

USS Dwight D. Eisenhower  
Norfolk Naval Shipyard, VA

**FY22**

# NAVFAC STAKEHOLDER REPORT



# FROM THE COMMANDER

I am pleased to present NAVFAC's Stakeholder Report for Fiscal Year 2022. This document provides a transparent assessment of our progress in meeting NAVFAC Capabilities' strategic objectives, as measured by associated Tier 1 outcomes.

Over the past year, inflation in construction material costs, supply chain delays, and tight labor markets reduced our margin for error in delivering on budget and by mission need date. Our workload also became more complex, executing the once in a generation recapitalization of our shipyard infrastructure. These challenges highlight the need to leverage data-driven decisions and ruthless performance assessment to deliver results to the Fleet in this demanding economic environment.

This report documents our progress towards meeting the NAVFAC Strategic Plan, released in August. Strategic Priority #1 to *Accelerate Execution Performance* focuses on transparency, measurement, and accountability to improve our output to the Fleet. This data serves as the benchmark for assessment and improvement to meet these objectives.

In areas where we are underperforming or not meeting industry benchmarks, we will honestly assess our performance to understand root causes. We will also embrace the *Get Real Get Better* culture to act transparently, accelerate learning, and fix or elevate issues.

I am proud of how quickly the NAVFAC team is shifting to an outcome-focused mindset using our capabilities framework. We remain committed to optimizing our performance to drive results for the Navy and Marine Corps.



VR/ DV-LY

REAR ADMIRAL DEAN VANDERLEY



# NAVFAC CAPABILITIES

NAVFAC’s mission, functions, and tasks are encompassed within ten capabilities unique to our SYSCOM role, each with a strategic objective to maximize our support to Fleet and Marine Corps forces.

THIS REPORT MEASURES PERFORMANCE AGAINST THE TIER 1 OUTCOMES THAT SUPPORT THE STRATEGIC OBJECTIVES OF EACH CAPABILITY.

## DESIGN & CONSTRUCTION

**STRATEGIC OBJECTIVE** / Improve the speed, cost control, and quality of MILCON project delivery

## MAINTENANCE & FACILITY OPERATIONS

**STRATEGIC OBJECTIVE** / Deliver reliable and resilient infrastructure based on Fleet and Marine Corps priorities with focus on Task Critical Assets

## CYBERSECURITY: FACILITY-RELATED CONTROL SYSTEMS

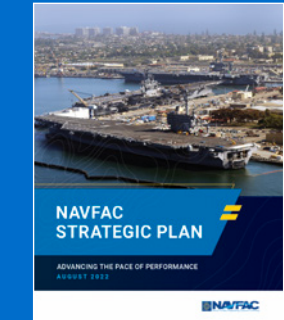
**STRATEGIC OBJECTIVE** / Support Fleet operational readiness by securing all Facility-Related Control Systems (FRCS) of defense critical infrastructure

## EXPEDITIONARY ENGINEERING & LOGISTICS

**STRATEGIC OBJECTIVE** / Exercise Expeditionary, Table of Allowance, and Contingency Engineering responsibilities to enable Naval and Joint Warfighter readiness

## OCEAN FACILITIES & EQUIPMENT ENGINEERING

**STRATEGIC OBJECTIVE** / Assure continued Fleet dominance at-sea and ashore through innovation and engineering



## THE NAVFAC STRATEGIC PLAN

- Accelerates efforts for improving command-wide performance
- Drives outcomes to enable Fleet readiness
- Develops our SYSCOM workforce for future challenges



Scan here to download the NAVFAC Strategic Plan

## REAL ESTATE ACQUISITION & MANAGEMENT

**STRATEGIC OBJECTIVE** / Increase operational capability while reducing Navy total ownership costs

## ENVIRONMENTAL COMPLIANCE

**STRATEGIC OBJECTIVE** / Comply with National Environmental Policy Act (NEPA) and environmental site regulations

## ENVIRONMENTAL CONSERVATION

**STRATEGIC OBJECTIVE** / Assess the overall health, status, and effectiveness of shore conservation for natural and cultural resources

## WEIGHT HANDLING ASHORE PROCUREMENT & INSPECTION

**STRATEGIC OBJECTIVE** / Lead the Navy’s shore activity weight handling program by establishing policy and providing engineering, acquisition, technical support, training, and oversight for compliance to maintain readiness

## NON-TACTICAL VEHICLES & EQUIPMENT MAINTENANCE & OPERATIONS

**STRATEGIC OBJECTIVE** / Provide the Navy with transportation services that meet Fleet and shore readiness requirements

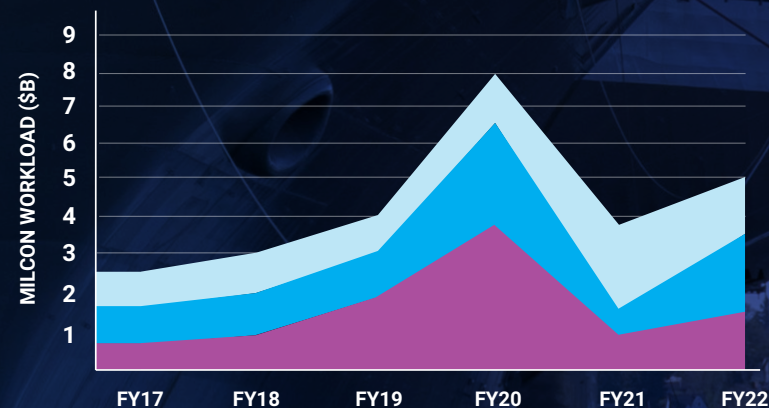


# FY22 CAPABILITIES PROGRESS REPORT

## DESIGN & CONSTRUCTION

**STRATEGIC OBJECTIVE** / Improve the speed, cost control, and quality of MILCON project delivery

### MILCON Workload

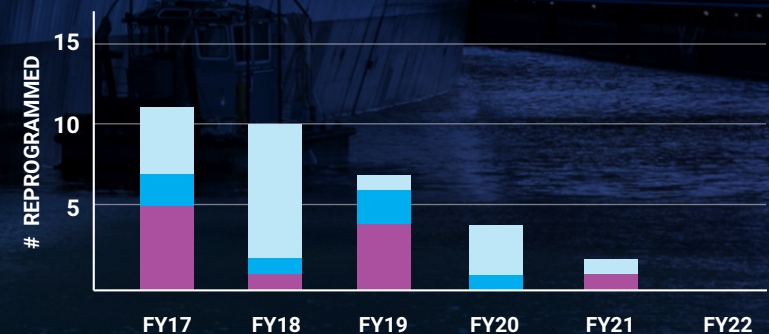


### ASSESSMENT

**Focusing processes and workforce towards:**

- Historically high MILCON workload
- Emerging SIOB and PDI missions driving future program growth

### MILCON Reprogramming



### ASSESSMENT

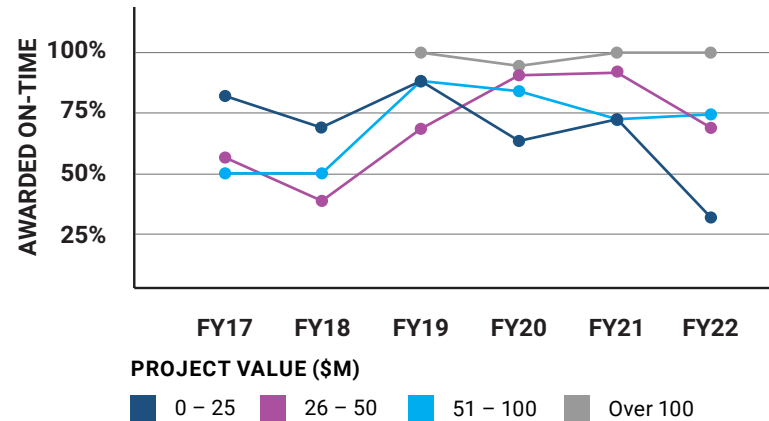
**Fewer reprogrammings resulting from deployment of process improvements and best practices**



## DESIGN & CONSTRUCTION

**STRATEGIC OBJECTIVE** / Improve the speed, cost control, and quality of MILCON project delivery

### Projects Awarded as Planned



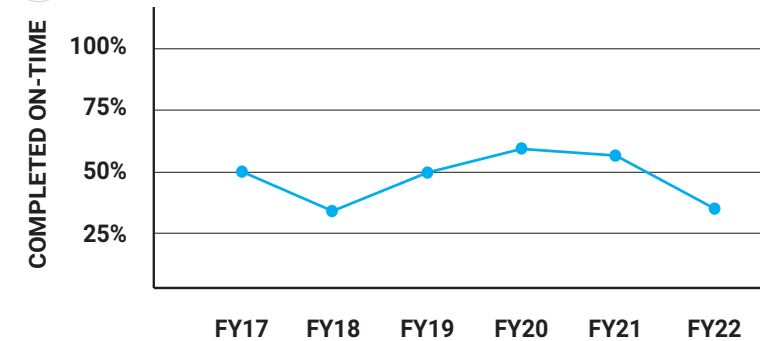
#### ASSESSMENT

Performance lower for smaller projects

#### COUNTERMEASURE

- Improving requirements and design processes
- Addressing inflation trends in cost estimates

### Projects Completed Within Mission Need Date



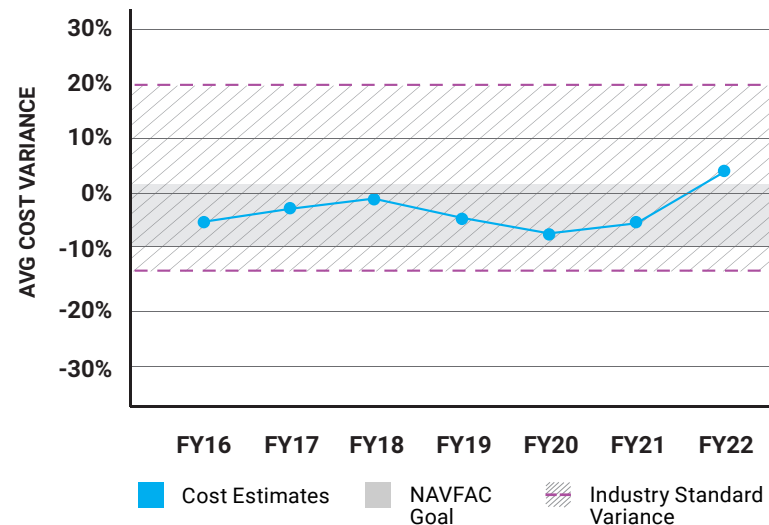
#### ASSESSMENT

Root causes include inflation and supply chain disruptions

#### COUNTERMEASURE

- Mitigating risk for components on the critical path
- Incentivizing contract schedule performance

### Cost Estimates Compared to Actual Award Costs



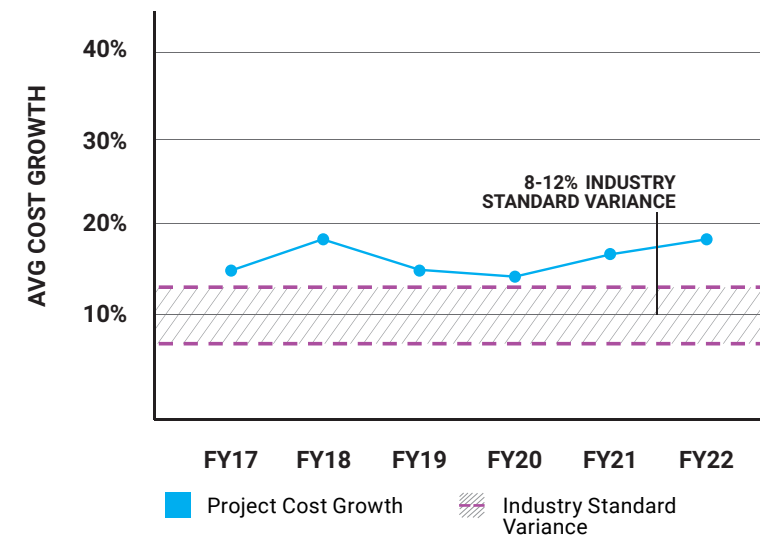
#### ASSESSMENT

- Critical cost variances exist outside overall average
- Inflationary impacts on par with industry

#### COUNTERMEASURE

Adjusting escalation factors informed by economic data and labor/material forecasts

### Average Project Cost Growth During Construction



#### ASSESSMENT

Root causes include supply chain disruptions, labor market shortages, and inflation

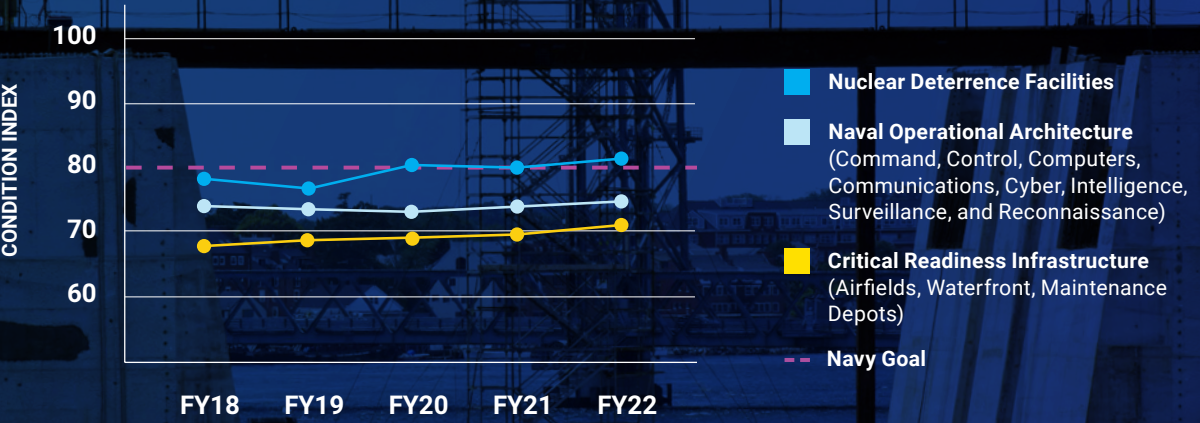
#### COUNTERMEASURE

Adjusting acquisition strategy to share cost escalation risks with contractors

# MAINTENANCE & FACILITY OPERATIONS

**STRATEGIC OBJECTIVE** / Deliver reliable and resilient infrastructure based on Fleet and Marine Corps priorities with focus on Task Critical Assets

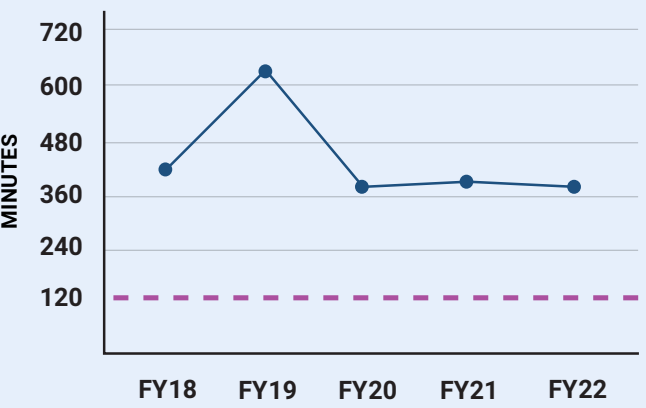
Critical Buildings Condition Index



**Navy aggregate investment at 2% of Plant Replacement Value**  
Industry Range 2-5%

FY22 Electrical Resilience

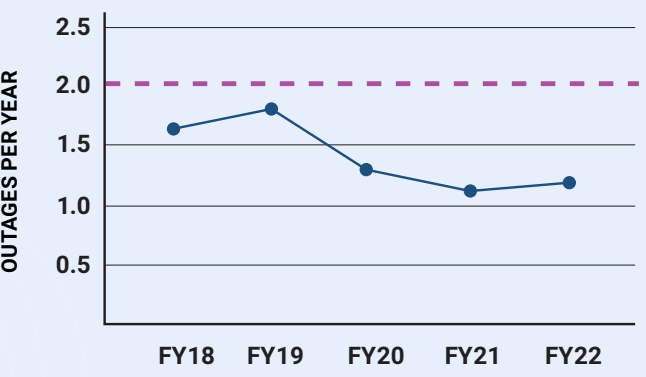
Power Outage Duration



**ASSESSMENT**  
Outage duration continues to exceed industry standard

FY22 Electrical Reliability

Power Outage Frequency



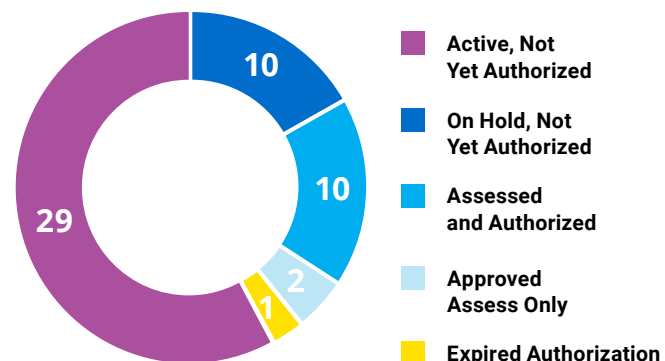
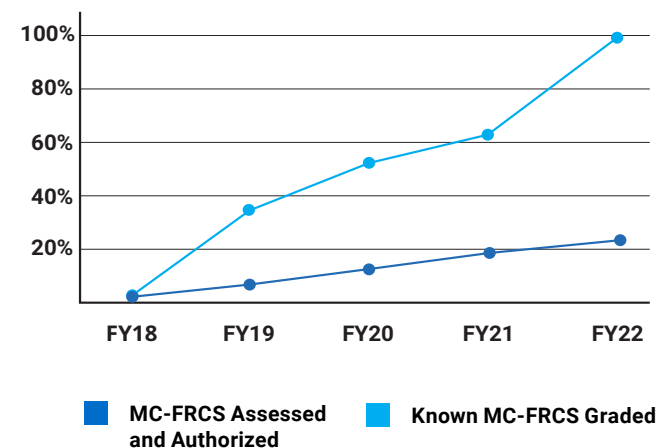
**COUNTERMEASURE**  
Implementing improved recovery procedures to drive down outage duration

## CYBERSECURITY: FACILITY-RELATED CONTROL SYSTEMS

**STRATEGIC OBJECTIVE** / Support Fleet operational readiness by securing all Facility-Related Control Systems (FRCS) of defense critical infrastructure

### Identification & Authorization of Mission Critical FRCS (MC-FRCS)

### Progress of MC-FRCS through Risk Management Framework Authorization



### ASSESSMENT

Mission growth and complexity outpacing current capacity

### COUNTERMEASURE

Focused on the 52 known MC-FRCS supporting 117 defense critical infrastructure assets

## EXPEDITIONARY ENGINEERING & LOGISTICS

**STRATEGIC OBJECTIVE** / Exercise Expeditionary, Table of Allowance, and Contingency Engineering responsibilities to enable Naval and Joint Warfighter readiness

### RESEARCH & DEVELOPMENT

#### Expeditionary P-8A Runway Design

Developed P-8A contingency-use pavement criteria to support expeditionary runway planning and operations

### TABLE OF ALLOWANCE

Enabling the expeditionary warfighter to make risk-based decisions on equipment and materiel

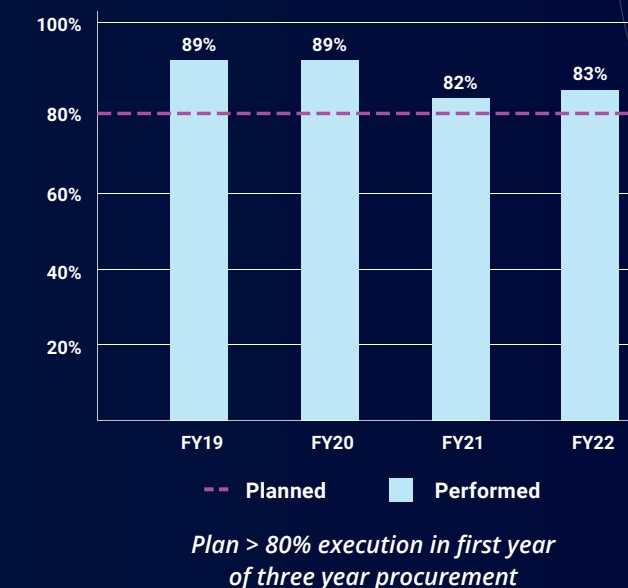
### CONTINGENCY ENGINEERING

**100%** Stakeholder Timelines and Requirements Met

Enabling security cooperation/assistance programs to the Navy, Combatant Commands, and partner nations rapidly to prevent war

### OUTFITTING THE EXPEDITIONARY FORCE

Exceeded plan to outfit the Navy's expeditionary forces with required vehicles and equipment



### ASSESSMENT

Fully executing the mission requirements of the expeditionary community

### COUNTERMEASURE

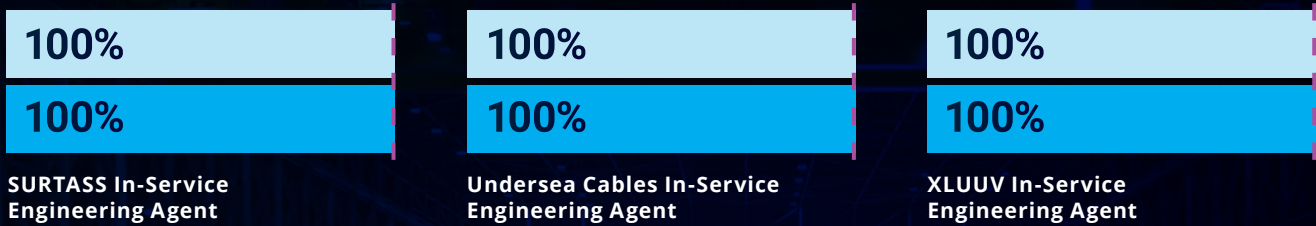
Focusing on improving and sustaining agile acquisition support across all phases of military operations



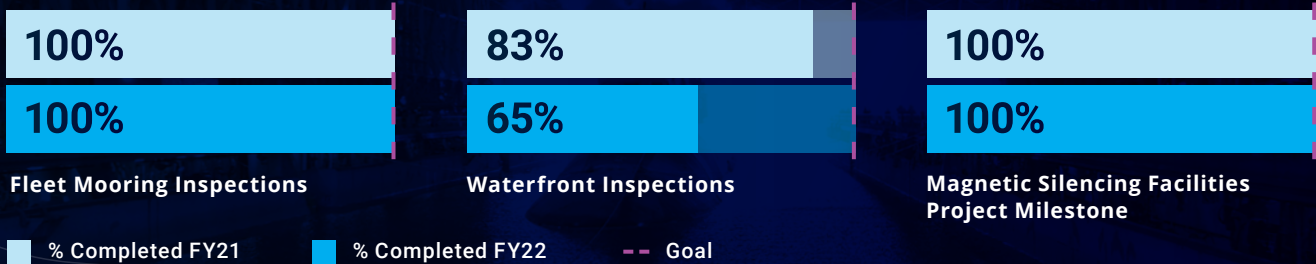
OCEAN FACILITIES & EQUIPMENT ENGINEERING

**STRATEGIC OBJECTIVE** / Assure continued Fleet dominance at-sea and ashore through innovation and engineering

ENABLE UNDERSEA SURVEILLANCE



ENABLE SUSTAINMENT OF WATERFRONT INFRASTRUCTURE



FY22 KEY ACCOMPLISHMENTS:

- **SURTASS:** Design and sustainment of handling system enabling current and future passive and active sonar capability
- **Undersea Cables:** Completed submarine fiber optic cable landings for enhanced communication connectivity of US forces in Diego Garcia
- **XLUUV:** Procured In-Water Support platform for homeporting in Port Hueneme, CA

ASSESSMENT

Program goals met mission requirements of supported commands. Funds phasing and travel restrictions impacted Waterfront Inspection performance

COUNTERMEASURE

Improved phasing plan for FY23 will drive improved performance

REAL ESTATE ACQUISITION & MANAGEMENT

**STRATEGIC OBJECTIVE** / Increase operational capability while reducing Navy total ownership costs

INNOVATIVE LAND USE AGREEMENTS



ASSESSMENT

Navy's return on investment utilizing land use agreements increased by 8% in FY22

COUNTERMEASURE

Aggressively seek opportunities for land use agreements that avoid MILCON investment



Southeast Federal Center Land Exchange avoids cost for ATPF hardening for Washington, DC, National Security missions



Pinecastle Permit (East Coast) provides critical capability to conduct air-to-ground training for US Joint and Allied Services



## ENVIRONMENTAL COMPLIANCE

**STRATEGIC OBJECTIVE** / Comply with National Environmental Policy Act (NEPA) and environmental site regulations

**100% On-time** NEPA DOCUMENTS COMPLETED

Within operational support date, up from 94% in FY21

**93% On-time** ENVIRONMENTAL RESTORATION RESPONSE COMPLETE

11% increase from FY21

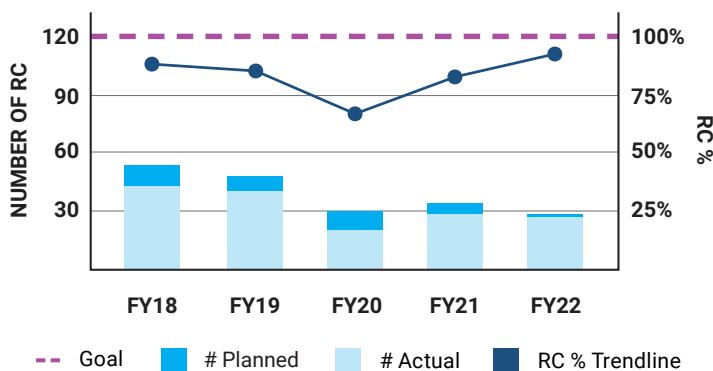
### ASSESSMENT

- NEPA compliance actions enacted on plan and enabled training range expansion and RDT&E programs
- Environmental Restoration Response performance continues to improve

### COUNTERMEASURE

Further improvements of Environmental Restoration Response and PFAS management underway

### Restoration Response Complete (RC) Trendline

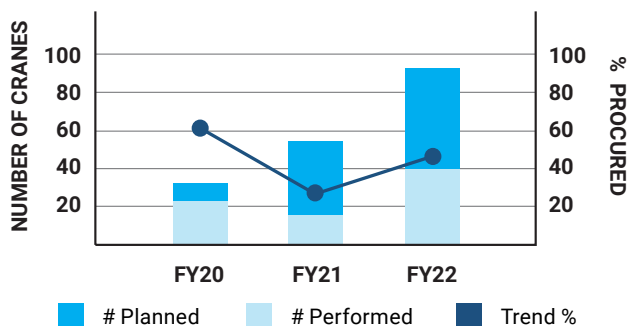


## WEIGHT HANDLING ASHORE PROCUREMENT & INSPECTION

**STRATEGIC OBJECTIVE** / Lead the Navy's shore activity weight handling program to maintain Fleet readiness

### Future Equipment Readiness

#### Crane Procurement Performance



### ASSESSMENT

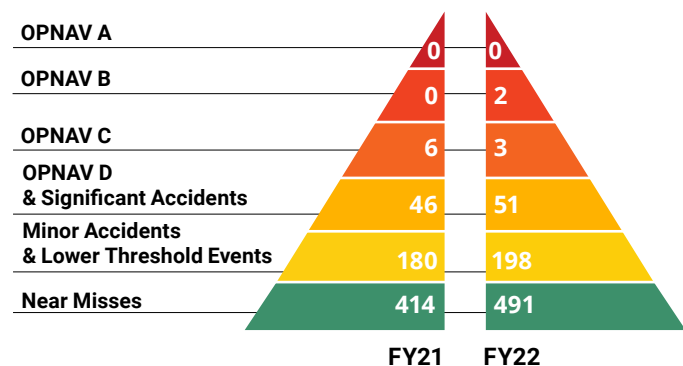
- Schedule adherence slightly improved in FY22
- Root cause of delays include supply chain disruption and supported command changes

### COUNTERMEASURE

Initiatives include P2P metrics, CPARs use, analyze negative events, and actionable lessons learned

### Safety Focus Supporting Readiness

#### Accident Prevention Triangle DON-wide Performance



### ASSESSMENT

- Significant accident rate improved over second half of year, finishing at goal (20%)
- Historically low crane, rigging, and overall accident rates

### COUNTERMEASURE

Actions implemented to stem OPNAV B events in FY22

### Mission Readiness Inspections of Navy Activities

**99%**

Navy activities comply with SECNAV weight handling program requirements

**83%**

Active inventory of Navy weight handling equipment is operationally ready





# NON-TACTICAL VEHICLES & EQUIPMENT MAINTENANCE & OPERATIONS

**STRATEGIC OBJECTIVE** / Provide the Navy with transportation services that meet Fleet and shore readiness requirements



**ASSESSMENT**

- 86% overall asset availability is 4% lower than last year
- Inconsistent preventative maintenance is a leading contributor to availability

**COUNTERMEASURE**

- Improving preventative maintenance oversight
- Developing predictive analytics to better manage risk

# NAVFAC COMMAND LAYDOWN

Worldwide reach with over 100 points of delivery to Navy, Marine Corps, and DOD

**NAVFAC Commands**

- ★ Echelon 3 Commanders / Theater Engineers
- ▲ Echelon 4 Facilities Engineering Commands
- Engineering Specialty Centers
- Echelon 4 Officers In Charge of Construction



**Theater / Contingency**

- Contingency Action Worldwide supporting the following programs:
  - Counter Narcotics
  - Exercise Related Construction
  - Foreign Military Sales / Foreign Military Funds
  - Global Peacekeeping Operations Initiative
  - Humanitarian Assistance
  - Humanitarian Mine Action
  - Ocean Facilities Engineering
  - Security Assistance
  - Theater Security Cooperation



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Kittery, ME



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