

Center for Job Order Contracting Excellence
Performance Based Studies Research Group
Arizona State University
Quarterly Meeting
October 24, 1996
Location: PBSRG Conference Room

Attendees:

Dean Kashiwagi, PBSRG, ASU
Jim Freeman, MCC Construction
Ken Jayne, Brown & Root Services Corporation
Bill Sweetser, Centennial Contractors Enterprises
Bennie Smith, BENECO Enterprises
Steve Kennedy, BENECO Enterprises
Jim Anderson, Aspex Consulting
Ronald Geren, Facilities Planning & Construction, Arizona State University
Tony Boles, San Diego University
Tony Fulton, San Diego University

Work Session:

1. The meeting started approximately at 9:30 AM. Introductions were made and the Dr. Kashiwagi proceeded by talking about the PBSRG efforts.
 - a. Dr. Kashiwagi presented a proposal to the Sheet Metal and Air Conditioning Contractors' National Association Inc. (SAMCNA), to develop mechanical contractor performance profiles on 20 SMACNA contractors nationwide. The feedback has been very positive and a final decision is expected by January 1997.
 - b. Arizona State University Facilities Planning and Construction is currently accepting bid packages for their first Delivery Order Contracting System (DOC) contract. Contractors will be prequalified through the PBSRG using the Performance Based Procurement System (PBPS).
 - c. The PBPS has been introduced to Hughes Aircraft Company of El Segundo, CA, McDonnell Douglas of Mesa, AZ and the State of Wyoming. Honeywell is currently using the PBPS to procure janitorial services for one of its facilities in Albuquerque.
 - d. Dr. Kashiwagi briefed the members on the DC meeting with the Federal government. Unfortunately, some of the government points of contact did not

understand thoroughly the theory behind the PBPS. However, David L. Muzio, the Deputy Associate Administrator for Procurement Innovation expressed his interest in learning more about the PBPS. Dr. Kashiwagi will send Mr. Muzio an unsolicited proposal for the development of an automated database of construction / facility services or systems.

- e. Dr. Kashiwagi urged the CJE members to invite JOC points of contact to the upcoming seminars for PBSRG. A list of upcoming seminars was distributed. The seminars will be held in various states. These seminars will introduce the PBPS and its various applications.
 - f. The CJE book will be reprinted including the final 1996 survey results. It was agreed that a 500 units will be printed.
2. Ken Jayne and Bill Sweetser attended the DC meeting with the Federal Government. Ken Jayne proceeded to brief the members on the feedback he obtained from some of the government points of contacts. Steven Kelman from the Office of Federal Procurement Policy suggested the following as ways to help the Performance Based System more effectively:
- a. Use performance-based statements of work.
 - b. Reinforce the importance of evaluation of information received by the source selection process.
 - c. Consideration of using professional surveyors to better differentiate between offers.
 - d. Use the variance, not the mean to discriminate.
 - e. Look at patterns and trends both in contractor and contracting officer ratings.
 - f. Aggressively train source selection personnel in the use of PBPS for source selection.
 - g. Recognize outstanding contractors.

David L. Muzio stated the following as their expectations for the use of the Performance Based Procurement System:

- a. All awards would be “best value”
- b. Streamlined and simplified source selection process.
- c. Predict how the contractor will perform.
- d. Enable the government to build long-term relationship with good contractors.
- e. Reduce the cost of poor performance.

The Federal meeting was concluded by the following points:

- a. Concern for lack of differentiation.
- b. Concern for possible invalid evaluation and collection system.
- c. The ability of the PBPS to identify problems and help correct them.
- d. Different forms and factors should be used for different business segments.
- e. Training and guidance should be provided down to the working level.

3. Ken Jayne met with Major Steve Moes, AFCE Saber Action Officer; Major Jiley McNaase, SAF/AQ SABER Action Officer; and Ms Joyce Runklin, NAVFAC Acq Policy Officer.
 - a. Discussed the use of “lowest technically acceptable offer” by Air Combat Command and PACAF for source selections. A.F. agreed they should not, and will instruct the commands accordingly.
 - b. Discussed the use of multiple awards when not appropriate, i.e. small single base contracts. Agreed in principle, but disagreed on size.
 - c. Discussed the \$300 K delivery order limit.
 - d. Discussed the possibility of a Tri- Service Steering Group so that all services could exchange information and policies. This will aid the CJE in obtaining JOC information from government agencies.
4. The 1996 JOC/DOC/SABER results were reviewed. The performance lines were approved with a few recommendations for the 1997 JOC criteria. The committee members agreed that Jim Anderson will be responsible for obtaining the 1996 JOC contracts (contacts, phone, fax) from the Internet. These contacts will be asked to fill performance questionnaires in order to develop an industry performance line.
5. Ronald Geren addressed the ASU/DOC program and the expectations of Arizona State University. Ronald volunteered to write an article for the CJE newsletter (2nd issue).
6. The San Diego University representatives were asked to introduce themselves. They addressed the possibility of Dean presenting in an upcoming seminar in California. The Facility Management at San Diego University is also interested in the JOC industry and would like to participate in the CJE future research projects.
7. Jim Freeman proposed to host the next CJE quarterly meeting in Englewood, Colorado.

Action Items:

1. Finalize the 1996 JOC performance lines and include in the 1996 JOC Performance book.
2. Print 500 units of the 1996 JOC Performance Book.
3. Print the second issue of the CJE Newsletter.

4. Obtain the 1996 JOC contracts information from Jim Anderson.
5. Contact the San Diego Representatives in regard to the upcoming seminar in California and CJE membership requirements.