency in sustaining military installations does not match members of Congress desire to keep jobs and a strong local economy. Districts previously impacted by closure and realignment had challenges raised from their Congressional delegations. Thus, Congress created the Base Realignment and Closure (BRAC) process in 1988 as a politically palatable method for achieving more efficiency with DOD installations across the world.

What is BRAC? It is a process of the US federal government used by the DOD and Congress to close excess military installations and realign the total asset inventory in order to save money on operations and maintenance. DOD used a 2004 report that outlined an estimated 24 percent excess of military installation capacity.

387 installations have been closed in all four BRAC rounds: 1989, 1991, 1993, and 1995. The DOD Public Affairs information chart, (above right), depicts the costs to close installations and projected savings through all four rounds of BRAC.

Major and Minor Closures / Realignments

	Major Base Closures	Major Base Realignments	Minor Closures & Realignments	Costs (TY \$ Billions)	Savings (TY \$ Billions)
BRAC 89	16	4	23	2.7	6.8
BRAC 91	26	17	32	5.2	13.6
BRAC 93	28	12	123	7.6	13
BRAC 95	27	22	57	6.5	6.2
TOTAL	97	55	235	22	39.6

The BRAC process was developed to achieve the federal government's goal of closing and realigning military installations for better efficiency, despite the political challenges which always arise when federal facilities face reduction or elimination. DOD defines the term of efficiency as becoming more "joint", which translates to having the Army, Navy, Air Force, and Marines live, work, and train together on the same bases. In addition to the BRAC 2005 list, DOD included the military transformation plan for additional realignment from overseas basing as part of the overall Integrated Global Presence and Basing Strategy (IGPBS) that adjusted the world-wide footprint of military forces.

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Team Members in the news...

- Congratulations to **Jim Mascaro, PE** of our Williamsburg Branch for passing the Certified Commissioning Professional (CCP) Exam. There are less than 60 CCP's in the USA and an even fewer have the distinction of earning both a PE and CCP certification.
- Congratulations to **Gator Galbraith, PE,** and **John MacKay, PE, CCM** for passing the Certified Forensic Claims Consultant (CFCC) certification from the Association for the Advancement of Cost Engineering International (AACEI).
- Congratulations to **Mike Bagshaw, PE and Don Young, PE** for receiving their CCM certifications! To achieve this recognition, they met and surpassed the prescribed criteria of the Certified Construction Manager Program with regard to formal education, field experience and demonstrated capability and understanding of the CM body of knowledge.
- Congratulations to **Julie Coolbaugh, CCP** for passing the Professional in Human Resources (PHR) certification exam from the Society for Human Resource Management.
- We are pleased to announce the following promotions: **Kevin Bocock, PE** to Branch Manager of the Roanoke, Virginia office; **Ali Abdolahi, PE, CCM,** and **Jim Yatzeck, PE, CCM** to Project Manager!
- **Frank McDonough, PE** will be attending the International Construction SuperConference on May 20 - 22, 2007 at the Millennium Gloucester Hotel in London. He will be conducting a session entitled "Collaborative Working: Is There a Better Way?" with Steven J. Weber, Esquire and Mark S. McKain, Esquire. The intent of this session will be to review recent developments in prime contracting and supply-chain working arrangements to evaluate how these arrangements improve project execution and reduce project related disputes.

MBP Project Highlights

MBP was selected by the *Virginia Department of Corrections* for a five-year contract (annual renewable) to provide Consultant Management Services: cost estimating, project scheduling, and value engineering.

Fauquier County has chosen MBP's Fairfax office to provide construction management on Kettle Run High School in Warrenton, VA. This includes full-time, on-site Owner's representation, inspections, and project management services during construction.

The *Pennsylvania Convention Center Authority* selected MBP's Columbia office to provide constructibility review on behalf of the architect at the 80% design phase. The \$630 million new expansion will include a lobby, meeting rooms, exhibit halls, offices, ballroom, new kitchen and mechanical room, and associated utility and support spaces. Another element of the work is the renovation to the existing convention center that consists of demolishing and reconstructing approximately 30,000 square feet of the back-of-the-house support services.



Fort Bragg, NC, Ready Buildings and Dining Facility: On behalf of the architect, MBP developed a Code 3 parametric estimate for the Special Forces Preparation Course Ready Buildings at Camp MacKall and the Special Warfare Center and School (SWCS) Dining Facility (DFAC) at Fort Bragg, North Carolina using the U.S. Army Corps of Engineers MCACES Gold software. MBP participated in the project design charrettes and estimate review meetings. As part of the federal BRAC program, two new facilities are to be designed and constructed for the Special Operations Force. The two new Ready Buildings of approximately

12,000 square feet will be used for student housing at Camp MacKall. The DFAC will be constructed using the Army's standard design for new dining facilities for use by the SWCS. The facility will be modified to fit the current character of Fort Bragg. Both projects are to be designed to achieve LEED Silver accreditation.



MBP Raleigh is providing preconstruction services to the *City of Durham* through its Risk Management and Claims task order contract. Specifically we are performing constructibility reviews on two projects, including the new Durham Station Transportation Center bus terminal and the Oval Park Renovation project. Bree Associates is supporting MBP in the Oval Park project. We are also performing Peer Reviews on several cultural facilities projects and a police headquarters with support from Pease Associates. MBP is also providing commissioning support on another project at the Durham City Hall Council Chambers for an HVAC retrofit.

University of North Carolina, Pembroke, NC: MBP Raleigh will soon be providing on-site construction phase services for the Lowrey Building and Business Administration Building Renovation projects on behalf of Jenkins Peer Architects of Charlotte, NC. The Lowrey Building project will consist of the renovations to 12,557 square feet of the existing 21,830 square foot building. The Business Administration project consists of minor renovations to the existing 35,880 square foot building to bring it up to code. Anticipated construction start on both projects is Spring 2007 and both are expected to be complete in approximately 3 to 4 months.

Understanding BRAC

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Joint utilization improves efficiency, reduces overhead, and aligns infrastructure to force structure. While the primary reason for BRAC is to save money and eliminate waste, the objective of the joint services will enhance the overall combined war fighting capabilities.

The Pentagon released its proposed BRAC 2005 list on May 13, 2005. After many public hearings, the nine members of the Defense Base Closure and Realignment Commission submitted their revised list to the President on September 8, 2005. The President approved the list, and informed Congress of his approval on September 15, 2005. Despite the House of Representatives effort to block the approval, the list was approved on October 26, 2005. DOD must finish implementation of the BRAC 2005 list no later than September 15, 2011.

One of the most important opportunities for assistance/support is the second-order impacts of BRAC to the surrounding off-post communities. For example, in Virginia, the remaining installations will grow on

average as much as 50-70 percent of their current population. This large percentage of population increase impacts the surrounding communities in the following programs:



Housing market
(residential, apartments, etc.)



K-12 school facilities



Transportation systems
(road gridlock and public transportation)



Fire/Police/Hospital
(first responders)



Higher Education
(local colleges/universities)



Child Care facilities
(more working parents)

In summary, while there may be parochial resistance to change, BRAC is an impetus for transformation into the future. Superb opportunities for development and growth will come available whether the DOD population of a designated BRAC installation increases or decreases. For example, Fort Lee currently has an economic impact of over \$860 million

to the surrounding communities. The average daily population for Fort Lee is 16,273 (2005 figures). The Fort Lee population will increase to 31,372 in 2011. Based on the impending growth due to BRAC, it is anticipated that the economic impact to the surrounding communities will double by 2011, with a projected impact of \$1.7 billion in 2013. This same type of economic impact is predicted for the communities surrounding Fort Belvoir, VA and Fort AP Hill, VA. The opportunities for facilities and infrastructure growth using private investment, public-private ventures, and municipality growth are outstanding.

About the Author

DON YOUNG, PE, CCM

Mr. Young enjoyed many years of military service, rising to the rank of Colonel in the US Army Corps of Engineers. He is experienced with facility management, master planning, BRAC-related concepts, and federal engineering. Mr. Young is MBP's Regional Operations Manager in our Williamsburg, VA office.

MBP Team Continues Strong Growth...

We would like to welcome the following new Team Members:

Don Trammell, III is the latest addition to the **MBP Atlanta** office as a Consultant. He spent the last three years as a Project Engineer for an ENR top 10 CM-at-Risk firm where he gained valuable experience in cost estimating, inspection, CPM scheduling, management, and contract administration.

Gene Layne is a Senior Consultant in the **Williamsburg Branch**. He has over 30 years experience in the construction industry. Gene is certified as a master electrician, telephone engineering, fiber optic designer, clean room technology, CQM, construction estimator, health care facility maintenance and construction.

Terri Laws joined the **Atlanta Branch** as an Administrative Assistant. She brings 20 years of experience in human resources and administrative operations management in the health care and non-profit sector.

The **Columbia Branch** is pleased to welcome the following new team members:

Bill Tripp as a Project Manager. After a long stint as a Construction Manager for New Mexico State University, Bill and his family relocated to the Washington area and he joined MBP to pursue his CM career.

Antoine Foy as **Senior Engineer**. Antoine is a native of Baltimore, Maryland and has

worked as an Inspector and Construction Manager for various engineering firms throughout the Baltimore/Washington metropolitan area. In addition to overseeing upgrades to the drainage system of the Parkland Subdivision in Maryland, Antoine is continuing his education, working on a combined Masters and Doctoral degree in Engineering Management and Law.



Career Profile: Kevin Lugo, PE



Kevin Lugo is an Associate and Branch Operations Manager of MBP's Raleigh Branch. Kevin joined MBP in 1997 as an Engineer in our Fairfax Branch. Since then, Kevin has worked in the Roanoke Branch and in 2003 transferred to Raleigh, North Carolina where he is responsible for the day-to-day operations. During his 15-year career, Kevin has gained valuable experience providing construction management services to owners, contractors, designers, and attorneys. Kevin's experience includes on-site construction representation, CPM scheduling, constructibility review, cost estimating and claims analysis and litigation support on a wide variety of projects. Kevin has provided training in claims and delay analysis, CPM scheduling, cost estimating, construction inspection and project documentation. Kevin is a licensed engineer in the State of North Carolina.

Kevin and his wife Mary Jo are proud parents of two beautiful daughters, Amanda and Danielle, and also have two dogs, CJ and Sam, and a cat, Shadow. During soccer season, Kevin spends the weekend cheering on his daughters' teams. He also loves working around the house whether it is yard work, home improvements, or just general repairs. If there is a tool, Kevin has it. In his spare time, Kevin enjoys working on his 1968 Pontiac Firebird convertible and showing off his restored classic 1957 VW Beetle. Kevin is a sports fan whether it is playing them or avidly rooting for his Alma Mater, Virginia Tech.

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