



FY 2023 Construction and Facility Improvements

Fiscal Year 2023

August 11, 2023

Fiscal Year 2023 Report to Congress



**Homeland
Security**

U.S. Customs and Border Protection

Message from the Acting Deputy Commissioner of CBP

August 11, 2023

I am pleased to submit the following report, “Construction and Facility Improvements” for Fiscal Year (FY) 2023.

The report was prepared by U.S. Customs and Border Protection (CBP) pursuant to the language set forth in the Joint Explanatory Statement, which accompanies the Fiscal Year 2023 Department of Homeland Security Appropriations Act (P.L. 117-328).

Pursuant to congressional requirements, this report is being provided to the following Members of Congress:

The Honorable David Joyce
Chairman, House Appropriations Subcommittee on Homeland Security

The Honorable Henry Cuellar
Ranking Member, House Appropriations Subcommittee on Homeland Security

The Honorable Chris Murphy
Chair, Senate Appropriations Subcommittee on Homeland Security

The Honorable Katie Britt
Ranking Member, Senate Appropriations Subcommittee on Homeland Security

I would be pleased to respond to any questions you may have. Please do not hesitate to contact my office at (202) 344-2001.

Sincerely,



Pete R. Flores
Acting Deputy Commissioner
U.S. Customs and Border Protection



Executive Summary

The report provides the details of CBP's design and construction process for new and renovated U.S. Border Patrol facilities, including stations, processing centers, and checkpoints. It also includes an overview of CBP's estimated practices and related continuous improvements. Finally, detailed project requirements, financial information for funded projects and project construction schedule, and expenditure plans for procurement, construction, and improvement projects either funded or proposed for funding are provided in Annexes A, B, and C, respectively. The report provides the most current information available, with varying levels of detail depending on project maturity.

Regarding design and construction, CBP's Office of Facilities and Asset Management (OFAM) employs both internal and contracted project management and technical support specialists to plan, design, and execute facilities projects based on design standards particular to the type and purpose of the facility. The design standards were developed based on the operational needs of each component. OFAM utilizes architects and engineers to consider site acquisition and development, Geotech, environmental, project delivery method (design/bid/build vs. design/build), and all design and construction activities associated with the delivery of a project. Project managers handle project execution from the late planning process through the handover to the end user and project closeout. This is a well-established process within CBP and OFAM.

With respect to cost estimation, CBP engages in continuous process enhancement using highly qualified expert consultants and a sophisticated application of analytical capability. This, combined with conscientious expert project control, has yielded projects coming within 1 percent of initial scope definitions. Even with this cost estimation practice, budgets were exceeded due in part to project delays but primarily to unanticipated and extraordinarily high escalation caused by Coronavirus Disease 2019 (COVID-19) disruptions to the economy, markets, and supply chains.

CBP has traditionally used established Office of Management and Budget processes and indexes to project cost escalation. However, as COVID-19-related market impacts became apparent, CBP commissioned a special study to assess escalation by independent industry experts to guide CBP in achieving the highest level of accuracy on project budgetary plans. The assessment indicated an abnormally high-cost escalation over the last 2 years. As projects originally planned to be completed prior to this period were delayed, project costs increased much faster than originally predicted, pushing them over budget. To avoid similar instances in the future and improve project budgeting, CBP is currently working to update cost projections to better reflect both inflation and cost escalation. Additionally, CBP is taking the following actions:

- Broadening the scope and increasing the frequency of CBP's cost escalation updates;
- Increasing the detail of CBP's construction estimating system and incorporating sustainability and carbon footprint considerations;
- Developing more stringent documentation and agreements with local permitting agencies to alleviate impacts of turnover at those agencies;

- Completing preliminary geotechnical studies of prospective sites prior to acquisition to assure a clear understanding of site development challenges;
- Implementing enhanced peer review and quality analysis of projects prior to bidding, to reduce errors and omissions; and
- Pursuing funding for site selection and concept level design prior to construction funding, similar to the General Services Administration practices, to greatly improve the quality of project estimates on which funding requests are submitted.

CBP appreciates the opportunity for continued coordination on addressing critical facility requirements, and trusts the information provided in this report sufficiently addresses the reporting requirement.



FY 2023 Construction and Facility Improvements

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I. Legislative Language

This report was compiled pursuant to direction set forth in the Joint Explanatory Statement, which accompanies the Fiscal Year (FY) 2023 Department of Homeland Security Appropriations Act (P.L. 117-328).

The Joint Explanatory Statement states:

Construction and Facility Improvement – Additionally, not later than 90 days after the date of enactment of this Act, CBP shall submit a report to the Committees that includes:

- (1) the details of the design and construction process for new or renovated Border Patrol facilities, including stations, processing centers, and checkpoints;
- (2) detailed requirements for each facility currently funded or proposed for funding, including buildings, parking facilities, sally ports, vehicle maintenance facilities, fueling stations, temporary detainee holding facilities, and kennels;
- (3) for each currently funded facility:
 - (a) the total amount funded, obligated, and expended, by fiscal year; and
 - (b) if funds were obligated to an outside agency (e.g., General Services Administration and U.S. Army Corps of Engineers), the obligation and expenditure status of those funds;
- (4) for each currently funded facility and for proposed facilities, a construction schedule and associated expenditure plan broken out by quarter (to include funds appropriated through other agencies);
- (5) For each requirement described in (2):
 - (a) the severability of each requirement that is specific to the location;
 - (b) confirmation that each requirement is an independently awardable option for all contracts currently funded;
 - (c) the requirements for facilities that are unfunded; and
 - (d) the requirements for facilities described in (2) that are unfunded; and
- (6) the number of personnel to be assigned at each location, with confirmation the design is scoped to address current and anticipated future staffing needs.

The report shall also include a detailed plan to improve CBP's cost estimating capability for these facilities.

II. CBP Facilities Processes

A. Overview

U.S. Customs and Border Protection (CBP) utilizes facilities data and mission critical operational requirements criteria to determine agency capital facilities needs to prioritize and program for them appropriately. There is extensive data gathering and analysis that is performed before a project is selected for proposed funding. Various component office personnel and technical experts collaborate to identify needs and alternatives for consideration. There are many CBP mission needs, and this process ensures that the most critical facilities projects are proposed for funding consideration.

CBP's Office of Facilities and Asset Management (OFAM) has resources and technical support that develop processes and policies for the execution of facilities projects. OFAM utilizes architectural and engineering resources to consider site acquisition, site development, Geotech, environmental, project delivery method (design/bid/build versus design/build), and all design and construction activities associated with the delivery of a project. Depending on the facilities project size and complexity, many considerations and risks are evaluated during the development and delivery of a project.

B. Planning

Design and Construction Standards. In preparation for the overall construction program, CBP maintains design standards to apply to the development of each project. These standards are a set of reference documents that comprise requirements for the project's design and construction. The complete requirements for a project include industry standards, room data sheets, conceptual drawings or master designs, documents incorporated by reference, project specifications, and contract documents assembled into each project's specific procurement package. There are specific design standards for U.S. Border Patrol facilities (stations, checkpoints, forward operating bases, sector headquarters, firing ranges, Remote Video Surveillance System operations centers, and equestrian centers), Office of Air and Marine facilities, as well as air major operations centers, land ports of entry, air ports of entry, and sea ports of entry. The design standards were developed based on vital capabilities, with the type, capacity, multiple use ability, and features driven by the operational needs of each Component.

Operational Requirements Document. For each prioritized project, OFAM works with the Component to document the operational requirements for the project, including the staff to be accommodated, the vehicles, the craft, and the equipment to be housed and supported, and the workload capacity requirements, such as detainees, inspected vehicles, and trainees. These requirements are affirmed and signed off by the Component and OFAM senior leadership. This documentation of operational requirements creates the initial foundation upon which the project scope can be traced through the project evolution and completion.

Basis of Design Scope Assessments. Based on the Operational Requirements Document, OFAM conducts analysis of each priority requested by the Component. Each analysis assesses the preliminary purpose, scope, schedule, budget, risks, technical issues, real estate planning or lease market review, environmental planning, and delivery pathway. The Basis of Design makes initial determination of any budget impacts related to the construction system selection, delivery pathway, and escalation.

Reports include the contract line-item breakdown of project components, the Requirements and Documentations Alternatives Analysis and Funding Determination, the General Services Administration (GSA) SF-81 document, and the Project Requirements Document (PRD) budget and schedule breakdown. The size and complement of spaces programmed for a facility and types of construction are specifically driven by the capacity demand, capability requirements, and operational strategy for each mission facility. Additional items evaluated include site constraints, local weather, and geographical location that can impact the design and operations of a facility.

Project Requirement Document. Based on approval and priority position in the Capital Facilities Improvement Plan, a PRD is prepared. The PRD is a formal, signed agreement between the Component, OFAM, and any service provider (such as GSA or U.S. Army Corp of Engineers (USACE)) establishing the project baseline. The PRD documents the delivery pathway and procurement method, the summary budget, project team, summary of requirements and justification, real estate and leasing strategy, environmental requirements, sustainability, permitting issues, inter-related projects, budget and schedule, risks, disposal plan, and the formal signatures. The PRD is supported by the complete and updated Basis of Design, encompassing all space and site requirements, costs, design standard technical requirements, and amendments.

Prospectus. For projects delivered through GSA that exceed the established Prospectus level (latest level, published in FY 2022, is \$3.375 million), GSA will prepare a Prospectus which is certified by the Commissioner of the Public Buildings Service and the GSA Administrator. The Prospectus identifies and describes the project, the congressional district, the appropriation amount and budget, the tenant agencies housed, the justification, phasing, site acquisition, infrastructure program, traffic impacts, historic preservation, space program summary, interim actions, alternative 30-year Life Cycle Cost Estimate, and real property recommendation.

C. Project Development

Site Acquisition. Activities include a real estate market survey, obtaining a right-of-entry for performing topographical surveys, environmental surveys, historic and cultural assessment surveys, and geotechnical assessments, appraisals, offers, legal reviews, and purchase. When required, CBP may exercise eminent domain authority by executing condemnation procedures to acquire the property.

D. Design

Procurement of Designer of Record Services under Design-Bid-Build delivery process.

CBP commissions through a qualifications-based Brooks Act selection process Architect/Engineer (A/E) Designer of Record (DOR). The A/E DOR are contracted to be the liable party in their role as the registered professional. The services normally include preparing construction documents through four phases of work, including concept development (35 percent), design development (65 percent), preliminary construction documents (95 percent), and bid construction documents with professional seals (100 percent), plus construction phase services. Design services comply with the A/E Submittal Guidelines. For USACE delivered projects, designs go through a biddability, constructability, operability, environmental, and sustainability review.

A design peer review is performed on GSA delivered projects. For self-executed projects, CBP utilizes internal staff review and may commission a Construction Manager, A/E, and/or other specialty reviews as needed.

Preliminary Design up to Final Concepts (35 percent). The Concepts submittal consist of drawings, renderings, and narratives with program validation. The Concept demonstrates the project complies with the Basis of Design, defines the code occupancy classification, occupancy loads and construction type, environmental compliance, the site and building configuration, building structural system, envelope and general engineering system selections, general sustainability strategy, historic preservation compliance, zoning and community impacts, and energy compliance strategy. Up to 3 alternative concepts may be developed and evaluated by CBP prior to selection of the preferred approach. The Concept's submittal is accompanied by a preliminary cost estimate provided by the DOR, which is validated against a separate independent estimate performed by the independent certified professional cost estimator based on the concept design. The full requirements of the Concept's submittals are defined in the A/E Submittal Requirements Guide.

Design Build Bridging Documents. Bridging documents include a general scope of work and contract line-item bidding format, a concept design (35 percent), a full construction contract front end (specification divisions 00 and 01), an outline specifications for divisions 02-48 that define basic acceptable products and quality of construction, an A/E submittal requirements, a design standards, a survey and preliminary geotechnical, a sustainable checklist, and requirements for the contractor design to cost/scope assessments. Under the design build process, CBP may execute the development of bridging documents internally if a master design exists, or commission an independent architect/engineer to create concept designs (35 percent) with other associated documents for use as the bridging documents.

Procurement of Construction Manager for Design-Build process. For a design-build process on major construction projects, the agency hires a professional Construction Management Firm to oversee the design and construction process. The Construction Manager, while not a legal agent of the federal government, is charged with schedule control, cost control, value engineering, meetings and management reporting, coordination of design reviews, code approvals and assurance of permit processing, validating payment requests, safety management,

claims management, quality management (including inspections), request for information processing, submittal review processing, change order processing, assuring record construction documents and overall document retention, and overseeing the execution of commissioning and tests.

Procurement of Construction Contractor for Design-Build Process. Multiple Award Task Order Contract or 8(a) Business Development Program (Disadvantage Business Enterprises) contractor pools are typically utilized to procure Design Build contracts, depending on the threshold and program objectives. As noted above, the design-build process entails the general contractor subcontracting with the Architect/Engine Designer of Record as a team member to carry the design to completion, including stamping and project permitting, then executing the construction with the A/E DOR, providing construction administration support within the general contractor's team. Since the bridging documents usually define the quality and scope of construction, CBP normally utilizes the Lowest Acceptable Offer form of bid evaluation, rather than Best Value method. This shortens the evaluation steps and allows for assurance of completeness of the contractors approach. Under the Design-Build process the contract goes through two phases: the design phase, then the construction phase. A review and approval of the final design as expressed in completed construction documents must be completed before the design is released for construction.

Design Development (65 percent). The Design Development submittal consist of drawings, renderings, outline specification and narratives with calculations, system selections, material selection, and program validation. The concept reflects a more comprehensive project design developed from the selected final concept design and defines all the features and capabilities required by the Operational Requirements and Design Standards. Design Development finalizes the selection of all structural, mechanical, fire protection, and electrical systems with respect to type, size, and other material characteristics and provides complete plans with sections, elevations, and other features and the building envelope (wall, window, and roof), interior construction (flooring, ceiling, and partitions), service spaces, elevators, and special construction systems (such as cranes, pneumatic systems, lifts, food service, etc.). The Design Development submittal is accompanied by a cost estimate provided by the DOR, which is validated against a separate independent estimate assessment performed by the independent certified professional cost estimator, based on the submitted design. The full requirements of the Design Development submittals are defined in the A/E Submittal Requirements Guide.

Construction Documents (95 percent). The Construction Documents are a detailed set of documents coordinated by all disciplines into one coherent document to become the basis for a construction contract. The construction documents should include all levels of detail drawings, from site planning to construction details, as well as specifications, cost estimates, and calculations. The Construction Documents are accompanied by a cost estimate provided by the DOR, which is validated against a separate independent estimate assessment performed by the independent certified professional cost estimator, based on the submitted design. Final review for code compliance and permitting are performed. The full requirements of the Construction Documents are defined in the A/E Submittal Requirements Guide.

Independent Government Cost Estimates. CBP contracts for an independent professional certified cost estimating consulting firm to perform an independent estimate from the DOR/Contractor, as a quality assessment on the credibility of the project budget. The estimates are the entire work breakdown structure.

Issuing for Bid Documents complete under Design-Bid-Build process. Professional stamped documents with professional seals for all Construction Documents with all quality assurance and regulatory compliance review comments are inserted. These documents become the legal requirements included in the solicitation, award, and execution for construction contracts.

Issued for Construction Documents for Design Build process. Professional stamped documents with professional seals for all Construction Documents with all quality assurance and regulatory compliance review comments are inserted.

E. Construction

Procurement of Construction Manager under Design-Bid-Build process. For a design-bid-build process on major construction projects, the agency hires a professional Construction Management Firm to oversee the construction process. The Construction Manager, while not a legal agent of the federal government, is charged with schedule control, cost control, meetings and management reporting, assurance of permit processing, validating payment requests, safety management, claims management, quality management (including inspections), request for information processing, submittal review processing, change order processing, assuring record construction documents and overall document retention, and overseeing the execution of commissioning and tests.

Procurement of Construction Contractor under Design-Bid-Build process. Multiple Award Task Order Contract or 8(a) Business Development Program (Disadvantage Business Enterprises) contractor pools are usually utilized for procurement of construction contracts, depending on the threshold and set aside program objectives. A/E under a direct contract to the government, the A/E DOR provides construction administration independent of the contractor under this delivery method. CBP normally utilizes the Lowest Acceptable Offer form of bid evaluation, rather than Lowest Cost method to assure that quality contract bids are accepted.

Construction Administration services by Designer of Record. To maintain consistent liability, CBP commissions the A/E DOR to provide construction phase services. The duties of the A/E include approving specific product submittals and shop drawings to assure conformance with the design, inspecting construction progress to assure conforms with the design, responding to requests for information, correcting the errors and omissions, performing the final inspection of construction prior to acceptance, and producing the final record documents with drawings, specifications, and calculations reflecting the as-built conditions.

Commissioning. CBP requires commissioning services on all major construction projects. The commissioning agent may be separately contracted directly by CBP or the service provider agency or included in the contractor's team. The commissioning agent ensures that a

commissioning plan is prepared, that commissioning activities are executed, and that the results are documented.

Beneficial Occupancy and Substantial Completion. A facility becomes substantially complete at the point of beneficial occupancy when the government accepts the facility. At this point, the government executes additional actions necessary prior to actual move-in by the component. These actions can include CBP maintenance system training, component operational training, installation of government furnished items, activation of utilities and services, and similar items.

Government Furnished Installation (normally Furniture, Fixtures, and Equipment, Office of Information and Technology systems, and some Security electronics). The government may contract or self-perform installation of personal property, such as furniture, fixtures, and equipment, Office of Information and Technology data communications electronic systems, security control electronic head end equipment, some signage and art/photograph displays, and similar items. These actions occur after beneficial occupancy to assure no conflicts between issues occurring because of these activities and final items that are the responsibility of the construction contractor.

F. Project Closeout/Occupancy

Move. CBP coordinates the contracted services to support moving to the new facilities.

Occupancy. The Line of Business commences operation of the facility upon completion of the move. CBP commences operational facility management support including grounds maintenance, janitorial services, waste removal, hazardous material management, utility payments, building systems monitoring, preventative maintenance and service, minor repairs, and similar activities.

Disposal. When existing properties are vacated, CBP works with GSA to excess the existing property. Currently, GSA is the only entity with authority to sell federal non-Department of Defense property. CBP may be required to fund an environmental cleanup, and a restoration of alterations made to an existing leased property.

Project Closeout. At completion of the project, specific project information, such as warranty, maintenance, as-built construction documents, training certificates, test and balance and commissioning information, record contracts, and similar information is collected, organized, and placed in records retention. This information is required for a timely and accurate transition from construction in process to project closeout, asset capitalization, and financial settlement of the real property capital project. CBP works to create the Business Entity/Building Entity for the real property record and performs the Technically Complete entries in the financial and real property information systems.

III. Cost Estimating

A. Review of Project Budgeting, Estimating and Cost Control

Since 2018, CBP has focused on enhancing cost estimating and systematic analysis to gain the most value from the investments. In the past, CBP primarily depended on other agency service providers (GSA and USACE) to establish budgets and execute construction projects. CBP has now shifted to developing initial estimates and budgets internally, using highly qualified expert consultants and a sophisticated application of analytical capability. This has combined with disciplined expert project control to yield projects coming within one percent of initial scope definitions (Air and Marine Operations Center, Laredo Air Branch) excluding legal/mission-driven changes. The cost variance on these projects is due to unanticipated and extraordinarily high escalation.

As reflected in the table below, there was significant escalation between FY 2021 and FY 2022 (approximately 36 percent increase) due to multiple factors including:

- continued COVID-19 pandemic repercussions on labor, manufacturing supply chains, and construction markets;
- impacts of the war in Ukraine on commodities pricing; and
- impacts of changes to many nations' energy, environmental and economic policies on the worldwide energy market.

As an example, the Champlain and Niagara Border Patrol Stations were originally planned in 2018 at an estimated cost of \$30 million each, utilizing the OMB Circular A-11 and A-94 escalation rate of 2.5 percent per year. Following funding and pandemic related delays, bids received in the fall of 2022 indicated revised costs approximately 2.5 times the 2018 estimates. While a small portion of the cost growth was due to a 7 percent scope change driven primarily by court mandated changes for detainee health and safety, the majority was due to the escalation factors.

In August 2022, CBP commissioned a special study to assess escalation by independent industry experts to guide CBP in achieving the highest level of accuracy on future project budgetary plans. This assessment indicated abnormally rapid cost escalation over the last 2 years.

There are two general issues related to establishing and meeting project budgets: 1) Accurate Cost Estimation; and 2) Cost Control/Risk Management. Both of these issues impact the ability of the project to meet an appropriated budget.

1. **Cost Estimation.** U.S. Government Accountability Office “Cost Estimating and Assessment Guide” (GAO-09-3SP) identifies 8 characteristics of credible cost estimates. CBP assesses project cost estimating efforts against those characteristics and has taken steps and investment of further action to implement improvements over the last 5 years that address each factor. CBP has focused on the following factors that impact the quality of a cost estimate including:

- a. **Earlier Detailed Scope Definition.** To this end, CBP has engaged in a number of efforts to more closely define the scope of projects early in the project life cycle. These include:
 - i. Establishing standards and a related library of building-type models that define the normal types of spatial requirements in facilities and govern the quality and unique features to be provided in each space. Models are tested and refined through multiple project executions. The design standards and models produce consistent project requirements and assist to validate that all necessary features and capabilities are initially included and not omitted.
 - ii. Development of project scopes through the participation of a broad integrated project team with involvement of all stakeholders and review and approval by agency leadership authorities. This provides a strong foundation to mitigate against operationally driven scope migration.
 - iii. CBP's scope development is based on documentation of a complete set of operational requirements for facilities and building Component level unit costs. Operational requirements clearly establishing the staff table of organization to be housed, number of vehicles to be accommodated, number of enforcement animals (canine and equestrian), other capacity demands, specific enforcement technologies to be accommodated, security risk levels, sustainability parameters, and other mission and key performance metrics the project must accommodate.
 - iv. Clear establishing of project delivery structure (Design Bid Build, Design Build, Tenant Lease, 8(a), outside agency service provider, etc.).
- b. **Valid basis of costs.** To improve the validity of the cost basis:
 - i. CBP has created tools that facilitate using discrete unit-based built-up costs to the degree possible based on project maturity, while cross-checking built-up costs to general cost benchmarks. CBP bases the cost elements on the current market conditions, including utilizing updated costs workbooks that adjust historical costs based on current conditions. The discrete cost analysis at the pre-budget finalization establishes all costs based on specific scope, types of spaces/facilities, and systems. The costs are based on planned square footage of specific types of construction, with the cost factors not only determined by actual prior project bids but updated by certified professional estimators to incorporate current pricing. While CBP looks at top-down costs (general cost per square footage) and compares this to general industry and government experience, the discrete analysis performed on each project by the project team provides much higher assurance than broad benchmark costs that suffer from wide underlying variance and scope. CBP is assembling the library of cost models tied to the design standards that is constantly updated and validated through sequential project executions. The models allow for higher detailed cost estimation assessments earlier in the project maturity. CBP is assembling the library of cost models tied to the design standards that is constantly updated and validated through sequential

project executions. The models allow for higher detailed cost estimation assessments earlier in the project maturity.

- ii. Since 2018, CBP has utilized cross validated budgets with independent cost estimators to validate the cost compliance estimates provided by internal planners and the contracted design A/Es. This cross check of the costs helps identify possible problems with the accuracy of the estimates. The use of a common cross-checking consultant across all the projects also assures consistency and helps carry forward lessons learned. The depth of capability of the professional estimating firm assures that estimators familiar with specific types of systems and localities are applying their knowledge to assure more accurate costs.
- iii. CBP clearly defines the loaded project costs, including taxes, contractor markups, program and supervision costs, project delivery structure (Design Bid Build, Design Build, Tenant Lease, 8(a), etc.), capital versus operating expenditures related to project development, and impacts of incentives and allowances.
- iv. Assessing the market conditions on an ongoing basis, particularly escalation. The assessments are performed in accordance with established and approved federal practices for assessing escalation and utilizing government-issued market indices (Producer Price Index and Consumer Price Index from Bureau of Labor Statistics).
- v. Life Cycle Cost evaluation of different alternative housing and delivery methods, including term Life Cycle Cost Estimate analysis, as well as equivalent annual costs comparison.

2. **Cost Control/Risk Management.** Project managers and teams, monitor and develop the following items to mitigate costs impacts:

- a. Early, approved, and documented definition of scope based on clearly defined mission, operations, capabilities, and capacities.
- b. Establishing clear related project baseline with scope, schedule, and key performance metrics with a clear translation of budget elements.
- c. Utilizing thoroughly tested project contract documents.
- d. Clear project management plan with effective management team, resources, and document management with consensus management practices.
- e. Establishing clear project quality control program.
- f. Validating compliance of the design to the scope.
- g. Clear procurement and bidding strategy that addresses probable bidding outcomes. Note that in times of volatile markets, the industry turns to methods such as fast tracking, construction manager as agent, contract line-item options, and similar methods to address cost volatility.
- h. Approved contractor baseline project schedule directly tied to schedule of values/rules of credit and milestones.
- i. Formalized project processes, particularly approval processes for any changes in scope or contract actions. Implementation of tight change order approval

processes require senior official approvals and validation of critical need for the change orders.

- j. Clear strategies for risk assignment and management.
- k. Continuous earned value management of project progress.
- l. Continuous monitoring of both contractor schedule progress and submittal/requests for information processing.

B. Improvement Efforts

Additional efforts being implemented include:

- Quarterly updates to the escalation assessment, with additional scenario probability-based evaluation of escalation and other risk factors impacting the need for management reserves.
- Refinements in the discrete estimating system, including moving from space category to individual room cost factor, improving site development factors, and assessing the utility and traffic demands, as well as sustainability and carbon footprint issues.
- Continued refinement of master designs for specific types of facilities, where a pre-established design is site adapted. As a succession of projects are executed, all aspects of the master design will be optimized to improve effectiveness, reduce/stabilize costs, and eliminate any errors or omissions.
- To reduce the risk of local permitting agency staff turnover and impacts on utility and traffic mitigation (turn-lanes, signals, sidewalks, etc.) decisions, CBP is developing more stringent documentations and agreements with the local permitting agencies during utility and traffic design completion.
- CBP has initiated the practice of performing preliminary geotechnical studies of prospective sites prior to acquisition to assure clear understanding of site development challenges. In addition, the agency is pursuing funding for site selection and concept level design prior to construction funding, similar to the practices of GSA.
- Enhanced peer review and quality analysis of projects prior to bidding. This will assist in reducing any errors and omissions.

IV. Project Information

The Appendices provide project information required in the legislative language. The responses vary depending on the funding status and development of the projects.

Appendix A includes responses to the following:

1. “For each currently funded facility:
 - a. the total amount funded, obligated, and expended, by fiscal year; and
 - b. if funds were obligated to an outside agency (e.g., GSA and USACE), the obligation and expenditure status of those funds.”

Appendix B includes responses to the following:

2. “For each currently funded facility and for proposed facilities, a construction schedule and associated expenditure plan broken out by quarter (to include funds appropriated through other agencies).”

Appendix C includes responses to the following:

3. “For each requirement described in (2):
 - a. the severability of each requirement that is specific to the location; and
 - b. confirmation that each requirement is an independently awardable option for all contracts currently funded.
4. The number of personnel to be assigned at each location, with confirmation the design is scoped to address current and anticipated future staffing needs.”

V. Appendices

Appendix A. Project Financial and Construction Information

See attached Excel spreadsheet for Project Financial Information (worksheet 1), Construction Schedule Information (worksheet 2), and Project Information (worksheet 3)

Appendix B. Abbreviations

Acronym	Definition
A/E	Architect/Engineer
CBP	U.S. Customs and Border Protection
COVID-19	Coronavirus Disease 2019
DOR	Designer of Record
FY	Fiscal Year
GSA	General Services Administration
OFAM	Office of Facilities and Asset Management
PRD	Project Requirements Document
USACE	U.S. Army Corp of Engineers