



## CONSTRUCTION UPDATE | APRIL 21, 2009

### GSA IS MAKING GOOD ON ITS SPENDING PROPOSAL PROMISE

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Since announcing its list of economic stimulus projects on March 31, 2009, the General Services Administration (“GSA”) is making good on its promise to award the first \$1 billion of its \$5.55 billion spending proposal by August 1st. In the past three weeks GSA has either awarded, begun market research for, or sought solicitations for over twenty different building projects that are to be funded in full or in part by the American Recovery and Reinvestment Act (“Stimulus Act”), totaling up to \$930 million. These projects include:

- Construction of New US Coast Guard Headquarters Building, Washington, DC  
(\$300 - \$400 million)
  - Open to large and small business concerns
  - Solicitation Posted: April 9, 2009
  - Response Date: May 11, 2009
  
- Construction Management Support Services, US Department of Homeland Security Headquarters Consolidation Program, Washington, DC  
(\$20 - \$30 million)
  - Open to large and small business concerns
  - Presolicitation Posted: March 23, 2009
  - Solicitation Posted: April 30, 2009
  - Response Date: June 1, 2009
  
- Demolition and Remediation Services for St. Elizabeth’s West Campus Warehouse and Warehouse Annex, Washington, DC  
(\$3.5 - \$5 million)
  - Small Business 8(a) Set Aside
  - Presolicitation Posted: April 9, 2009
  - Response Date: May 26, 2009

- Renovations and Alterations to the PJKK Federal Building and US Courthouse, Honolulu, HI (\$60 - \$70 million)
  - Open to large and small business concerns
  - Presolicitation Posted: April 8, 2009
  - Response Date: May 8, 2009
  
- Renovation of Federal Building at 50 United Nations Plaza, San Francisco, CA (\$75 - \$100 million)
  - Open to large and small business concerns
  - Presolicitation Posted: April 8, 2009
  - Response Date: April 27, 2009
  
- Modernization of the IRS Service Center, Andover, MA (\$75 - \$100 million)
  - Open to large and small business concerns
  - Presolicitation Posted: April 15, 2009
  - Response Date: June 8, 2009
  
- Repair, Alteration and Seismic Upgrades to the Hilo Federal Building and US Post Office, Hilo, HI (\$7 - \$10 million)
  - Open to both large and small business concerns
  - Presolicitation Posted: April 13, 2009
  - Response Date: May 29, 2009
  
- Renovation of the Peter W. Rodino Federal Building, Newark, NJ (\$100 - \$120 million)
  - Sources sought synopsis only (FAR Part 10 - Market Research)
  - Posted: April 14, 2009
  - Response Date: April 29, 2009
  
- Modernization of Cesar E. Chavez Memorial Building, Denver, CO (\$22 million)
  - Sources sought synopsis only (FAR Part 10 - Market Research)
  - Posted: April 17, 2009
  - Response Date: May 4, 2009

- Modernization of New Custom House, Denver, CO  
(\$22 million)
  - Sources sought synopsis only (FAR Part 10 - Market Research)
  - Posted: April 17, 2009
  - Response Date: May 4, 2009

For the construction industry, the above government spending cannot come fast enough. Private financing for construction projects remains scarce, and with another 126,000 construction jobs lost in March, unemployment in the construction industry has risen to over 21%. Accordingly, capitalizing on government funded projects will, for many construction firms, be an integral part to any short term success and profitability.

Unfortunately, government contracting can be a difficult process. The time from solicitation to award can be relatively short—given the amount of information required in many of the bids—and once a contract is awarded, compliance with federal regulations can be onerous and expensive. This is especially true for stimulus funded projects where general contractors are subject to “Buy America” provisions and more detailed reporting requirements.

Nonetheless, the Stimulus Act has provided contractors with unprecedented opportunity in an otherwise difficult market. Contractors are well advised, therefore, to make the necessary investment to understand the rules and regulations of government contracting and to implement internal controls to ensure compliance.

For the most current information regarding GSA building projects see GSA's website at [www.gsa.gov](http://www.gsa.gov), or FedBizOpps at [www.fbo.gov](http://www.fbo.gov).

## HOWREY'S EXPERIENCE

Howrey's construction lawyers have extensive experience in the pre-bid process for government contracts and can provide valuable assistance in the preparation of contract documents and other materials. We have worked on all types of construction projects, including buildings, stadiums, and large infrastructure projects. Howrey offers a variety of free in-house training programs, and is happy to discuss conducting a seminar on government contracts or other topics of interest for your company. Please contact one of the attorneys listed below for further information.

## FOR FURTHER INFORMATION:

For further information on this topic or other issues involving construction or government contract law, please contact Barbara Werther, Andrew Ness or David Beck.

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