

REGIONAL PLANNING INSTRUCTION
SPECIAL PROJECTS PROGRAM



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1.0 BACKGROUND

This module of the Regional Planning Instruction is intended as an overview of the Special Projects program. Specific guidance is found in the OPNAVINST 11010.20F, Facilities Projects Manual.

Under the Special Projects program, the Chief of Naval Operations (CNO) delegates Navy major claimants authority to approve minor construction, repair, maintenance of facilities assets, and equipment installation projects using various funds sources within specified cost limits. Program guidance for Special Projects is contained in OPNAVINST 11010.20F, Facilities Projects Manual, and CNO message 231840Z OCT 96, and in amplifying correspondence from CNO and the Naval Facilities Engineering Command (NAVFACENGCOCM).

2.0 PURPOSE

The Special Projects Program gives Navy operational commanders increased flexibility, over and above the Military Construction Program, to direct timely resources toward specific facilities requirements. It does not relieve them, however, of their responsibility to comply with a rigorous agenda of Navy directives and federal, state and local government regulations and statutes. This module summarizes the role of NAVFACENGCOCM in assisting activity planners with the preparation of documentation necessary to execute Special Projects.

3.0 DEFINITIONS

The following definitions are pertinent to the Special Projects program:

3.1 CONSTRUCTION

“Construction” is the erection, installation, or assembly of a new real property facility; or the addition, expansion, extension, alteration, conversion, or replacement of an existing real property facility; or the relocation of a real property facility. The minor construction limit is \$500,000.

3.2 REPAIR

“Repair” is the return of a real property facility to such condition that it may be effectively utilized for its designated purposes, by overhaul, reprocessing or replacement of constituent parts or materials which are damaged or deteriorated to the point where they can not be economically maintained.

3.3 EQUIPMENT INSTALLATION

Installation of equipment consists of those modifications to a real property facility that are required solely for the installation of an item of "personal property". The equipment costs in other than new facilities is funded from the same procurement appropriation used for the equipment.

3.4 MAINTENANCE

“Maintenance” is the recurring day-to-day, periodic, or scheduled work required to preserve or return a real property facility to such a condition that it may be used for its designated purpose.

3.5 COMBINATION PROJECTS

Projects containing a combination of work types carry the various category designations in the project number. For example, a combination repair and construction project is designated as Repair/Construction (RC).

Amplifying information on Special Project classifications and definitions is contained in OPNAVINST 11010.20F, Facilities Projects Manual.

4.0 AUTHORITY

As indicated by OPNAVINST 11010.20F, major claimants will validate all special projects that meet the criteria:

- (1) Minor Construction over \$400,000
- (2) Repair or specific maintenance over \$1,000,000, for O&M,N or RDT&E funded work, and over \$3,000,000 for NIWF funded work
- (3) Equipment installation over \$200,000
- (4) Combination projects over \$500,000
- (5) Repair projects over \$500,000

The validations must include the following aspects of submitted projects per OPNAVINST 11010.20F for accuracy and completeness:

- (1) Classifications of work and/or property
- (2) Incorporation of requirements data from the Shore Facilities Planning System (SFPS)
- (3) Estimated cost of project
- (4) Technical feasibility of proposed work method(s)

In addition to the foregoing, the EFD/As frequently advise activities of actions that must be taken to be in compliance with OPNAVINST 5090.1B, Environmental and Natural Resources Protection Manual concerning environmental regulations and laws prior to project execution.

5.0 REQUIREMENTS

As required by OPNAVINST 11010.20F, a formal net present value life-cycle economic analysis must be included for:

- (1) All repair projects with an estimated cost which is greater than \$500,000 and more than 50 percent of the facility replacement cost.
- (2) All repair projects with an estimated cost greater than \$2,000,000.

Repair projects over \$5 million must receive an additional review by CNO (N44) and approval by ASN (I&E). Also repair projects over \$7.5 million require a congressional notification period of 21 days prior to contract award.

6.0 RESPONSIBILITY/ACTION

6.1 ACTIVITY

The activity initiates project planning, development of documentation, and submittal for review, validation, approval and funding by the chain-of-command.

6.2 EFD/A

The EFD/As review and validate project submittals from the activity (at the request of the major claimant). The validation of a project by the EFD/A is advisory to the Major Claimant only.

6.3 NAVFAC HEADQUARTERS

NAVFACENGCOC provides guidance and interpretations to EFD/As and major claimants regarding classification of work, and serves as an interface with Washington-level organizations such as NAVCOMPT where rulings concerning matters of funding sources and interpretations are requested. NAVFACENGCOC also assists CNO during the review process for all projects requiring approval by higher authority.

6.4 MAJOR CLAIMANTS

Major claimants validate all special projects. Under authority delegated by CNO, the major claimants manage the Special Projects program. The Major Claimant has authority to approve and fund the project.

7.0 EFD/A PROCEDURES

The "cradle-to-grave" execution process for Special Projects is more informal, but no less important, than the Military Construction (MILCON) program. A similar sequence of steps in project execution, from concept development/approval to environmental review/documentation, to design, and finally funding and construction, must be followed. The application of statutory and Navy-level project funding and authority limits, diverse funding sources, and frequent emphasis to expedite completion of projects all offer unique challenges to Public Works Officers and their staffs. The small Special Project can have as much, if not more, of an impact on the environment or land development as a major MILCON project.

8.0 SUPPORT AVAILABLE

8.1 CLASSES AVAILABLE

Regions and activities are encouraged to train their facilities planners by attendance at the Special Projects Seminar (CECOS Course Number CIN: A-4A-0048) offered by the Naval School, Civil Engineer Corps Officers, Port Hueneme, CA. These and other follow-on courses will aid planners in properly preparing Special Projects documentation.

8.2 EFD/A ASSISTANCE AVAILABLE

EFD/A planning staffs can also assist regional/activity planners by answering questions regarding procedures to complete DD Form 1391 and enclosures, work and property classifications, and literal and precedent-setting interpretations of facilities instructions and publications.

9.0 MAJOR CLAIMANT OR NAVFAC REVIEW OF PROJECT SUBMISSIONS

Project documentation is reviewed to validate:

- (1) Project scope and classification
- (2) Proper format and completion of the DD Form 1391 and associated enclosures
- (3) Technical feasibility and reasonableness of the project cost estimate.
- (4) Review of the Economic Analysis (where applicable).

9.1 PROJECT SCOPE AND CLASSIFICATION

A brief, initial review of DD Form 1391 will determine whether the project cost is within the funding authority of the major claimant, and if the work is properly classified within definitions for Repair, Maintenance, Construction and Equipment Installation. In some cases, this process involves the interpretations of work and property classifications. A detailed, technical cost review will later determine the validity of the activity estimate, but it is important to ensure the project is generally packaged correctly before an extensive effort is expended to assess the technical feasibility, cost, and environmental planning, documentation and permitting actions that must be validated before the project is recommended for approval and funding.

9.2 FORMAT/COMPLETION OF THE PROJECT DOCUMENTATION

Incomplete or inaccurate information recorded on the DD Form 1391 submission form and its enclosures adversely affects the chances the project will be approved and funded. A reviewer will check the Special Project package for completion of blocks on the DD Form 1391 and inclusion of necessary enclosures. Common mistakes include:

- Poor description of the proposed work in Block 10
- Omission of contingency and Supervision, Inspection and Overhead (SIOH)
- Use of lump sum estimates that are impossible to review, poor or weak justification (many times the Base Readiness Report (BASEREP) and the Annual Inspection Summary (AIS)) are ignored or are not coordinated in the development of a repair project)
- DD Form 1391 and the estimate do not match

- Block 11, "Requirement," is left blank
- Numbers on the DD Form 1391 do not add up correctly
- Construction is not separated from repair
- Omission of the certification signature by the region/activity
- Missing enclosures (cost estimates, site location plans, etc.).

In those instances where information can be corrected, calculated or referenced, the reviewer can annotate the project documents accordingly. Of course, where missing or inaccurate information involves resource or mission assessments and judgments, or certifications, the activity will be requested to provide the necessary documentation.

9.3 ECONOMIC ANALYSIS PROBLEMS

A primary problem and one that takes the longest to correct is an incorrect economic analysis. This problem can be broken down into individual errors such as:

- Use of incorrect discount rate
- Incorrect terminal value
- Incorrect base years
- Insufficient justification on the derivation of costs
- Not using end of the year discounting
- Not including the correct alternative or enough alternatives
- Failure to add demolition cost in a new construction alternative
- Failure to include recurring costs for each alternative
- Incorrectly using the same utility costs for the new construction alternative and the renovation alternative
- Failure to include imputed costs in the alternatives
- Typo errors
- On a BQ project failure to include local lodging as an alternative
- Using higher or the same O&M costs for the new alternative
- When alternatives are close non-monetary considerations are not included
- Failure to put all the costs in base year dollars
- Failure to do a sensitivity analysis

9.4 TECHNICAL FEASIBILITY AND REASONABLENESS OF PROJECT COST ESTIMATE

The Special Project reviewer will review the technical aspects of a Special Project package. The review will determine whether the project is "complete and useable", and whether proper methods, materials, labor and equipment are proposed for the intended facility, structure or utility system. Additionally, various cost estimating criteria and resources are used to determine whether the estimated cost of the project is reasonable. The purpose of the cost validation is to provide assurance to the major claimant that the requested funding figures are reliable, and the project, as defined by the region/activity, will remain within funding authority limits.

10.0 ADVISORY COMMENTS

Advisory comments may be added to address:

- Environmental permitting and National Environmental Policy Act (NEPA) documentation requirements
- Site constraints and investigations that may be required at the proposed project location
- Investigation/evaluation of historic/cultural/natural resources, endangered species, and Coastal Consistency Determination (CCD) requirements
- Opportunities for alternative project funding sources

Comments from the functional elements of the EFD/A (Environmental Engineering, Planning and Design Divisions, etc.) are incorporated into an EFD/A Letter of Endorsement which is then forwarded to the next addressee on the activity's transmittal letter. In some instances, the project may be returned to the originating activity for additional information or documentation.

10.1 SITE APPROVAL

The project is subject to site approval in accordance with the Site Approval Process module of this Instruction.

10.2 NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) CONSIDERATIONS

All Navy projects are subject to the requirements of NEPA as described in OPNAVINST 5090.1B, Environmental and Natural Resources Protection Manual. Regardless of the type or size of the project, each must have a Categorical Exclusion (CE), Environmental Assessment (EA), or Environmental Impact Statement (EIS) prepared prior to execution of the project. For further information or assistance in preparing the required documentation, contact the Environmental Planning Branch or Division at the local EFD/A.

The Navy has made a commitment to protect the environment and natural resources. To this end, impact of other environmental and land use laws and regulations must be considered in the development and review of project documentation. These regulations include:

- Endangered Species Act--may require consultation with the U.S. Fish & Wildlife Service
- Coastal Zone Management Act/Coastal Consistency Determination (CCD)--may require permitting through state or local agencies
- Clean Water Act--may require Corps of Engineers Permit

For further information or assistance in preparing the required documentation, contact the Environmental Planning Branch or Division at the local EFD/EFA.

10.3 HISTORIC AND ARCHEOLOGICAL RESOURCES PROTECTION

As with natural resources, public law and Navy commitments demand that we protect cultural and archeological resources at shore activities. Planners should consult the Integrated Cultural Resources Management Plan (ICRMP) or the Integrated Natural Resources Management Plan (INRMP) for the region/activity, and/or contact the Environmental Planning Branch or Division at the local EFD/A or the Navy Federal Preservation Office (see Cultural Resources module of this Instruction) before undertaking a project which may impact these resources.

11.0 SUMMARY

The Special Projects program is the lifeblood of facilities management at a region/activity. Without the ability to quickly respond to pressing mission requirements and maintenance and repair, the Navy could not function at peak efficiency. It is important to consistently plan, document, and administer the region/activity Special Projects Program to achieve and retain the confidence of the chain-of-command. Attention to detail, timely and accurate submissions, as well as follow-through, will establish a baseline program through which the region/activity can successfully support the Navy's mission.