

REIMBURSABLE WORK

1. Mr. Fitzwater addressed this issue by emphasizing the need to accomplish more reimbursable work due to the requirements to accommodate significant increases in personnel and major changes in organization and operational strategy. He referred to planning to accommodate O/S [redacted] and the resulting last minute planning and relocation of OSO and OSA [redacted] in order to immediately respond to such fast changing organizational requirements. He then requested the following:

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a. A Delegation of Authority from GSA for the Agency to contract directly for the construction of Project 4C in the Headquarters Building.

b. Establish an arrangement whereby when such problems occur in which GSA cannot meet our requirements, that GSA delegate authority to the Agency to directly contract for such construction modifications up to a cost of \$500,000 for the project.

2. Mr. Davis stated that regarding the known background of the 4C Project that GSA will delegate authority to the Agency to contract directly for this work. He further explained that it was now GSA's main objective to move all operations to the GSA Regions and to move all policy to the Central Office in order to be more responsive to the needs of all Federal agencies. GSA is presently moving more SES resources to the Regions to provide more and better operational support where it is needed. He added the following thoughts:

a. Increasing levels of communications contact, and interface must occur between the Agency and the Central Office. (When asked "At what level and for what subjects at the Central Office and Regional Office levels?", he indicated that it would be worked out and we would so be informed.)

b. Continue to ask GSA for Delegations of Authority.

c. GSA will let the Agency perform direct construction on a case-by-case basis regarding unique Agency type work that GSA cannot do.

d. GSA is presently studying the possibility of increasing the Building Manager's authority to accomplish work up to \$25,000 per project through term contracting and, authority to accomplish projects up to \$100,000 through direct contracting.

e. The undersigned suggested that engineers be assigned to Building Managers and that such technical resources would enhance his breadth of performance in the M&O and construction areas. Mr. Davis was keenly interested in this approach and said he would look into it further.