

OBO's Directorate-Specific Industry Day: CSM

Meeting Transcript

April 18, 2024 from 2:00 – 3:00 PM EST

BUREAU OF OVERSEAS BUILDINGS OPERATIONS



MS. MEGHAN SEBOLD: Good afternoon, everyone. Welcome to the U.S. Department of State's Bureau of Overseas Buildings Operations' second monthly Industry Day hosted by External Affairs. OBO is the single real manager for U.S. governmental diplomatic and consular properties overseas and sets worldwide priorities for the planning, acquisition, design, construction, operations, maintenance, and disposal of overseas properties.

Our secure, functional, and resilient facilities enable U.S. foreign policy through building technologies, sustainability, art, and culture. We see these industry days as an opportunity to strengthen the relationships between OBO and our industry partners. It's great to see so many of you from various firms eager to explore opportunities to collaborate with us.

In this industry days series, we are highlighting directorates within OBO so that our stakeholders can get a full understanding of what we do. Today, we're highlighting the Office of Construction and Security Management, which is instrumental in driving forward our initiatives and ensuring the successful execution of projects around the world. Joining us from CSM are Managing Director Tracy Thomas, Office Directors Roman Tellez and David Sparrowgrove.

Also joining us, are our partners from the Office of Procurement, also known as AQM represented by Jillian Savage who will provide an overview of the procurement process. Our industry engagement advisor, Lauren Luckett, will share helpful resources and will moderate the Q&A at the end. And we have gathered your questions. You can also submit them through the Slido in the chat.

First up, very happy to introduce OBO's Director, Ambassador Moser, a career Foreign Service officer who's been an Ambassador, not once but twice. He served as U.S. Ambassador to Kazakhstan from 2019 to 2021 and the Republic of Moldova from 2011 to 2015. We are very grateful for his lifelong public service to the United States, for his leadership at OBO, and for his presence here today. Director Moser, thank you for being here. Over to you.

AMBASSADOR WILLIAM MOSER: Well, more importantly, I want to thank you, Megan, and your External Affairs team for hosting a wonderful event today. And I also want to compliment you and construction management and security management and AQM for their participation today because they are the ones that are actually making this possible. And then finally, I want to offer my very warm welcome to all of our stakeholders joining us today for this session.

OBO's mission is very simple. We provide the most effective facilities for United States diplomacy abroad. Now, the reason why this is so important for me is that this really sums up the whole sum of our activities. Do we do security? Yes, we do security. Do we do safety? Yes, we do safety.

But what is our primary mission? To provide facilities so that our colleagues, the diplomats who work in the field can do their jobs, achieving the State Department's mission. And that is to conduct overseas diplomacy and to be effective in that overseas diplomacy. You can't be effective in the execution of diplomacy unless you have a facility that can support that activity.

I want to say for all of our industry partners here today that our mission requires a concerted effort from both within the State Department and from you, our external partnership-- our external partners. Partnerships and collaboration are absolutely essential to achieving our mission. With a changing world and restrictive budgets, it is even more critical than ever to have smart and efficient solutions and to take ownership of risk management and cost.

Now, this is what I say every day to my staff. And it's so important to understand that yes, we have in the organization successes and failures. When do we have success? When we work effectively with our partners to deliver a project under cost and under budget-- to under cost and under the time frame.

And when do we have failure? When we do not do that. And that means we usually have a bad relationship with our contractors. So I always tell people that it's both collective success and collective failure. And we should always work to make sure that our contractors are effective in what they are trying to do on our behalf and on behalf of the U.S. government.

Then I want to talk for a little bit more about effectiveness. What is effectiveness? We recognize the expertise, dedication, and creativity that each of you brings to the table. And as I've already said, we value your continued partnership. And there is no one that cares more about partnering than the next speaker. And that is Tracy Thomas, the Managing Director of Construction and Safety.

Tracy has been a career member of the Senior Foreign Service with over 30 years of federal and private sector experience, recognized with numerous awards for her performance in leadership. And we in OBO could not have a better director of our construction and security management activities. And so Tracy, I will turn it over to you.

MS. TRACY THOMAS: Thank you very much, Ambassador Moser. And good afternoon, everyone. As Ambassador Moser said, I'm the Managing Director with responsibility over the Office of Construction Management and Security Management. Thank you for being with us.

The partnership we share, our engagement is important as we come together to share our ideas and experiences on common challenges. What we do is complex and challenging in every environment. Sometimes we want to apply new approaches and perspectives to some of our unique challenges.

My offices manage all aspects related to construction management and security management including oversight for capital construction projects, renovations, security upgrades, and more. We oversee the construction security plans and liaise with Diplomatic Security on security policy, inspections, and that sort of thing.

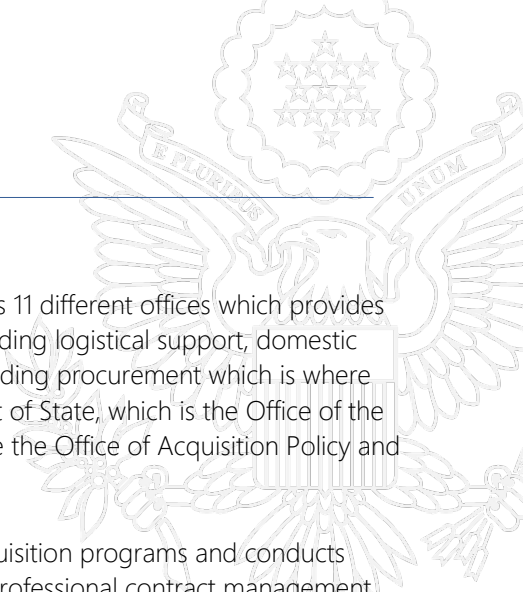
We hope this event today provides better understanding of who we are and the role that we play in building effective, diplomatic facilities around the world. The Office of Procurement is also with us today. Also, we refer to them as AQM. They manage, plan, and direct the Department's acquisition program.

We are privileged today to have the Branch Chief Jillian Savage. And she's going to present to you the procurement process at the State Department. Thank you.

MS. JILLIAN SAVAGE: Thank you, Tracy. Next slide, please. Next slide, please. First, we're all here as stakeholders of the U.S. Department of State. Here is a snapshot of our organizational chart. Whether you're here to contract or learn more about doing business with the Department of State, you may or may not know or realize how large it is.

Have a look. The print might be too small to see, but there are six undersecretaries. And beneath each undersecretary, there are a number of bureaus. The bureaus and offices that we'll discuss today both fall under, next slide, the Undersecretary of Management, also known as M.

Today, you're here to learn more about doing business with the Bureau of Overseas Building Operations. You'll see that M is robust with many bureaus designated to make our government more citizen centered, effective, and efficient. It's also a visual demonstration to show how OBO and A/OPE are related yet separate. Today's presentation will discuss the construction and security management directorate within their organization.



Moving over to the Bureau of Administration, as we call the A Bureau, it also contains 11 different offices which provides a plethora of support services and programs for the entire Department of State including logistical support, domestic real estate, facilities management, records management, publishing, and others including procurement which is where OPE comes in. Next slide. Under the A Bureau is the business arm of the Department of State, which is the Office of the Procurement Executive, also known as OPE. OPE consists of two different offices, one the Office of Acquisition Policy and the other the Office of Acquisition Management known as AQM.

AQM manages-- next slide. AQM manages, plans, and directs the Department's acquisition programs and conducts contract operations and support activities worldwide. AQM provides a full range of professional contract management services including acquisition planning, contract negotiations, cost and price analysis, and contract administration. Within AQM, the facility's Design and Construction Division acquires architectural and engineering, construction, and facility support services requirements predominantly for OBO.

I would like to mention that OBO also utilizes OPE's Regional Procurement Support Office located in Frankfurt, Germany. RPSO's objective is to provide Foreign Service posts worldwide with a responsive and effective procurement and contracting resources. At the end of my presentation, I'll include a QR code for RPSO, so you can access their website. Next slide. If you could go to the next slide and then go back to that one. The Department of State-- the one with the triangle. There you go. Thank you. The Department of State, like other federal acquisition offices, have a multitude of regulations to follow.

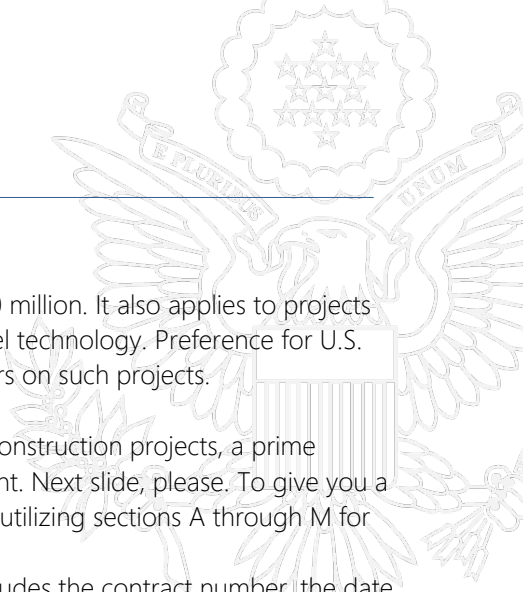
The FAR, the Federal Acquisition Regulation, and the DOSAR, the Department of State Acquisition Regulations, are the mandatory acquisition regulations that are required to be checked and complied with first and foremost for each acquisition. The DOSAM, the Department of State Acquisition Manual, is the Department's comprehensive manual of acquisition policies and procedures that implement and support the FAR and the DOSAR. All Department of State contracting personnel must follow the requirements of the DOSAM, the DOSAR, and the FAR.

To the left of the slide, you can see the FAR and sections of the FAR and the DOSAM and the DOSAR that FTC utilizes for many of OBO's requirements, specifically FAR Part 36, which addresses construction and A&E contracts. Next slide to the surety. There you go. Thank you.

Other regulations that are utilized for construction include the requirement for performance and payment bonds. As you can see from the slide, there are several regulations covering this topic. The Miller Act requires performance and payment bonds for construction contracts exceeding \$150,000. Performance bonds must equal 100% of the original contract price with additional coverage for price increases via modification.

Payment bonds must also generally cover 100% of the contract price and adjust for contract price increases. Contractors must furnish all bonds and alternative payment protections before the start of work. Typically, we require them 30 days after contract or task order award. Specific clauses related to the performance and payment bonds must include-- must be included in solicitation in contracts as per the stipulated values and considerations.

Next slide. Other regulation considerations for OBO projects include the preference for U.S. contractors The Percy Amendment applies to unclassified projects valued over \$5 million that are full and open which will give U.S. contractors a 10% price evaluation preference versus foreign contractors price. Under the Omnibus Diplomatic Security and -terrorism Act, preference is given to U.S. contractors or qualified U.S. joint venture persons for certain diplomatic construction projects abroad.



Omnibus applies to diplomatic construction or design projects abroad exceeding \$10 million. It also applies to projects involving technical security regardless of the dollar amount unless it involves low-level technology. Preference for U.S. contractors does not apply if the host country laws prohibit the use of U.S. contractors on such projects.

There is a subcontracting limitation for projects subject to Omnibus. For diplomatic construction projects, a prime contractor is limited to subcontracting no more than 50% of the total contract amount. Next slide, please. To give you a look at our contracts and our RFPs, our contracts follow the uniform contract format utilizing sections A through M for RFPs.

Section A is our standard form, 1442, usually for our construction projects. And it includes the contract number, the date, the signatures, the contract price, and other information such as the date of award. Section B includes the pricing, the contract price, the plans, the type of contract, and very important parts of the agreement.

Section F includes deliveries and performance, and it mentions how the performance date will be calculated. It's usually-- the clock starts when the notice to proceed is issued. And the completion date is calculated per the specified months that are specified. There is also liquidated damages in section F that's specified.

And in section G, we cover contract administration data, which tells you how you will get paid. Section H includes some of our special contract requirements such as DBA for Defense Base Act insurance for those traveling under the contract and remaining there throughout the project performance. There are several special Diplomatic Security requirements that must be included in all subcontracts.

There is also coverage in this contract section about public release requests and photographs that will be taken at post if you need. There is also a basis for equitable adjustments. And here are some of the clauses that we cover for those REAs.

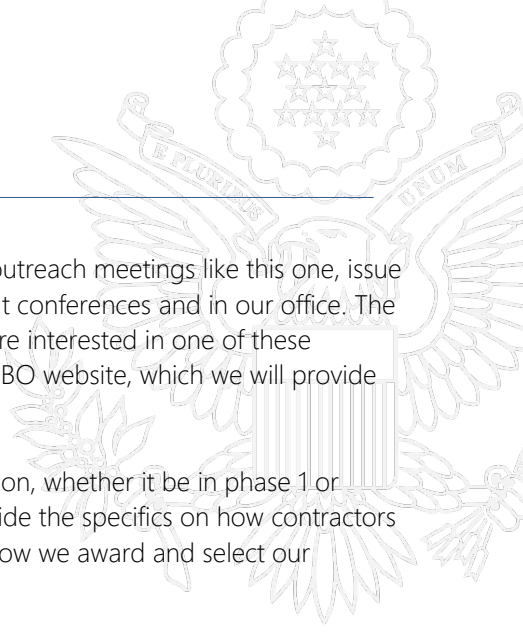
Next slide, please. Section I is our contract clauses. To highlight a few, is that we do make sure that each one of our contracts addresses combating trafficking in persons. It also includes the preference for U.S. flag carriers. This is for travel under the contract and for transport of anything having to do with the project.

We also include accident prevention through the FAR and the DOSAR. The contractor shall provide and maintain work environments and procedures that will not only safeguard their workers but also the public to make sure that there's no accidents on site. Next slide. Our contracts are typically firm fixed price. And sometimes there are differing site conditions or things that may or may not change in the contract.

Changes, if there is any change that's requested by anyone other than CO, the contractor shall immediately bring this to the attention of the CO. Sometimes posts get excited and see contractors doing work. And they're like, hey, can you also do this other work for me? The answer is you need to talk to the appropriate person, which is our COR, who will then talk to the CO. Only the Contracting Officer has the authority to issue a modification and authorize additional work not included in the contract or task order.

Next slide. Our current project delivery methods include both design-bid build and design build with bridging documents. The context, complexity, and construction environment and urgency are evaluated in deciding a delivery method. It is the OBO director that determines the project delivery method for each project. Alternative project delivery methods such as earlier contract involvement are used to ensure best possible outcomes and reduce risk. The most commonly used delivery method is design build with bridging documents.

Next slide. We strive to recruit, pre-qualify, and award to contractors committed to best practices with verified records of



consistent success. We're committed to broadening the contractor pool by holding outreach meetings like this one, issue market research and pre-solicitation notices on sam.gov and meet with contractors at conferences and in our office. The Office of External Affairs and OBO hold capability meetings with industry. And if you're interested in one of these meetings, please check out their website and complete the form at their build with OBO website, which we will provide later on and maybe in the chat.

Contractor selection is made based on the evaluation criteria set forth in our solicitation, whether it be in phase 1 or phase 2 of the acquisition. Our evaluation criteria in phase 2, the RFP phase will provide the specifics on how contractors will be evaluated. Next slide. So I'm talking about a lot of rules and regulations and how we award and select our contractors.

So what contracts do we have? We have several IDIQs, not only just standalone contracts for capital projects, but we also have IDIQs. And we included a list of these organized by the NAICS code. And you'll see that each one of them has a estimated recompile year at the end of the listing.

We have three different slides of these, if you want to go to the next slide, that include a plethora of different requirements that OBO requires for their projects. I think our largest utilized IDIQ has a NAICS code of 236220. The small business size standard is the annual receipt amount of \$45 million.

So yeah, we try to utilize our small businesses. Certain projects are set aside for small businesses. So it's important that you read the solicitation notice on sam.gov. Next slide. Sam.gov is the one-stop source for the U.S. federal government contract opportunities. It's where my office, AQM, posts contract opportunities for all major capital projects and IDIQ competitions.

OBO also utilizes the RPSO located in Frankfurt, Germany. They have opportunities for projects below \$10 million and for non-diplomatic facilities that exceed \$10 million threshold for RPSO. And as promised, there is a QR code that you can utilize to access the regional procurement support office in Frankfurt to find other opportunities.

That's what I have for today. Thank you for having me. And Tracy, I want to hand it back over to you. Thank you.

MS. THOMAS: Thank you very much, Jillian, for that thorough presentation. Very informative. We'll switch back to our directory specific content. And as I mentioned earlier, my offices manage all aspects related to construction management and security management.

Our work in this environment is shaped by prioritization and risk management. As we think about prioritization, that is the program drivers that help us sharpen our focus on where we're going to expand our resources so that it's on the most important activities. Risk management, that keeps us in front of proactive identification and mitigation of risk to maximize our successes. And both of those practices require vigilance and honesty as we make trade-offs where necessary to increase our efficiency. And both of those practices require discipline and partnership with all of you, which is what Ambassador Moser was saying is absolutely critical.

Before we get into our office presentations, I want to focus on something that they're not going to cover, which is to highlight construction safety. It's a part of our program. Safety first is on all of our hard hats. And next month, May 6 through 10 is Construction Safety Week.

This year, we're going to couple that with the happy coincidence that the month of May is also Mental Awareness Month. And we're putting a special emphasis on mental health on our construction job sites, our contracting partners as

well as our teams as well as our construction security teams. Construction safety is for all of us.

We have some initiatives underway related to safety to get ahead of accidents, focus on accident prevention, and see where we can predict where things may go wrong and actually get ahead of it. Some of those data initiatives will be sharing at AGC FedCon in June. As we continue on our program, I've got office directors with me, Roman Tellez who oversees construction management and David Sparrowgrove who oversees security management.

Roman is a senior Foreign Service officer with over 30 years of experience in construction, engineering, and risk management, 19 of those years at Department of State. He will share an overview of our construction management office. Following him will be David Sparrowgrove. He is a senior Diplomatic Security special agent with over 30 years of experience. He has worked in the field as both a regional security officer and a site security manager.

His background in physical security programs makes him ideally suited to be leading our office of security management. With that, I'll turn the program over to Roman.


MR. ROMAN TELLEZ: All right, thank you very much, Tracy. As you mentioned, yes, I'm a Foreign Service construction engineer. I've been here with the Department and with OBO since 2005. Prior to that, I was a civil engineer in California, and I served as a Peace Corps volunteer in Honduras. And so though I've touched dozens of projects over the years here in OBO, I have had specific assignments as both a construction manager and a project director in Indonesia, Laos, and most recently Honduras. So with that, on to the next slide, please. We'll get into some of what we do here. So I've had the honor to be the director of construction management since August of 2022. It's really given me a chance to fully appreciate the magnitude and the impact of the work that OBO does in the world. So this slide here goes into depth on the role of the Office of Construction Management and the work that we do here.

In short, what the Office of Construction Management does is we provide expertise in executing global diplomatic construction. What we deliver as a result of that are the effective diplomatic platforms that support the mission of the United States. Next slide, please. Our office here, we're organized much like the rest of the Department of State into geographic regions. We're comprised of a division dedicated to the execution of construction projects and a division that's dedicated to providing professional services required for the effective international construction program that we run.

So a unique aspect of the construction management office compared to the rest of OBO is this blend of both domestic and overseas staff. Headquarters is here in Washington. And many of our projects, we have site offices to oversee those projects in the country or sometimes the region.

Next slide, please. So in addition to the mix of domestic and overseas staff, our office, it's also a blend of civil service, Foreign Service, locally employed staff, and contract staff. We have a core professional team of Foreign Service, civil service, and personal service contractors and contract staff that fluctuates, depending on the workload. Currently, we have about 400 people managing about \$17 billion across 100 projects all over the world.

Next slide, please. So our most high-profile work falls under capital construction. Though capital project could be small, the headlines always go to the multi-million dollar new embassy consulate projects such as in Beirut or in Mexico City. These projects are very complex because of the advanced systems that go inside and the unique operational environments that they're usually in. In fact, one of our division chief, he likens the complexity of a new compound to building aircraft carriers.



Hospitals are another comparison. And honestly, they are very complex and very unique works that we do. Next slide, please. The other type of construction we handle are the non-capital and major rehabilitation projects. It's a growing field of work for both OBO and our construction management office. And the major rehabilitation projects, they involve mostly existing facilities that need updates, refreshes, expansions.

Some of our facilities, as you might know around the world, are dating back to the early 1900s in some parts of Europe, some of them to the 1950s. And a lot of these places just need work. They tend to be high-dollar contracts, the major rehabilitation projects. And they're also incredibly challenging, such as a project we had recently in Montevideo, which was an embassy that dates back to the 1960s, I believe, late '50s, early '60s. Had to have a very in-depth renovation to it while it was fully occupied and functioning.

So the other non-capital work we are involved with, it includes a lot of security upgrades such as building a new perimeter wall or equipment replacements like some of the wedge barriers, or in some cases, this crosses over with a lot - with our facilities management office, some of the major equipment that operates a building such as air handlers or generators. Next slide, please. So we'll give you a real quick break from all the words on slides, show you some of the construction projects that have taken place. This year is a new embassy that happened in Vientiane, Laos.

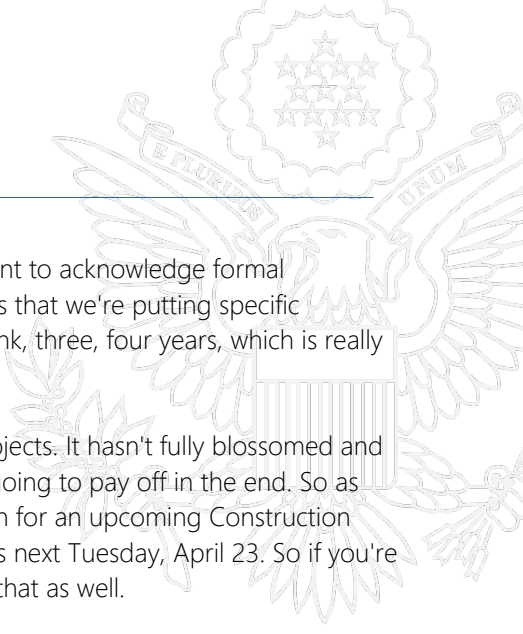
Next slide, please we've got-- you can see we do lots of concrete here in Niamey, Niger, which turned out to be beautiful. And probably, it's one of three platinum LEED-certified embassies in the world that we've got. And then next, you see the inside of Nouakchott, and that turned out real nice. And then we've got this one coming up out of the ground in Tegucigalpa, Honduras.

So yeah, next slide, please. Sorry. This one coming-- stay on that slide there. OK, we'll go up one. Next slide, please. Thank you. OK, so planning, awarding, and constructing diplomatic construction overseas involves a lot. So hopefully, you saw our previous Industry Day event, where the program development, coordination, and support directorate presented the work that they put into making a project possible.

This slide here, it summarizes the flow or the tasks that we do in the construction management office and where we are in the lead once a project is awarded and it goes to construction. Broadly speaking, construction management, it's in the lead from the moment a contract is awarded to the moment the new facility is turned over to our Office of Facilities Management for occupancy.

Next slide, please. Here, we talk about how construction management still heavily involved in the pre-award and the occupancy phases. We're just not in the lead, but these are some of the key tasks that we do get our hands in deeply to those two sides of the project. This slide describes some of those things we do, and in particular, take note of these miscellaneous activities that we do that aren't directly construction oriented but really support the broader mission of OBO and how it relates to the work OBO does.

Next slide, please. So construction, it's a vital sector of the global economy. And Construction Management, it's a technical profession that really makes it all work. So we recognize that. And here in CM, we diligently work to improve the professionalism and to keep up with industry best practices. Currently, we're growing our practice and proficiency in these areas here on the slide. Risk management is something we're fully invested in right now and that we do across just about every project. Well, we do risk management on every project. We do a very formalized version of risk management on our larger projects.



And we get into lean construction practices, formal partnering, pull planning. So I want to acknowledge formal partnering, pull planning. It's sort of a subset of lean construction, but these are areas that we're putting specific emphasis on. With partnering, in particular, we've been doing this over the past, I think, three, four years, which is really starting to show its results now.

And pull planning is something that we're starting to emphasize more across our projects. It hasn't fully blossomed and taken off, but I think it's going to be one of the big changes that we do that's really going to pay off in the end. So as our office broadens its construction management leaders, I also want to put a plug-in for an upcoming Construction Owners Association of America event that we're sponsoring here in our headquarters next Tuesday, April 23. So if you're able to, please check it out. I know our External Affairs office that they're advertising that as well.

Next slide, please. So with areas of opportunity, this is the work that we do. It's highly unique and complicated. We couldn't be effective at it without our private industry partners. I find our best partners, they have shared values in mission and what is important to others. That seems to really be what makes us hum together.

And these are some of the opportunities for contracting that directly interact with the Office of Construction Management. Our worldwide professional engineering services is something we also refer to as third-party contractors and supply site staff through IDIQ contracts. We've got that solicitation coming up in '26.

Schedule and claims analysis services, which also is one of the avenues we use for our formal risk management programs where we do analysis, Monte Carlo simulations to come up with PAD completion dates with our schedules claims analysis when we deal with a request for equitable adjustments and schedule analysis. Just as a regular part of construction management practice, we've got the IDIQ solicitation for that. It's out now.

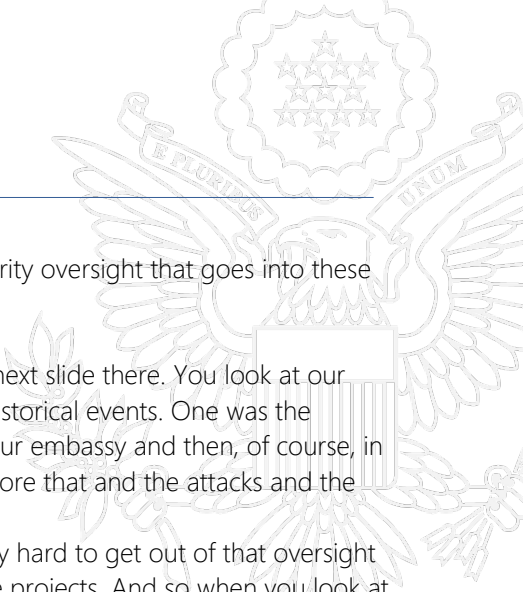
Commissioning services, another one of our leading programs that we started many years ago, and we're highly competent in it. And it's been a real star in our world here. IDIQ solicitations out for that now. Personal service contracts, that's another type of staff that we have both domestically here in Washington as well as in our offices overseas. That's a rolling thing that happens.

You have to keep checking on monster.com if you as an individual would like to come and work for us and PSC capability. That's where you would check it out, in monster.com. Partnering services, as I mentioned, partnering is a big thing that we're getting heavily invested in. We're seeing a lot of payoff with it. So we want to keep using this and keep furthering the practice.

Partnering services, right now, the way we're set up is we contract that through the general contractor. So as an opportunity, it's best that you know where our projects are happening and that you know who the GCs are and that you're able to make the connection with them with the partnering services. The last two, if you tuned in last month to the PDCS information forum, they talked about how these contracts get developed. I know our AQM colleagues also talked about them.

We don't take the lead. The Office of Construction Management doesn't take the lead in these awards, but we are heavily involved with them. So that's why I want to mention them. And so that concludes the presentation on construction management. And so I'll turn it over to, David Sparrowgrove to present on the Office of Security Management.

MR. DAVID SPARROWGROVE: All right, thank you, Roman. Roman mentioned how complex these projects are. And



they're made even more complex with the whole range of security features and security oversight that goes into these projects.

And when you really look at security management and our mission-- let's go to the next slide there. You look at our mission, there are really-- our mission is defined by a couple of really monumental historical events. One was the embassy construction project in Moscow back in the '80s when the Soviets bugged our embassy and then, of course, in the '90s when a couple of embassies were blown up in East Africa and then even before that and the attacks and the growth of worldwide terrorism and the attacks in Beirut.

And so security is a huge part of the overseas construction program. And so it's really hard to get out of that oversight role as you are-- or it's hard to overstate the role of the security oversight in all these projects. And so when you look at our office-- and we're broken up by three divisions, security operations division, the administrative division, and the security countermeasures.

But what that-- let's go to the next slide there. So when you look at our program, it's really set up to certify to Congress-- and again, after all these security events overseas and these-- again, which were very monumental and historical, we now have to certify to Congress that the design of an embassy meets all those security standards, both technical and physical security, that the interagency comes together and agrees to, and then that we've taken all those appropriate steps to protect the embassy during the construction project.

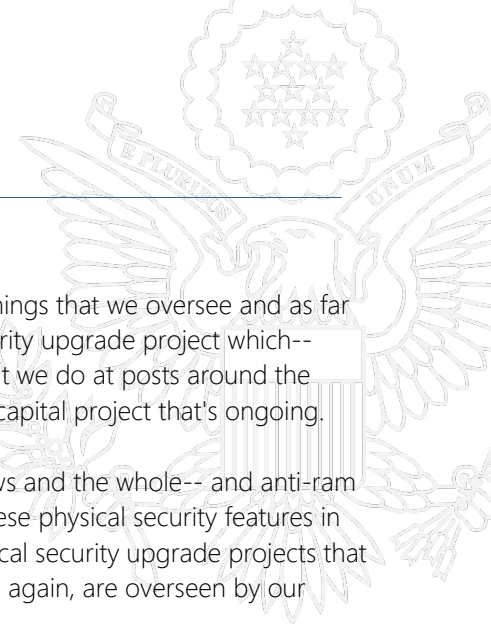
And that goes from everything from secure logistics and the way that we procure our materials. And from the time that that construction starts on site, you have all those physical, technical, and procedural security elements that will go into a construction site and ensure that, again, we are complying with public law and what Congress intends for our diplomats. And again, we can't overstate the fact that our mission is really to ensure, as Ambassador Moser mentioned, that our embassies are secure and they're safe, right? And that's the role of security management.

And so security management is led by DS special agents. As Tracy said, I'm a Diplomatic Security special agent. I've been in the Department for 25-plus years. And I've been an RSL and an SSM. So I understand construction, and I worked in construction before coming into back security.

And so again, when you look at the complexity of these projects and how much security goes into them, it's really hard-- I can't emphasize enough the role of security in these projects and the oversight and all the logistics. And then also part of the office is led by security engineering officers. They are also part of Diplomatic Security. And they are the ones who really oversee all that technical security countermeasures from inside the most classified and sensitive parts of the embassy, all the way out to those perimeters and helping us secure those facilities.

Next slide, please. So we oversee-- so security management carries out these roles through a cadre of physical security engineers, technical security specialists, and program managers that, again, do that design, review, and ensure that as a building is being designed even before it goes into construction execution, that all those standards and all of those countermeasures are included in the design. And then of course, our site security managers who are deployed overseas and are overseeing that construction [AUDIO OUT] those physical, technical, and procedural security elements as the embassy goes up.

And if you think about a green site or a construction project that we're going to build an embassy in, again, because of the requirements of public law and securing those facilities that will store or process classified information, we have to literally start with that procedural and technical security countermeasures from the ground up, from literally putting those physical barriers around it and watching those-- the construction very closely as the building goes up.



Next slide, please. And so now, I'm going to go into some of the other programmatic things that we oversee and as far as industry is concerned, some of the opportunities. So we oversee the compound security upgrade project which-- program which is the smaller, minor, and-- minor physical security upgrade projects that we do at posts around the world. These are typically at posts that don't have a completely new embassy or a new capital project that's ongoing.

And so what that program funds is forced entry and ballistic resistant doors and windows and the whole-- and anti-ram vehicle barriers and that whole life cycle replacement process that goes into keeping these physical security features in place. And we execute that through a couple of different contract vehicles. So the physical security upgrade projects that we carry out overseas are really done through the general construction IDIQs. And that, again, are overseen by our colleagues in construction management.

And then also, we have another set of ID-- we have another pool of contractors within an IDIQ that specialize in FE/BR replacements. Again, those are the windows, the doors, and then also another group that specializes in vehicle barriers, both to that repair and the replacement of those anti-ram vehicle barriers.

Next slide please. So again, now, I'm going to kind of talk about the product.

So this is-- these are the physical security systems and products that we oversee the installation of and again, that-- and we work very closely with impact security on the certification of those products. So again, they're all-- all of our facilities overseas are protected with forced entry and ballistic resistant windows and doors and louvers and hatches. And then the perimeters are protected by whether they're Delta barriers or other different vendors that provide those wedge barriers, anti-ram gates, and even anti-climb gates.

So again, a lot of different opportunities there for physical security products. We're also-- we have a RFI to industry that AQM helped us put out a while ago that we are-- we're in the market for a modular safe area, right? This is something that we could pack and ship to post and assemble in a warehouse or someplace where that facility doesn't meet all of the physical security requirements that we would have in a new building.

And so again, these are great specialized products that we use both in the capital program and, again, to keep our life cycle repair and maintenance program going. And again, we work very closely with Diplomatic Security's research and development office. So if you have products that are out there that are different and may be new, we can put you in contact with the right folks to begin that conversation to how you get your products certified by Diplomatic Security. So they can be used in these capital construction projects or and, again, in these replacement projects.

Next slide, please. And then we also have, within security management, a technical security systems program. So again, this is all of-- that technical security infrastructure that goes into the most sensitive parts of our embassies. Again, these are higher level alarm systems.

And as far as direct IDIQs, we have a materials and labor IDIQ that I think it may have just closed. But again, these vendors install those higher level alarm systems. And so those are installed by TS-cleared Americans in, again, those most sensitive parts of the embassy. But then there are other opportunities for TSS. So if you're into that-- that has know cameras and alarm systems and other systems for the controls of all those systems and all that, the surveillance detection and things that go into a Marine guard post 1, there are opportunities through the larger GCs to pick up some of that work.

Next slide, please. And then finally, there's the Construction Security Monitoring Program. And again, these are the cleared American guards and the construction surveillance technicians that deploy overseas as embassies are being constructed. And what they do is-- again, if you've ever been to an operational embassy, we have Marine security

guards that are posted in the embassy 24 hours a day, 365 days a year.

And the Cleared American Guards essentially play that same role, ensuring the procedural security, that all the workers are cleared and screened appropriately and that nothing is being introduced onto the embassy compound that could create a security risk for us. And then we have these Construction Surveillance Technicians that also work. These are ladies and gentlemen that have been brought from the trades.

And they typically have experience in construction. And so they'll oversee uncleared labor as they, again, assemble certain parts of the embassy and just making sure that, again, nothing nefarious is being introduced into the building during that construction. And a bit of a war story. Back when Moscow was built, that's how they discovered that the Russians had bugged our embassy as the guys in the suits showed up and started wanting to connect those systems. And so very important to have that kind of surveillance over the embassy the entire time.

And so there's contracts out there that we have. That right now, on average, we issue close to 25 new task orders a year and manage over 65 task orders at any one time. So there's projects all around the world that are going on. And as I said, it's a critical part of our program and ensuring that when we turn the building over to our diplomats, that it is a secure and safe facility and that it is appropriate for storing and processing our most-- our national security-- for our national security partners to participate in and to protect all of our national secrets.

So with that, I will turn it over-- I don't know who it goes to next, but maybe back to--

MS. LAUREN LUCKETT: That would be me, Dave. That would be me, yes. Thank you very much. Do you want to touch on this slide?

MR. SPARROWGROVE: Yeah, I think I kind of hit most of them, but I could go over them really quickly. Again, just to recap, the areas of opportunity are, again, the forced entry products. Diplomat Security approves those. And so these are Forced Entry and Ballistic Resistant doors, louvers, and then, again, the installation.

So I kind of hit most of these. FE/BR modular systems, again, we're very interested in getting those, getting a scalable modular system into our system that's been certified. And then, again, I spoke to the technical security opportunities there and then the ConSec program. So thank you, Lauren.

MS. LUCKETT: OK, great. Thank you very much. Next slide, please. I just want to-- before we jump into the Q&A, I want to mention that we do have a couple of folks on this meeting who are interested in hearing about careers within OBO. We do have four different areas where we hire. You can see them below on the slide, a civil service, personal service contractor, Foreign Service specialist, and we also offer internships.

We will be passing this deck out later on, possibly probably earlier next week. And all this information will be in here as well. Next slide, please. You can find more information about the careers using the QR code below. And OBO's capability conversations have been mentioned a couple of times throughout. They're a great platform for all of you to have some face-to-face time with our subject matter experts and pick our brains about what we look for from a partner.

So you can go ahead and register for those via the QR code up there. And now, we're going to jump into our Q&A. I'd like to invite all of our panelists to turn their cameras on and feel free to jump in at any time for any of these questions.

I'm going to start with a couple for AQM that came in earlier on this week. One of them is, we see that you are the core

for IMP3. Is a new solicitation for IMP4 scheduled? If yes, is a timeline for the solicitation available? So that was directed towards Blondell. I'm not sure if you're able to take that one. I know Jillian you're here as well.

MS. SAVAGE: Yes, I'm here. Blondell, can you unmute?

MS. LUCKETT: OK, Jillian, would you be able to address--

MS. SAVAGE: Yes, I guess you can. So the [INAUDIBLE], the current contract has one more year in the option year. And the solicitation is not yet scheduled. But the last option year ends in July of 2025. So I would anticipate that the recompetes would come out within late 2024 or early 2025.

MS. LUCKETT: OK, great. Thank you. We've got another one for AQM. How do tool and equipment vendors get the opportunity to quote and sell you for the contractors? So actually, I'm not necessarily sure if that's specifically AQM, but anyone wants to jump in on that?

MS. SAVAGE: So our contracts and our requirements include what this individual is trying to sell. And usually, we include that in our requirements for our general contractors. So for them to get their products to our contractors, they would have to solicit the contractors that either have IDIQs with us currently or contractors that are awarded the capital projects or standalone contracts.

If they're interested in finding information on who our contractors are, I think it's in the chat that directs everyone to the build with OBO. There are a list of our contractors on there, our IDIQs, and really useful information if you're looking to solicit those contractors that we currently utilize now.

MS. LUCKETT: Great. Thanks, Jillian. Now, we've got one question coming in. Can you explain the relationship between the Office of Construction Management and the Office of Project Development? So Roman, Tracy, either one of you able to jump in on that one?

MS. THOMAS: I may start and then ask Roman to fill in. I'm Tracy Thomas. The directorate specific industry days last month included project development coordination as well as cost and design and engineering. So that is an office in a different directorate that has a managing director that I meet with regularly. He sits next to me.

So the relationship between the offices that make up Program Development, Coordination, and Support and construction management, security management work very closely together. Primarily, planning and decisions and scoping and the beginning of risk management, all of that happens when an acquisition-- when a future project is in development in PDCS. When there is a contract award, then it comes over to construction management and security management. And I believe Ramon meets regularly with the office director, if you want to say more in that, Roman.

MR. TELLEZ: Yes, thank you. Yes, we meet regularly with just about every office director here. We all seem to meet regularly. I would describe the relationship between PDCS and CFSM-- I think PDCS, to put it very broadly, they hire-- they handle a lot of the pre-award work that goes into making a project possible. Then our directorate gets involved, which handles a lot of the during a contract.

And then I'm not sure when the next-- one of these is happening where we have our Office of Facilities Management. They handle after the construction of a project happens. To dig in a little deeper, during the construction of a project, our office and the Office of Security Management, we work quite a bit with the Office of EDC and the Office of Design Engineering to answer a lot of questions as a project gets constructed.

During construction, you always have to go back to what was intended and be able to answer these questions of what was intended to be built and built as well as what are the standards that apply. And that's really how we start to work together to realize the construction of a project. I'll take a quick pause there as well.

MS. LUCKETT: Great. And I'm sorry. Did anyone have anything to add? Nope. Just heard some noise, OK. Our next question is about our delivery methods. Has OBO ever considered comparing design-build and design-bid-build projects to evaluate the duration and/or cost effectiveness of OBO projects?

MS. THOMAS: I might jump in on this one as well. We have evaluated that. We do evaluate that. And the delivery methods that Jillian mentioned, they're all available as well as some other early contractor involvement models. They're all delivery models that we can use.

And as far as schedules, you're not always comparing apples to apples when you say schedule from the very beginning that you might be authorized to spend budget to the time that you're finished and handed over to operation and maintenance. We have reviewed the schedules. And sometimes you make a decision based on project risk. Sometimes it's host country requirements that make you make a decision. Sometimes it's when the funding might be available.

And sometimes it is, is there expedient need to move faster. And we actually have a project that we're going to do as soon as-- well, if it's awarded, as soon as we can go forward on design build with no bridging. And there's times to use that model as well. So we use them all, and we take into account both cost and schedule impacts in that decision.

MS. LUCKETT: Thank you, Tracy. So the next one we have-- we have a couple coming in specifically regarding the procurement process and specific IDIQs and opportunities. I'm not sure if we have this information off the top of our head, but we will be able to get you that if we do not.

So the first one, it was stated that the scheduling claims IDIQ is currently being advertised, but I cannot locate it in sam.gov. Are we able to provide the solicitation number?

MS. SAVAGE: Sure. So the pre-solicitation notice was on sam.gov last month. And it is actually going to be posted-- the solicitation is going to be posted shortly on sam.gov. And the number is 19-- if everyone has a pen ready, it's 19AQM24R C as in Cat, O as in orange, M as in Mary, S as in Sam, V as in Victor, C as in Cat.

It's 19AQMM24RCOMSV. And I could provide you, Lauren, with that later on if you want to put that in the chat or in any of the materials that are available to the contractors.

MS. LUCKETT: Great. Thanks, Jillian. So the next question, when will the pre-solicitation documents for the new embassy in Trinidad and Tobago be released? Do we have a general idea?

MS. SAVAGE: The solicitation documents as in sam.gov?

MS. LUCKETT: Yep.

MS. SAVAGE: I do not have that information off the top of my head. I know that our acquisition plans are approved and that we are doing project development and RFP development. So it's going to be out there soon, but it will be on sam.gov.

MS. LUCKETT: Great. The next one that we had come in is regarding sponsoring top secret firms. Sorry, top secret

clearances. Will OBO sponsor a firm's top secret clearance, so we can work with the SPC group?

MS. SAVAGE: So-- go ahead.

MS. THOMAS: Do you want to start? Or I can start and then you go and then they'd go. But a firm must have a contract rated at a particular classification level in order to be sponsored. So you'd have to win the procurement, and then your sponsored.

I'll make another comment that we're actually reviewing live now, which is if you have a secret clearance but then you're doing operation-- excuse me, you're doing warranty work in the facility that you just finished, and some of that requires top secret access to rooms that you completed and are now accredited, those are issues that we're working out presently with industrial security on how do we access top secret areas if the contract was at secret level. But Jillian, I'll let you add to that and then go over to Dave.

MS. SAVAGE: Yeah, you're spot on, Tracy. They need to have a bona fide need in order to get the TS sponsorship and clearance. And Tracy, correct me if I'm wrong. It may also be obtained if a TS contract is sponsoring a subcontractor at a TS level. So that's another avenue to do it as well, is being a subcontractor on a top secret cleared project and prime contractor.

MS. THOMAS: Yeah, I concur there with what Jillian said. And Dave, do you want to add anything from—

MR. SPARROWGROVE: I really don't have much to add. I think you both covered it very well. I mean, it's-- you have to have that bona fide need. And then it's get your patience ready because it can take a while.

And a lot of times, although Diplomatic Security processes the paperwork-- and again, for individuals, it's the-- individuals and facility clearances, it's the DOD that is actually on that execution end of it. And so a lot of times, it's out of our hands as far as the duration that it takes to receive those clearances. But I think you guys covered it nicely. Thank you.

MS. LUCKETT: On to the next one. So we've got this question that came in regarding stipends. Does OBO currently provide a stipend to companies preparing a proposal for capital construction projects RFQ?

MS. SAVAGE: I can answer that. We used to include stipends for our projects for those that met a certain criteria in response to our solicitations. For the solicitations that include stipends, it would be advertised on sam.gov in the initial phase 1 solicitation. But as of right now, I don't think I've seen stipends for the last year or two.

So it's not that we don't use them. It's just that we haven't utilized them in the past two years or so. So we have done in the past, but right now, we're not doing it at this time.

MS. LUCKETT: Thank you. This question that came in is regarding testing and certification of projects. I'm sorry, products. Does DS currently provide funding to support the testing and certification of products?

MR. SPARROWGROVE: Unfortunately, no. So the way it works is DS will provide the security requirements and the certification requirements. And then it's up to that company to go to a testing house, an independent testing house, and have that work certified to meet security standards. And then DS will attend those actual testing dates to confirm it.

They don't always have to be there for every test because the independent testing house has, as a requirement, to do a

complete analysis of that product. But unfortunately, no, they don't fund it. There are R&D projects that we undertake where we do contract with different labs to test-- to do some of our own testing, but that is very separate from the actual certification of the products themselves. Over.

MS. LUCKETT: Thanks, Dave. The next one is coming in. Specifically, they're looking to hear about the possibility of getting subcontracts from the main contractor, especially in the African continent area. Excuse me.

MR. TELLEZ: Yeah, I could touch on that. I'll say, yes, it's possible. It's very possible. The caveat that goes with that is each of our contractors, they have their own business models. They have their own needs. Depending on the contractor that is performing a project, they have their own capabilities.

There are some scopes that they like to self-perform, but then there are other scopes which they definitely need a local partner to help them with. So I couldn't give you specific guidance on what's possible for subcontracting other than you've got to know who the contractor is and ask them, find out what it is that they need. But they do it.

MS. SAVAGE: And if I can add to Roman's comment, so for our large businesses, they're actually required to subcontract a certain percentage to small businesses. And within that small business, a percentage of the contract award amount are subsequent other small business categories such as hubzone, women owned, service disabled, veteran owned, a full range of small business types.

So to answer the question, they're required to obtain the services of a certain amount of percentage of the contract amount for small businesses. So it is possible, and as Roman mentioned, it is based on their business model. Thank you.

MS. LUCKETT: Thank you.

MS. THOMAS: This is Tracy. I'll add one small thing as well, which is we hear from our large businesses that one of the greatest needs is in those areas of low voltage systems that includes the fire alarms, building automation, telecommunications, and that kind of thing. The competition is pretty tight among those trades. If you're one of those, I would get in touch with our large general contractors and see if you can market your services.

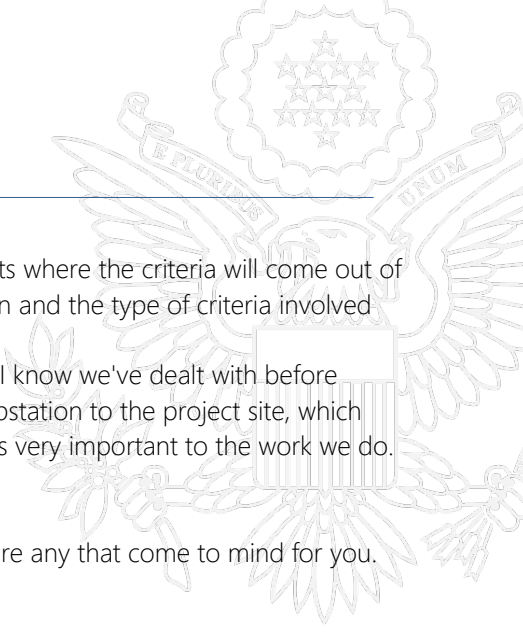
MS. LUCKETT: Great tip. The next question we have-- Roman, I think-- I believe it was who touched on this during your presentation. Came in-- was looking for a bit more information on the non-diplomatic projects and how that works. They write, I heard in the presentation about non-diplomatic projects. How does it work? Can you explain your office, the difference between the two projects?

MR. TELLEZ: If I misspoke, I apologize, but pretty much everything we do here is somehow diplomatic related. I'm trying to think of an example. Tracy or Dave, if you can think of something that we do that isn't.

MS. THOMAS: Roman, why don't you present a little more on office buildings and compounds versus residential and then some of the build-to-lease residential that's done for diplomatic population, but it doesn't always fall under a regular capital construction model. You could talk more on that.

MR. TELLEZ: Sure. Sure. There is that-- that niche exists. As Tracy just mentioned, there's frequently projects that come up that have to do with building housing for the staff. They're not always State Department staff, but the various staff that live overseas and are associated with an embassy or consulate, which does not fall under the same sort of diplomatic umbrella as a new embassy or a new consulate.

So those frequently-- again, I'm trying to-- you can check for our presentation when our office of real estate presents.



They deal with a lot of those types of projects, built to lease, built to own type projects where the criteria will come out of this is the type of building we're looking for. And this is the region we're looking for in and the type of criteria involved with that. So residential is certainly a big one.

The other one that might come up every now and then is power feeders. That's one I know we've dealt with before where embassy project needs some sort of medium voltage power feeder from a substation to the project site, which isn't strictly a diplomatic construction project but still one that we do frequently and is very important to the work we do. What are some others that come to mind?

MS. LUCKETT: We can circle back and touch on this with a follow-up e-mail if there are any that come to mind for you.

MR. TELLEZ: All right.

MS. THOMAS: I'll highlight-- I'll say one more thing that Roman said, and that is on some of our representational facilities. We are looking to do those more with local partners, local construction partners in the field rather than have them come through the procurement process strictly using U.S. contractors. So that's another area where we're shaping out to try to do more with less and meet local standards for those residences.

MS. LUCKETT: Thanks, Tracy. Thanks, Roman. We have a question coming in asking if there is a need for space planning and/or construction management.

MS. THOMAS: I'm not sure where to start on that. Yes, there's a need for space planning. And I'm guessing that would have been covered under the previous Industry Day. I'm not sure I'm seeing the intersection on the space planning and construction management.

The requirements for a project and the space requirements plan and all of that, that's indicated in the bridging documents. If it's design build with bridging, that's planned ahead of time. And it's not something that we review in the construction management process. As the building nears completion, we are working with the local embassy and consulate and their move coordinator to do seating assignments and the space planning.

And some embassies-- some missions do grow before we get finished. And there's a space planning piece there, but that's not the norm. So please clarify the question if we're not getting the essence of it.

MS. LUCKETT: Thank you, Tracy. Thanks for jumping in on that one. We have one that just--

MS. SAVAGE: I just wanted to add, on the slides that have the OBO IDIQ opportunities, there is an opportunity for construction management support services that's to be completed in 2028. I don't know if that's additional information that is helpful. And for space planning, it's my understanding that we utilize our A/E support service IDIQs and our A/E designers for those requirements. So not specific IDIQs for those requirements, but we have our A/Es under IDIQs to provide that service for us. Thank you.

MS. LUCKETT: Thank you. We have one that came in. Does DS have an organization similar to OBO's External Affairs that sets up capability presentations to allow a company to showcase their technology or products?

MR. SPARROWGROVE: Yes, it DS Public Affairs. And there are also the office-- or our directorate of countermeasures does have an Industry Day as well where they can-- where, again, they can speak to those opportunities. But through Public Affairs, they can coordinate those-- the capabilities briefing.

And they'll typically have AQM at the table when that happens. We did a lot in my last job for armored vehicles. And so yes, absolutely, it's possible.

MS. LUCKETT: Thank you, Dave. The next question that we have that came in is asking for DB with bridging documents. Are bridging documents contracted to partners or developed internally?

MS. THOMAS: Yeah, those are typically prepared by an A/E through one of the A/E IDIQ contracts. Jillian can give details on that, but those are contracted out.

MS. SAVAGE: Tracy is correct. No surprise there. We contract to our A/E design service IDIQs for our bridging documents. And we have an established group of A/E contractors that we utilize from our IDIQ pool. So we do not develop our bridging documents internally. It's outsourced. Thanks.

MS. LUCKETT: Thank you. Jillian, I hate to put you on the spot with this one, but I'm not sure if you know it off the top of your head. But we have someone looking for the IDIQ solicitation for the commissioning services, solicitation number. I'm not sure if you're-- you know that off the top of your head, but we can--

MS. SAVAGE: It's not up there right now, but-- yeah.

MS. LUCKETT: But we can definitely circle back in the follow-up e-mail that we plan to send next week and provide that information for you. We have another question. How are new technologies presented to the TSS staff or decision makers?

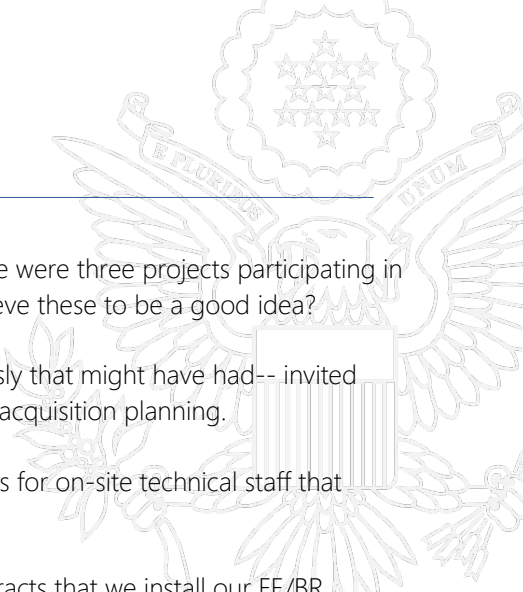
MS. THOMAS: That starts with a lot of subjects with the capabilities conversation. I've met people at various industry events, and I always start them with a capabilities conversation. And then if we need to follow up with specific information, if it's getting down into the details of technical security system, for example, then those follow-up conversations are also welcome.

MS. LUCKETT: And everyone can get the information for the capabilities conversation in the chat. And it can also be found on the build with us page on the OBO website. This one-- is there any consideration by OBO to utilize a separate standalone IDIQ for partnering services versus contracting through general contractors? Has that been-- Tracy, is that something-- or is that something that your director has been talking about or considering?

MS. THOMAS: I'll defer to Roman.

MR. TELLEZ: Yeah, so the short answer is yes. We've definitely talked about it as a way to move forward on this, but we just haven't gotten there yet. So we've got to go through all the analysis, the pros and cons of whether we can do it, how quickly it would take us to do it, and what would be the cost involved, how to get it worked into our budget if we decide that that's a better way of getting this service. And then Tracy, if you have something to add to that--

MS. THOMAS: That was a good answer. I think the possibility of it being a standalone IDIQ, the effort it takes to do that kind of procurement for a service that could be looked at as facilitating other lean construction techniques and poor planning and risk management, it makes-- it may make more sense for us to incorporate that into the other consulting IDIQs that support construction management that include risk analysis, scheduling analysis, and other construction consulting that would also include the requirement to have a facilitator certified by international partnering institute.



MS. LUCKETT: Thank you. The next one that came in, they're asking, in the past, there were three projects participating in an OBO/contract or partnership. Will there be more of these in the future as we believe these to be a good idea?

MS. THOMAS: I'm not sure of the model. I'm aware of some projects we did previously that might have had-- invited multiple contractors. But all of that would come in through the project planning and acquisition planning.

MS. LUCKETT: Thank you for that. Next question, are there any upcoming solicitations for on-site technical staff that David Sparrowgrove had mentioned?

MR. SPARROWGROVE: Not so much the technical staff. I mean, again, the IDIQ contracts that we install our FE/BR products through are really-- again, those are contractors, not so much staff. We do have the-- I guess maybe they're referring to the CAG and CST. I'm trying to--

MS. THOMAS: There's one other piece of it, Dave, that I'll mention. Construction management hires third-party contractors to fill in some of the technical positions in the field office from a day-to-day management position. And in some locations, it's vital that the technical security systems remain operational, the temporary systems.

And I think in some of those locations, we might hire a technical security specialist to service the job. But that would come in under the regular third-party contract model supporting a project that sometimes that also includes fire protection engineers and other specialties that won't necessarily staff an office. But on location by location, depending on the risk and the need and urgency, we might supplement the staff with that kind of occasion.

MR. SPARROWGROVE: Yeah, yeah, and those do. The reason it kind of stumped me a little bit is they come through the more general contractor mechanism rather than through SM.

MS. LUCKETT: Thank you for that. And we've got one more that's in here. So this will be the final question. And they're asking if we have a secret clearance, can we submit our qualifications for the SPC A/E IDIQ 2025?

MS. SAVAGE: They would have to ask the contracting officer on the solicitation for that question. Sometimes a certain clearance level is required. I'm not familiar with what it states, but it's you have to thoroughly read what it says on sam.gov to see if you qualify. And if you are having questions about that particular, there is contact information provided on sam.gov for the contracting officer or the contracting specialist that's involved in that procurement.

MS. LUCKETT: Thank you, Jillian. And thank you for everyone participating. I'm going to hand it back over to Meghan Sebold, the acting director for External Affairs.

MS. SEBOLD: Thank you, Lauren. Thank you for being such a great host and putting this together, and for all of my External Affairs team for the support. Thank you to Director Moser for the warm welcome, to our subject matter experts in construction and security management, Managing Director Tracy Thomas, Roman Tellez, David Sparrowgrove, Jillian Savage, always great to have you as the representative from AQM.

And thank you too you all for joining us. Again, we will follow up with the presentations, how to register for a capabilities conversation. Any questions that you had, we will address directly in that follow up. So thank you so much for joining us. Have a great day.