
MEETING AGENDA

AGC – GSA

8:45 AM – 10:30 AM

Welcome and Introductions

Dave Pastrick
Chair, AGC Federal Facilities Committee

General Services Administration

Julia De Rosi
Assistant Commissioner (Acting), Office of Design and Construction

Tracy Marcinowski
Assistant Commissioner, Office of Acquisition Management

Ralph Conner
Assistant Commissioner Real, Property Utilization and Disposal

Stuart Burns
Assistant Commissioner, Office of Portfolio, Management and Customer Engagement

Charles (Chuck) Hardy
Chief Architect (Acting), Office of the Chief Architect

Members of GSA Headquarters

AGC Questions for GSA

1. Budget Update

Please provide a general update on upcoming and anticipated projects included in the approved FY2022 enacted budgets and the FY2023 Request.

Questions:

- A. What is the breakdown of projects? By project types (Federal Buildings, Courthouses, LPOE, R&A); By procurement/project delivery method (design-build, CMc, design-bid-build); By IDIQs; By state/location.

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- B. There are projects that are authorized, but do not have funds appropriated. What is the status of these projects, and when are appropriations expected?

2. Infrastructure Investment

A record-setting [AGC backed](#) construction investment bill, the \$1.2 trillion bipartisan infrastructure bill, represents a critical chance to significantly invest in building and maintaining a broad range of physical infrastructure without unnecessarily burdening the construction industry with new mandates. The infrastructure bill provides significant money to GSA for infrastructure investments.

Questions:

- A. Please describe GSA plans to execute projects originating from this infrastructure bill.
- B. Will there be a preferred project delivery method? For example: For example: IDIQ programs, Design-Build, Best-Value, etc.
- C. How can AGC and GSA work together to expedite the completion of these projects?

3. Civilian Real Property Alignment

In December 2016, the AGC-supported Federal Assets Sale and Transfer Act became law. This bipartisan law will shrink the federal footprint and streamline the disposal of excess or underutilized federal buildings. Among other things, the Federal Assets and Transfer Act requires: Establish a [Public Buildings Reform Board](#) to identify opportunities to reduce the federal real property inventory; Require the Board will make recommendations for the sale of at least \$8 billion worth of underutilized and vacant federal properties; Require the Board to create a website making relevant information accessible to the public; and Require GSA to create and publish a single, comprehensive database of all federal real properties.

- A. What is the status of these efforts?
- B. What current efforts or new/planned initiatives does GSA have in mind to further the goals of maximizing the efficiency of the federal real property portfolio?

4. Supply Chain and Material Costs

The unending series of supply-chain bottlenecks, as well as extreme price increases and long lead times for a variety of construction materials, threaten federal construction procurement. AGC of America has published its [Construction Inflation Alert](#), a guide to inform owners, officials, and others about the cost and supply-chain challenges.

Questions:

- A. What are GSA expectations as it relates to changes in pricing, materials, and schedules?
- B. Industry is seeing private clients including price adjustment clauses in solicitations as well as modify existing contracts to include a means for contractor recovery due to price

escalation. Is GSA considering inclusion of this clause for recovery in both future and/or modifying current solicitations related to price escalation? Will GSA consider broader use of Economic Price Adjustment clauses?

- C. Industry is seeing private clients including price adjustment clauses for reimbursement for costs associated with extended contract durations due to supply-chain issues. Currently, the Federal contractors are typically allowed an extension of time but no reimbursement for costs associated with the delay. Is GSA considering inclusion of this clause for recovery in future and/or modifying current solicitations for delay costs?
- D. Does GSA account for the impacts of supply chain and material costs in their cost estimates?
- E. Does GSA account for the impacts of supply chain in their schedule estimates?
- F. How can AGC and GSA work together to address the challenges?

5. New Buy American Rule and Domestic Content Requirements

On July 29, a proposed rule was released to amend to the FAR to add Buy American Act Requirements. The proposed rule increases the domestic content required to 60% with increases in two years to 70% and then 75% in five years. It permits acceptance of products and construction materials up to 6 years after publication of the rule which are unavailable at an acceptable cost. It also states that a higher price preference may be identified for critical end products and construction materials. However, the new requirements will not apply to Commercially Off The Shelf (COTS) items. The rule was initiated based on President Biden's Executive Order on [Ensuring the Future Is Made in All of America by All of America's Workers](#). AGC had several conversations with the White House and the Made in America Office to provide the construction industry's perspective. [AGC commented](#) on this rule, and will continue to advocate for the construction industry to ensure that policy makers are well informed about the uniqueness of construction.

- A. What does AGC members see as impacts from these increased requirements to its contracts, material, and time estimates?
- B. What does GSA account for the impacts of these Buy American requirements in its cost estimates?
- C. How can AGC and GSA work together to address the challenges.

6. PLA Executive Order

On February 4, 2022, President Biden signed a new [Executive Order on Use of Project Labor Agreements For Federal Construction Projects \(PLA\)](#). When in effect, this Executive Order (E.O.) will require every prime contractor and subcontractor to engage in negotiation or agree to PLAs on federal construction projects valued at \$35 million or more. (AGC of America [statement](#)) According to an AGC of America [analysis](#) of data obtained via a [Construction Advocacy Fund](#)-financed lawsuit under the Freedom of Information Act, the Department of Defense federal

construction agencies rejected PLA mandates 99.4 percent of the time even when encouraged to do so under the Obama Administration.

Questions:

- A. AGC members to provide feedback on the potential impacts to PBS projects.
- B. How does GSA intend to apply this to PBS projects?
- C. How does GSA intend to pursue exemptions for its programs?

7. Speed to Award

Awarding projects and quickly beginning work has long been a priority for GSA and AGC. Quickly awarding projects help GSA and AGC members mitigate the many risks and uncertainties that currently face GSA projects.

Questions:

- A. What initiatives from GSA will help increase the speed to award?
- B. What recommendations do AGC members have?
- C. What can GSA do to reduce instances where AGC members are asked to hold bids?

8. Construction Manager as Constructor (CMc) Program

In January 2020, the General Services Administration Acquisition Regulation (GSAR) was amended to formally adopt Construction Manager as Constructor (CMc) (aka CM at Risk) as a project delivery method. AGC supports the CMc delivery method and we provided industry feedback to the rule (Subpart 536.71 - Construction-Manager-as-Constructor Contracting)

Questions:

- A. Please give an update on the stats of the new CMc rule.
- B. Are there plans to revisit the rule for changes suggested by the public and industry?
- C. Broader discussion on Project Delivery.

9. New GSA Carbon-Based Construction Materials Requirements

On March 30, the U.S. General Services Administration (GSA) issued new [carbon standards](#) under its Facilities Standards for the Public Buildings Service ([P-100](#)) to require the use of lower carbon concrete products and asphalt paving practices for all GSA design and construction contracts that involve at least 10 cubic yards of those materials. The general contractor now must source concrete that meet specific carbon requirements; collect and maintain documentation associated with both materials; and, in the case of asphalt, employ carbon reduction practices such as recycled content or reduced mix temperatures.

10. Partnering

AGC believes that engaging in project-level partnering as committed team members with GSA will improve project execution, staff efficiency (GSA and contractor), safety, trust, and the project team relationships. AGC members have embraced partnering and are committed to bringing key decision makers into the fold in order to get the most out of the process. We see an opportunity to improve the process by getting a commitment from all parties attending to bring key decision makers (i.e. Design Manager, Contracting Officer, Contract Specialist, Project Manager, and Operation Manager, etc.).

- A. What is GSA's policy on Formal vs. Informal Partnering?
- B. Does GSA have a policy regarding what agency staff should participate in this process?
- C. If so, what is that policy and what can contractors do to help encourage attendance by key decision makers, particularly on large or complex projects?
- D. How does GSA ensure that partnering is actually followed through and abided by? What metrics are tracked from the date of partnering through project completion?
- E. How can AGC and GSA work together to increase partnering?

11. COVID-19

On Sept. 9, 2021, President Biden issued Executive Order 14042, [Ensuring Adequate COVID Safety Protocols for Federal Contractors](#). This E.O. directs executive federal agencies to ensure compliance with all guidance for contractor or subcontractor workplace locations published by the [Safer Federal Workplace Task Force](#) (Task Force). These workplace safety protocols, including COVID-19 vaccine mandates, will apply to all covered contractor employees, including employees in covered contractor workplaces who are not working on a direct federal contract or contract-like instrument. Sept. 24, the Task Force issued [Guidance for Federal Contractors and Subcontractors](#) implementing a broad vaccination mandate for direct federal contractors. Oct. 1, the [FAR Council directed agencies](#) to issue Class Deviations implementing these requirements, including a [DoD Class Deviation](#).

AGC of America and two of its chapters, TEXO and AGC of Texas, filed their lawsuit on December 14, 2021, and immediately filed a motion for a Temporary Restraining Order (TRO) and a (second) preliminary injunction against the mandate that federal contractors require their employees to be fully vaccinated for COVID-19. (A GA court had issued a preliminary but nationwide injunction on Dec. 7, resulting in an extension of compliance date.) In addition, AGC submitted [regulatory comments](#) laying out the same arguments as its lawsuit. The Administration issued [guidance](#) to hold implementation of the mandate pending a decision from the Eleventh Circuit regarding whether the existing nationwide freeze of the mandate should be maintained or not. AGC's motion for a preliminary injunction is still pending but could be granted at any time. AGC has been urging its members to show the videos to all their

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workers and is also placing ads featuring the videos in key construction markets. AGC also created a [vaccine toolkit](#) for the industry.

Questions:

- A. Please describe how GSA is implementing these requirements.
- B. What direction or guidance has GSA given to Contracting Officers and Federal Contractors?
- C. What will happen if contractors must make a substitution to key personnel or subcontractors?

General Questions

Open questions from the floor?