



U.S. General Services Administration

# Building Maintenance & Operations (BMO)

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## Federal Strategic Sourcing Initiative (FSSI)

*Listen to Industry Day*

29 Jan 2014



- **FSSI Overview**
- **BMO Overview**
- **Phase I: Menu of Best Practices Discussion**
- **Phase II: Acquisition Solution Discussion**
- **Next Steps**
- **Additional Questions / Comments**



## Opening Remarks

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**Speaker: Mr. Walter Eckbreth**

*Program Analyst*

**General Services Administration**



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## Why are we here?

- The federal government spends ~\$19B annually on Building Maintenance Operations (BMO) services
- ~95% of this spend is represented by the agencies part of the BMO Commodity Team
- Over the next five years, this cross-agency Commodity Team is charged with driving 15-20% in annual savings
- We seek your assistance in helping us achieve our goal and create as much as possible “win-win” solutions with industry





Strategic sourcing goes beyond lower unit pricing to achieve win-win sustained cost savings benefits

## Strategic Sourcing Cost Reduction Levers

### Smart Contracting

- Maximize competition
- Consolidate multiple supplier contracts
- Aggregate (or disaggregate) requirements
- Migrate to best price/value relationships
- Manage risk/cost through contract type
- Re-negotiate pricing

### Performance Management

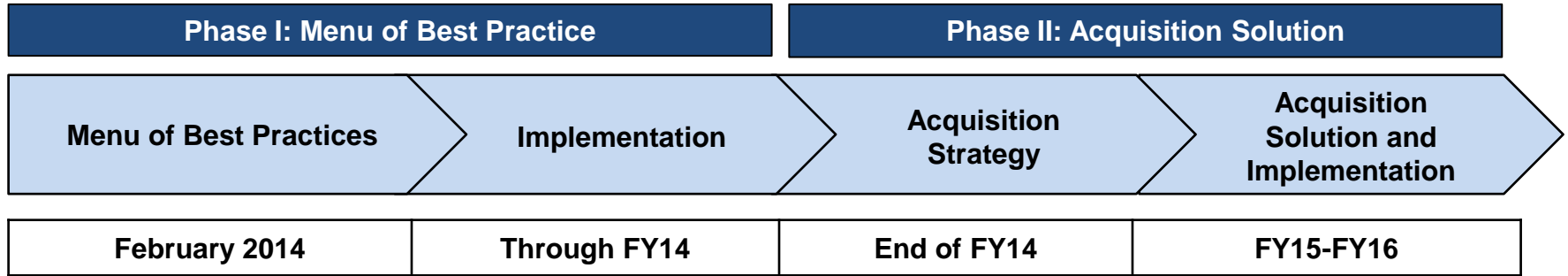
- Manage compliance against policy
- Audit payments/invoices
- Manage supplier performance
- Manage supply chain costs

### Demand Management

- Rationalize specifications/requirements
- Match requirements/plan to market capabilities
- Reduce use and waste
- Dispose excess capacity



Given the vast depth and breadth of services, we plan on tackling BMO services in phases



Strategic Sourcing Levers

**Demand Management**

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**Smart Contracting**

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The BMO Commodity Team developed key criteria to consider for best practices to be implemented as part of Phase I

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### **Key Criteria for Demand Management Best Practice Strategies**

- Ability to capture and track cost savings
- Agency level of interest given current practices and organizational structure
- Ease of implementation
- Ability to meet socio-economic goals

The team then short listed BMO demand management best practices for consideration under Phase I

#	Best Practice	Description of Best Practice
1	<b>Computer Night Shutdowns</b>	IT Departments to use power management software to “wake up” and put computers “to sleep” remotely
2	<b>Use Advanced Power Strips</b>	Implement the use of advanced power strips that allow electronics to be powered down when not in use
3	<b>Set Building Temperatures</b>	Set temperatures based on seasonal climates to reduce energy consumption for HVAC systems
4	<b>Set Boiler/Water Heater Settings</b>	Set boiler/water temperature standard (e.g. 120°F)
5	<b>Janitorial Services Standards</b>	Custodial standards defining standardized levels of service by type of area
6	<b>Pay for Cleanable vs. Gross Space</b>	Define and only pay for cleanable square footage vs. gross square footage
7	<b>Peak Energy Smoothing</b>	Power down non-critical energy consumption for peak periods in return for a reduced rate for the energy that is consumed



## BMO Best Practices – Discussion Questions

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- Do you have feedback or suggestions on any or all of the mentioned best practices?
- Do you know of additional examples of BMO best practices that can demonstrate quantifiable cost savings?
- Do you have other non-acquisition based suggestions on ways government can achieve measurable savings with BMO related services?
- Do you have any suggestions related to the implementation of a menu of best practices which could be used by many different federal agencies, across the United States and/or overseas?



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The BMO Commodity Team developed key criteria to consider for a government-wide acquisition solution as part of Phase II

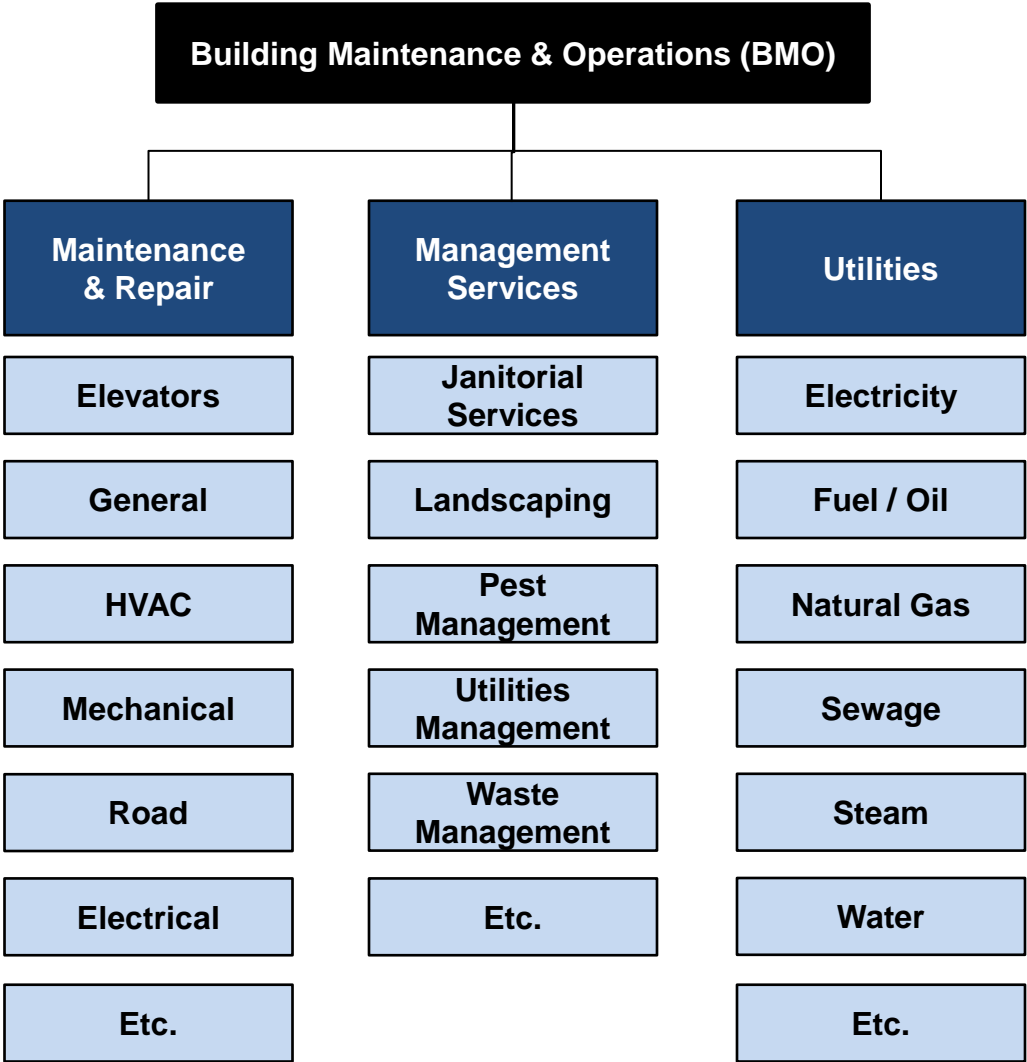
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### **Key Criteria for an Acquisition Solution Strategy**

- Ability to capture and track cost savings
- Maintain or increase Small Business utilization
- Ease of implementation / use
- Ability for vendors to increase service quality
- Process and workforce efficiencies
- Ability to meet other socio-economic goals, e.g. AbilityOne, Environmental mandates, etc.



# The first acquisition solution envisioned will cover a subset of BMO services procured





## BMO Acquisition Discussion – Initial Questions

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- Which BMO service categories are most suitable (or not suitable) for a government-wide acquisition vehicle?
- What is the best method for acquiring BMO service categories, for example, going through a Complete Facilities Maintenance contractor or directly to a BMO service provider?
- What are the primary cost drivers in how the federal government does business today?
- What should be the geographic coverage of a solution, for example, national vs. multi-state vs. metro region?
- How can the government best ensure Small Business and AbilityOne participation?
- What types of data and business intelligence are you typically asked to provide to your commercial clients?
- Do you have any suggestions related to the implementation of a government-wide acquisition solution?



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## Continued industry engagement

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- To increase transparency, we will use Interact as our primary means of communication, to include regular blog updates and responses to questions and comments
- We will conduct one-on-one meetings with vendors who responded to the RFI (guaranteed meetings with those who submitted white papers by January 24<sup>th</sup>). The purpose of these meetings is for industry to give us further comments and suggestions. No capabilities briefings or other marketing calls will be accepted
- Our intent is to drive a solution which fits most purchases in this category
- We are open to new ways of doing business
- We will meet with any industry association making a request, for the same purposes as the one-on-one meetings



The screenshot shows the GSA Interact website for the Federal Strategic Sourcing Initiative (FSSI) - Building Maintenance & Operations (BMO) group. The page features a blue header with the GSA Interact logo and a 'Welcome! LOGIN' button. Below the header is a navigation bar with links for HOME, COMMUNITY, TRAINING, and MY INTERACT, along with a search bar. The main content area includes a large blue banner with the heading 'GSA Wants to Hear From You!' and a paragraph explaining the initiative's goal to save money for the federal government. To the right, there are sections for 'Group Info' (welcoming members and providing a 'Subscribe to group' button), 'Contact Us' (with a link to sign up for email updates and an email address: FSSI.BMO@gsa.gov), and 'Members' (showing 464 members). At the bottom left, there is a 'Featured Content' section with a reminder for BMO RFI responses on January 24, and a 'What's Happening...' section with a 'GSABMO Blogger' link and a link to attend a virtual Industry Day on January 29.

<https://interact.gsa.gov/group/FSSIBMO>



## Target timeframe\*

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- **Industry Day** – *January 29, 2014*
- **One-on-one meetings** – *February/March 2014*
- **Phase I Implementation** – *Q4 of FY14*
- **Phase II Acquisition Draft RFX Issuance** – *Q1/Q2 of FY15*



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**As always, please feel free to follow-up offline  
via the Interact site (<https://interact.gsa.gov/group/FSSIBMO>)  
or by emailing [fssi.bmo@gsa.gov](mailto:fssi.bmo@gsa.gov)**



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Thank You For Your Participation