

----- Original Message -----

From: Sam Samad - EWP

To: NRX-EB@LIST.NATCA.NET

Sent: Friday, May 16, 2008 6:04 PM

Subject: [NRX-EB] IMPORTANT: FAA Engineering Consolidation Briefing Highlights

Brothers and Sisters

I had an informative telephone call today regarding the meeting that the Agency held in Washington DC, on May 15th, to brief congressional staff offices on the Agency's proposed consolidation of Engineering Services.

Following are some highlights:

- Relocation of the engineers will not occur until third year of the plan. Time line is shown in ESEP hand-out page 15.
- Construction/Resident engineers will not move.
- Employees in the Regional Offices will not move except ATO employees.
- Impacted employees are mostly Design Engineers. Position Description of Design Engineer is shown in ESEP hand-out page 18.
- Total number of impacted employees is shown in ESEP hand-out page 13.
- Impacted employees will be offered incentives such as, incentive bonus, full PCS, option to choose from 3 Service Areas and priority consideration for vacant field positions.
- The numbers of employees shown in parenthesis (ESEP hand-out page 13) are Field Engineers/Ops Engineers/Techs. They will not be impacted.
- Administrator will be briefed of this plan within next 2-4 weeks.
- NATCA will not be briefed until the plan is officially approved by the Administrator.
- Employees will be notified within next 90 days.
- Employees may talk to their manager about their situation, i.e. whether they are impacted or not.

Additionally, on my request, I received the following synopsis of the May 15th meeting, which was written by a congressional staff office. As you can tell from the wording of it, the first part reflects the key points that the Agency presented. At the end of the summary, you can see the questions that I wrote and that the attending staffers asked on our behalf.

*******Congressional Staff Overview*******

Overview & Key Points:

This briefing was an update where the speakers primarily went through their power point hand-outs and answered questions. In 2000, the FAA was charged by Congress to become a performance-based organization and the Air Traffic Organization is their best possible solution. The concept of this plan was made known to employees five years ago. It was greatly emphasized that the current paradigm is inefficient and that regional staff are involved in an unsustainable trend. The current nine regional offices each have their own way of working and standardization will increase efficiency. The argument was made that design engineers are not present in every airport in the U.S. and regional staff currently support office staff in other states. Thirty years of empirical evidence has shown that the concept of servicing multiple states from one location works. The FAA has also found no correlation between the quality of service provided and office locations.

- The plan is still in the pre-decision stage and *within the next 2- 4 weeks* the Administrator will be briefed and an up or down decision will be made to move forward with planning.
- Should plans move forward, the first meeting with engineers is expected to be in 90 days and there will likely be several follow-up meetings.
- This part of the plan is the final phase of the Service Area Restructuring Plan and the engineers are the last group to be relocated. Management was already relocated to the 3 service areas in 2004. The relocation of engineers will not occur until the third year of the plan's enactment.
- The plan does not and will never affect construction field engineers, who make up 60% of total engineers. Only design engineers will be relocated.
- A *proposed time line* is on page 15 of the ESEP hand-out.
- The *number of people affected* can be found on page 13 of the ESEP hand-out. However, this number is expected to be the worst case scenario and the numbers are expected to decrease.
- An informal meeting was held with NATCA last week and was productive.

Hand-outs & Highlights:

1. ATO Restructuring power point hand-out
 - In 2000, Congress directed the FAA to establish a performance-based organization- the Air Traffic Organization (ATO).
 - Congress was briefed on these plans in late 2005 and early 2006.

- The restructuring plan included the realignment of 9 regional level offices into 3 service area offices. These 3 offices include: (1) Seattle, (2) Dallas, and (3) Atlanta.
 - ATO decided to restructure primarily to: (1) eliminate redundant & duplicate functions, (2) increase efficiencies, (3) institute standardization, (4) simplify transactional functions, and (5) reduce costs.
 - Projected attrition rates are expected to fall from 3,500 in 2005 to 3,005 in 2009.
2. Engineering Services Efficiency Plan (ESEP) power point hand-out

- ESEP is designed to achieve organizational excellence by reducing overhead. The concept of servicing multiple states is a concept that was working in the past and this plan will continue to work.
- The relocation of the Engineering Service positions to the 3 service area locations is the final part of the plan & has always been a part of the original plan. The program managers have already relocated.
- Benefits of the ESEP include: (1) organizational efficiency, (2) improved customer focus, and (3) cost savings.
- Options for impacted employees include: (1) incentive bonus, (2) the ability to choose from the 3 service area locations, and (3) priority consideration for vacant field engineering positions within their current living area. Additionally, a list of vacant engineering positions in the local area will be provided. The FAA realizes that these options may not be sufficient for all of their employees. They cited the FAA's attrition rate of 0.5% as compared the government's rate of 5% and the private sector's rate of 10%.
- The cost savings estimate is approximately \$400 million in savings over a ten year period with offsetting expenses of approximately \$49 million through September 2011. A specific cost break-down will be e-mailed to staffers.

3. Meeting the Challenge- The Story of the Air Traffic Organization brochure.

- Provides background detail as well as an appendix which details restructuring from 2004 until 2009.

Questions asked on behalf of Sam Samad (NATCA EWP Local President)

- **Q** How many engineers will be realigned from LA?
A The estimate is approximately 86; however, this is the worst case scenario.
- **Q** Were any outside stakeholders invited to weigh in on the proposed consolidation plans?
A This plan has been in development since 2000 & feedback regarding this plan was obtained from regional administrators, regional management, and internal customers.
- **Q** Was an engineering risk assessment report conducted for the proposed realignment & is the report available?
A An *engineering risk assessment report* was conducted and the results concluded that there was no risk to move forward with the plan. I will be e-mailed a copy of the report & plan on following up with ----- in one week.

In Solidarity,

Sam Samad
EWP Local President
ARP National Representative

----- Original Message -----

From: sam.samad@natca.net

Sent: Friday, May 16, 2008 11:44 AM

Brothers and Sisters:

I am attaching a copy of a PowerPoint presentation that FAA Management gave yesterday to Congressional staff personnel in Washington DC concerning the Agency's "Engineering Services Efficiency Plan (ESEP)". I haven't had time to review it in depth, but I don't want to hold it back from your immediate review. There are a lot of talking points in the presentation concerning time lines, the number of positions affected, the position types affected, etc. The presentation also includes an appendix where specific positions are described. The presentation also includes a discussion on ATO Restructuring.

On a separate note:

I just received word from a source in the know, that the FAA will have a meeting in LA on Tuesday to speak with local FAA managers about the proposed Engineering Services consolidation. I understand the meeting is to be very open-ended in its scope, and that those who attend will not be limited in what they can pass along to their employees. It may be, however, that the meeting will be restricted to management personnel: I am not sure whether NATCA is to be included or not. My source also told me that unless circumstances change, employees will not be briefed until August because the Agency is still working out the details that relate to each employee.

In Solidarity,

Sam Samad

Engineering Services Efficiency Plan (ESEP)

ESEP Implementation Team
May 15, 2008

Where Do Engineering Services Fit In?

- **The Engineering Services Efficiency Plan (ESEP) — and its organizational realignment — is the final phase of the Service Area Restructuring Plan**



Engineering Services Efficiency Plan Objectives

- **The Engineering Services Efficiency Plan is designed to:**
 - Achieve organizational excellence
 - Enhance standardization
 - Improve productivity and service effectiveness



Reasons Why

- **Why is it necessary to realign Engineering Service positions to the three Service Area Office (SAO) locations?**
 - These engineers need to work closely with ATO project management and planning experts who relocated with the stand up of the Service Center
 - Realigning Engineering Services into the three SAO locations will occur at a time when support services are beginning to mature and real synergies can be realized



Achieving Goals

- **Activities essential to achieving Engineering Services Efficiency Plan goal:**
 - Realigning design engineering functions currently in the nine regions to the three Service Area Offices in Atlanta, Georgia (Eastern Service Area), Fort Worth, Texas (Central Service Area), and Seattle, Washington (Western Service Area)
 - Performing effective execution of business process engineering and technology refresh
 - Identifying additional cost savings opportunities



Shaping Engineering Services for the Future

Primary Goals of Engineering Services Efficiency Plan

- Optimize business processes to improve effectiveness of customer service
- Increase the value of engineering services for customers

Key Performance Activities

Realign design engineering services at the Service Center locations.

Integrate BS non-core functions into the Service Centers/other lines of business

Complete integration with Service Center functions to improve effectiveness

Improve workload and workflow processes

Achieve Service Area Restructuring Plan cost savings

Redefine roles and responsibilities for facilities, equipment and operations engineering around core functions

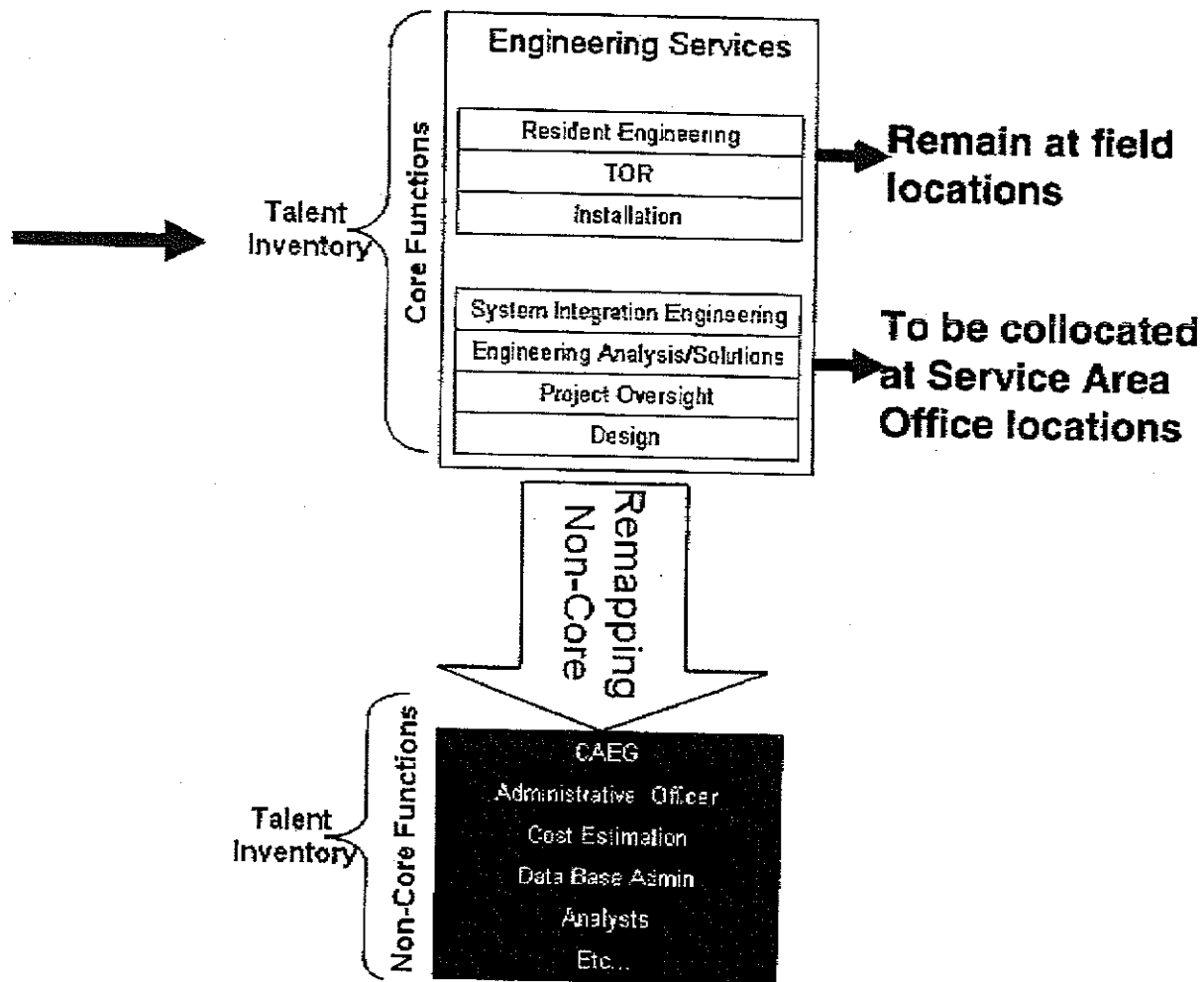


Mapping Core & Non-Core Functions

Current State

Resident Engineering
TOR
Installation
System Integration Engineering
Engineering Analysis/Solutions
Project Oversight
Design
CAEG
Administrative Officer
Cost Estimation
Data Base Admin
Analysts
Etc...

Target State



Plan Benefits

- **Benefits of the Engineering Services Efficiency Plan include:**
 - Improved organizational efficiency
 - Remap Non-Core functions to other, better suited, organizations
 - Collocation of design engineers allows for:
 - Improved resource management capabilities
 - Increased knowledge sharing between design engineers
 - Standardization of processes and procedures
 - Improved Customer Focus
 - Design engineers collocated with P&R organization allows for enhanced process integration with P&R and other stakeholders
 - Cost Savings
 - Elimination of duplicate staffs and overhead associated with nine locations



Cost Savings

- The ESEP is a framework for realigning the workforce with added efficiencies resulting in approximately \$400M in savings over a ten year period with offsetting expenses of approximately \$49M through September 2011
- Completing this final phase of the Service Area Restructuring Plan is critical to the ATO in achieving the total savings briefed to Congress at the beginning the restructuring effort in December 2005



Plan Elements

- **The objective is to reach the realignment and efficiency goals within three years from the start date**
 - The plan is a controlled management effort to align, map, and relocate the impacted positions and personnel from the nine regions to three SAO locations.
 - This consists of the directed reassignment of personnel to the target ES organization in SAO locations
 - Remapping and realigning functions within Engineering Services —while reengineering processes — is essential to managing an increased workload with fewer resources both today and tomorrow



Plan Elements *(continued)*

- Impacted Engineering Services personnel (managers and employees) will be relocated via directed reassignment to SAO locations in year three of the plan
- Engineering Services personnel performing non-core functions will be administratively reassigned to their target Service Center/FAA LOB organization to perform these non-core functions
- Engineering Services will utilize Critical Transition Staffing (CTS) to respond to loss of personnel who may choose not to relocate



Positions Affected

- Currently we have approximately 1500 engineers, technicians, managers and support personnel within Engineering Services
 - This realignment plan potentially affects approximately 500 of these 1,500 positions
 - Most of these positions are related to design engineering and the associated overhead of this function
- This plan does not address the movement of field engineers and managers (construction/resident engineers) whose primary function is the hands-on installation of equipment and construction of facilities



This #s are updated every 2 weeks; they're always changing; but they'll only go down.

Position Types	L.A.	Anchorage	Totals
Managers	13	5	18
Design/Ops Engineers/Techs	86	45	131
Admin/Analysts/AO	23	9	32
	(59)	(25)	(84)
Western Impacted Totals:	122	59	181
Position Types	Chicago	K.C.	Totals
Managers	9	4	13
Design/Ops Engineers/Techs	82	49	131
Admin/Analysts/AO	11	3	14
	(26)	(20)	(46)
Central Impacted Totals:	102	56	158
Position Types	NY	Boston	Totals
Managers	16	6	22
Design/Ops Engineers/Techs	77	44	121
Admin/Analysts/AO	16	4	20
	(18)	(30)	(48)
Eastern Impacted Totals:	109	54	163



Options to Lessen Impacted Employees

- Impacted Engineering Services personnel will be offered full Permanent Change of Station (PCS) moves to SAO locations
- Incentive bonus may be used to encourage early relocation to SAO locations
- Impacted Engineering Services personnel will be provided opportunity to relocate to the SAO location of their choice
- Priority consideration for vacant field engineering positions within current commuting area
- Provide list of vacant positions in local commuting area
- Encourage other FAA LOB's to hire impacted Engineering Services personnel qualified for their vacancies



ESEP Top Level Timeline

2007

2008

2009

2010

2011

JFMAMJJASOND JFMAMJJASOND JFMAMJJASOND JFMAMJ

Phase I:
Planning

ESEP

11/07 Warehouse Consolidation 6/08

1/08 Management Meetings 6/11

Phase II:
Implementation

6/08 K-Band Managers Relocations 1/09

6/08 Administrator's Approval

6/08 Formal Union Notifications

6/08 Volunteer Relocations 6/10

8/08 Employee Meetings 6/11

6/10 Management Directed Reassignments 6/11

Important Points

- Service delivery is not dependent upon location
- Positions performing safety-related duties will stay in place
- The realignment will not impact the safety and efficiency of the National Airspace System
- Positions (managers/employees) engaged in construction/implementation engineering, air traffic control and maintenance will stay in place
- This plan will be refined as implementation continues



QUESTIONS?



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Appendix

Design Engineer

A “Design Engineer” encompasses any of the engineering disciplines (civil, mechanical, electrical, electronic, architect, environmental, etc.) that are assigned projects or parts of projects to engineer and design. This includes, but not limited to, coordinating design requirements with stakeholders and internal customers, performing engineering analyses, developing engineering drawings and specifications into design packages, forwarding design packages to contracting for acquiring contracts and review of technical submittals from contractors. Other than site visits to gain an understanding of the site conditions, design engineers work in an office developing designs for projects.



Appendix

Field Engineer

A “Field Engineer” encompasses any of the engineering disciplines (civil, mechanical, electrical, electronic, architect, environmental, etc.) that are physically at the construction or installation location. They are usually referred to as Resident Engineers (RE), Technical On-Site Representatives (TOR) or Installers. Their primary functions are: Contracting Officer’s Technical Representative (COTR), quality assurance, interface with local stakeholders and internal customers, installation of electronic equipment, resolving technical issues, and on-the-job safety.



Appendix

Operations Engineer

An “Operations Engineer” encompasses any of the engineering disciplines (civil, mechanical, electrical, electronic, architect, or environmental). Operations engineers serve two primary roles: preparing plans and specifications for maintenance projects and serve as a technical resource for resolving day to day issues associated with NAS equipment. As an engineer of maintenance projects, the operations engineer performs similar functions as the design engineer with similar roles and responsibilities. As a technical resource, the operations engineer provides technical support to the operations organizations (System Support Centers) as the need arises. In their capacity as a technical resource the operations engineer may visit facilities to troubleshoot and assist in resolving problems with NAS equipment.



Appendix

Technician

A “technician” within Engineering Services is an individual with specialized knowledge about NAS systems. The technician serves several different functions depending on job assignment. The technician may actually install the electronic equipment for new systems, represent the contract officer during a contractor installation of new systems, or serve in other various support capacities such as a Computer Aided Engineering Graphics (CAEG) technician.





ATO Restructuring

Congressional Review & Update

John L. Pipes
Organizational Effectiveness Executive
May 15, 2008

ATO Restructuring Background

- **In 2000, Congress directed the FAA to establish a performance-based organization to improve the delivery of air traffic services and gain control of rising operating costs**
 - This performance-based organization is the Air Traffic Organization (ATO)
- **Since its inception, the ATO has worked to find ways to better serve customers while reducing its operating costs**
 - One of the ways it has achieved this is through the Service Area Restructuring Plan, commenced in 2005

May 15, 2008

Congressional Update



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Early Congressional Briefings

- **Members of Congress were briefed on details of the ATO Restructuring Plan and provided copies of the plan in late 2005/early 2006**
 - Prior to the rollout of the ATO service area transition, ATO officials briefed members of Congress
 - Approximately 15 briefings about the Restructuring Plan have been presented, as requested, in the months following the announcement
 - Briefings were presented to:
 - House Transportation and Infrastructure Subcommittee on Aviation
 - Senate Commerce Committee on Aviation
 - Senate Appropriators
 - House Appropriators
 - One-on-one briefings to multiple members of the Senate and House

May 15, 2008

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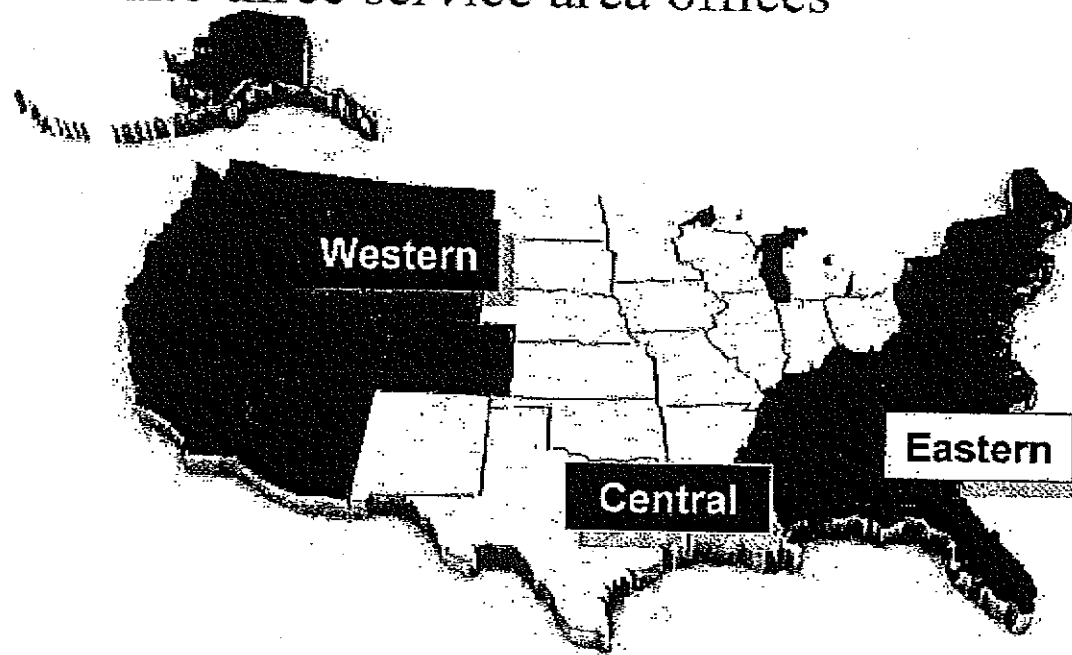


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Service Area Restructuring Plan

What We Did:

- Realigned ATO regional level administrative staff support functions into three service area offices



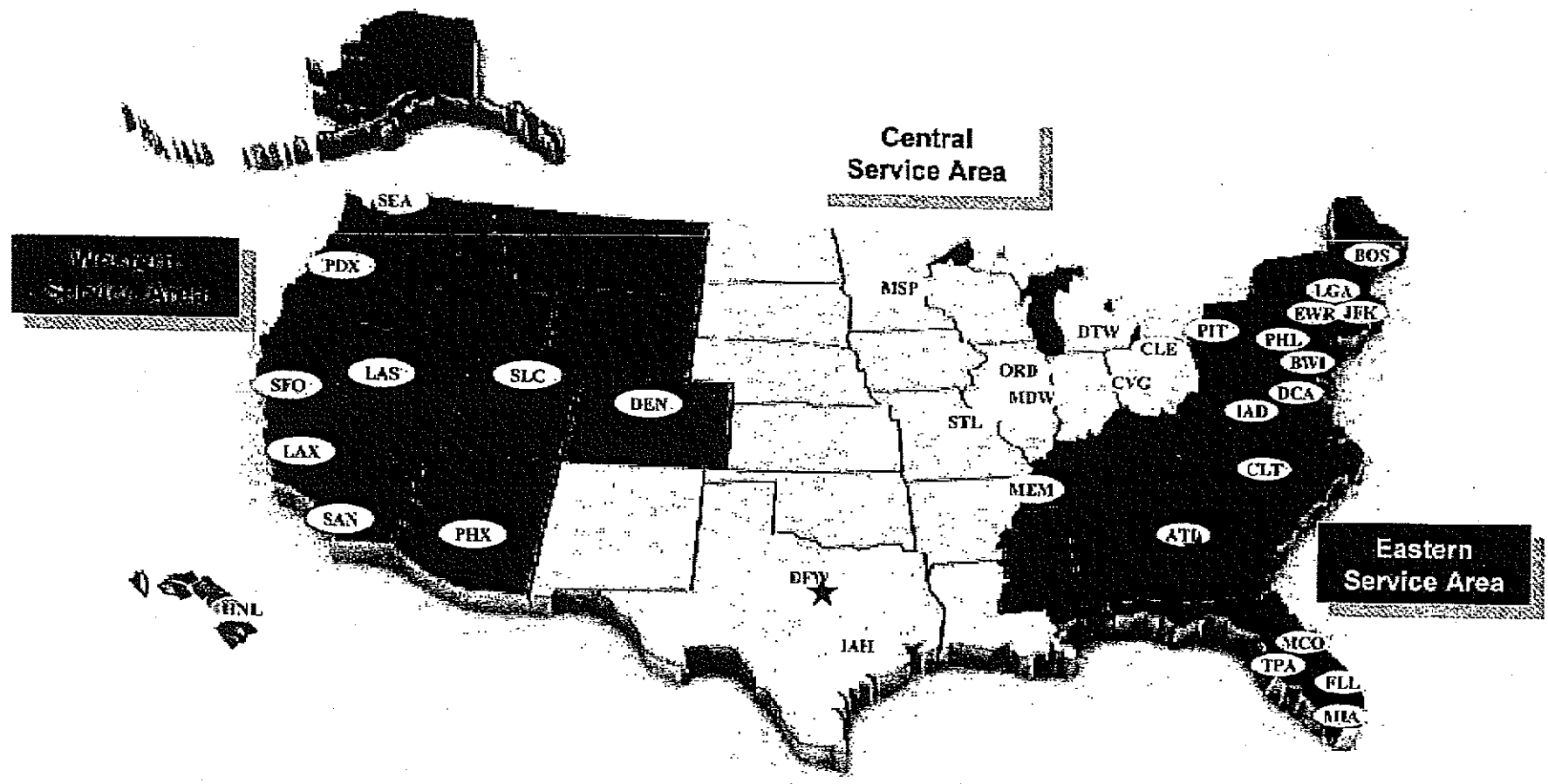
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Local Facilities Not Included in Restructuring



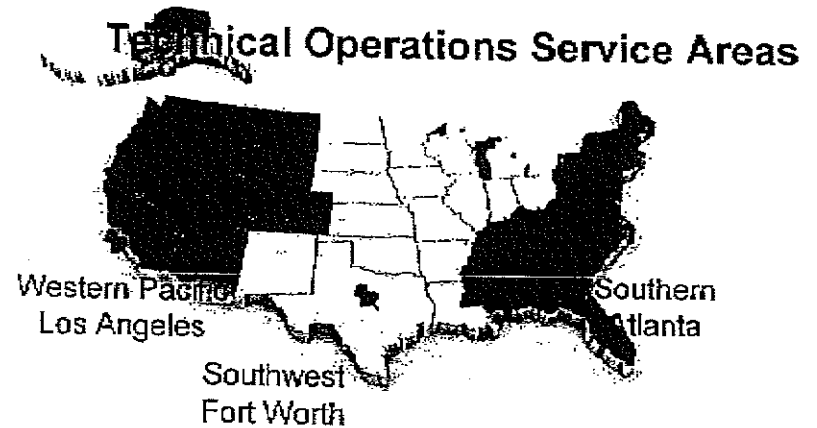
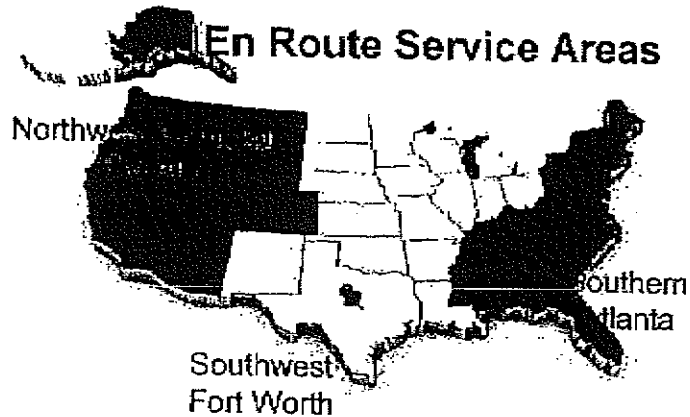
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Services Not Dependent on Location



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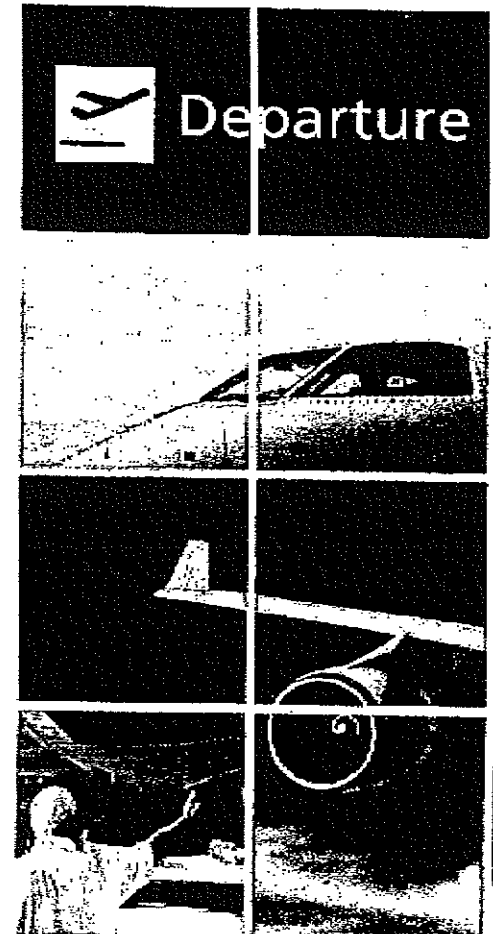
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Service Area Restructuring Drivers

- **Ensure staff viability**
- **Eliminate redundant & duplicate functions**
- **Increase efficiencies**
- **Institute standardization**
- **Automate transactional functions**
- **Greater flexibility & responsiveness**
- **Reduce costs**
 - Expect \$360 million over ten years



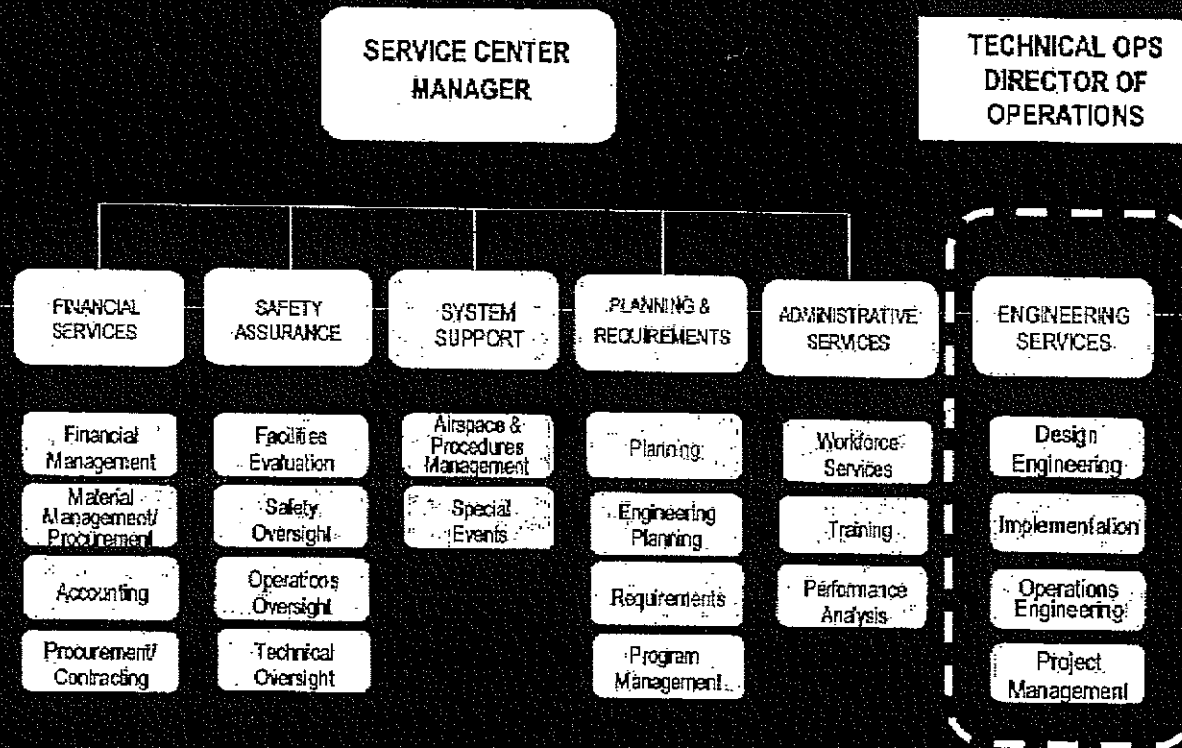
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ATO SAO Support Groups & Functions



This is not an "org" chart, but a depiction of functions

ATO Service Area Restructuring: Charting Our Future
December 2005



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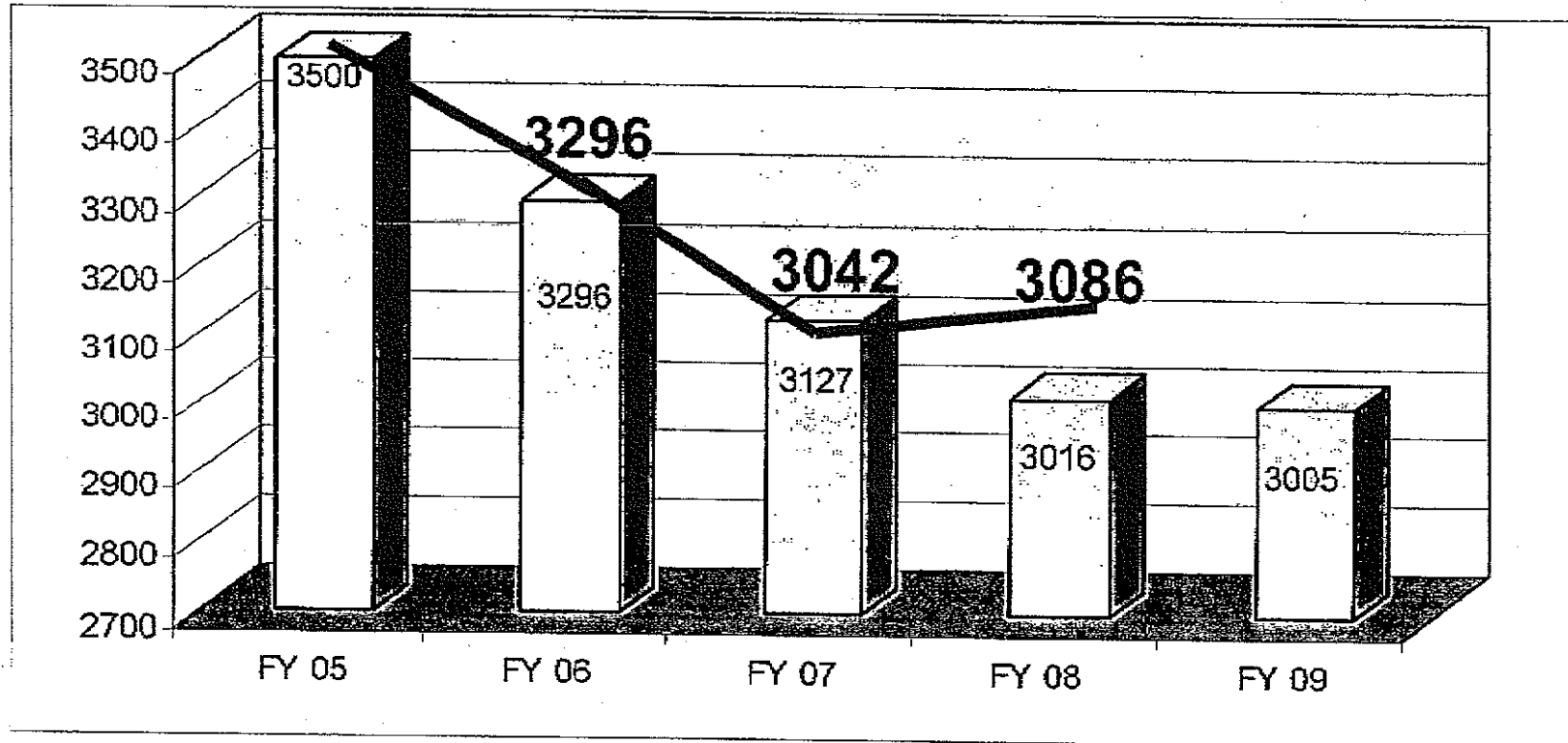
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Projected* Attrition for Staffing Target

**Graph taken from November 15, 2005 briefing to OST*



Actual Numbers To Date

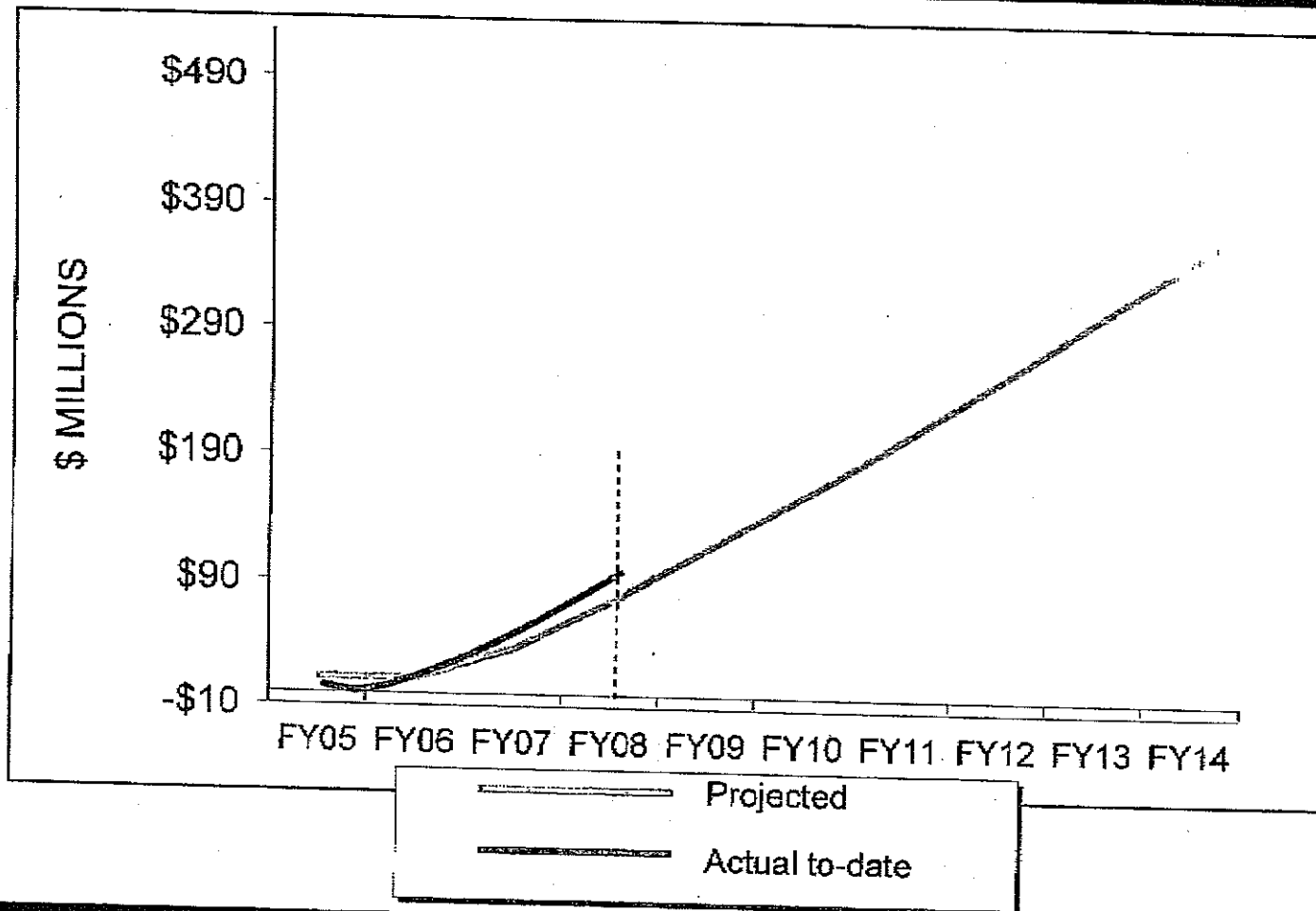
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Savings/Cumulative Reductions in Cost



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Service Area Realignment

2004 2005 2006 2007 2008 2009 2010 2011

- **Phase 1 – Stand Up of ATO**

Feb 04 to June 06

- Create ten service units
- Create service areas
- Demonstrate viability of realigning and centralizing services

- **Phase 2**

Dec 05 to April 08

- Service Area Office realignment & Service Center transition

- **Phase 3**

July 06 to June 2011

- Service Center process reengineering
- Complete Engineering Services realignment

May 15, 2008

Congressional Update



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----- Original Message -----

From: Sam Samad - EWP

To: NRX-EB@LIST.NATCA.NET

Sent: Tuesday, June 17, 2008 11:47 PM

Subject: [NRX-EB] Risk Assessment Memorandum

All,

I just received the attached FAA Safety Risk Management Decision Memorandum concerning consolidation of engineering services. This Memorandum was provided by the agency in response to a question presented by our legislator on behalf of EWP.

It is apparent from this Risk Decision Memorandum that the agency have not conducted any detail risk analysis study nor identified any risks involved in implementing the ESEP!

Sam

PS: Note the date it was signed!

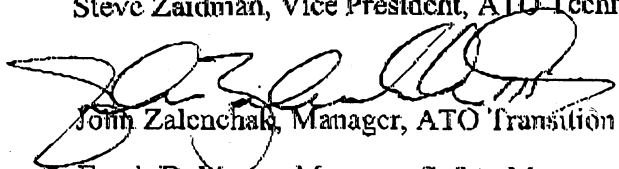


Federal Aviation Administration

Memorandum

Date:

To: Steve Zaidman, Vice President, ATO Technical Operations Services

From:  John Zalenchak, Manager, ATO Transition Executive/Lead

CC: Frank DeMarco, Manager, Safety Management and Quality Assurance Group, ATO-W

Subject: Safety Risk Management Decision Memorandum (SRMDM) for Engineering Services Efficiency Plan (ESEP)

Description

The plan for the ATO to shape Engineering Services (ES) for the future is known as the Engineering Services Efficiency Plan (ESEP.) The primary goals of this plan are to realign the existing ES from 9 regional office locations into 3 Service Area Office (SAO) locations to optimize business process efficiencies and improved customer service.

Scope

The scope of this change is limited to the physical relocation of existing ES personnel from 9 regional office locations into 3 SAO locations. The ES Construction and Installation staffs are not part of the impacted community slated to relocate. Existing field personnel will remain dispersed and assigned to local offices. The plan identifies the bargaining unit relocation notification requirements.

Rationale

On December 12, 2007, at 1400 Eastern, a teleconference was held to discuss the Safety Risk Management aspects of the proposed Engineering Services Efficiency Plan (ESEP). In attendance were, Marco Fraina, Safety Manager for ATC Facilities, John Gellios, Safety Engineer, ATC Facilities, Brian Simon, Safety Engineer, Technical Operations Safety and Quality Assurance and Jody Oles, Safety Engineer, Technical Operations Safety and Quality Assurance.

After reviewing the plan, the following issues were evaluated, investigated and discussed to determine if there were any impacts to safety:

1. Corporate Work Plan (CWP) Projects: The ESEP indicates a potential issue impacting CWP projects with regard to production cost and schedules. After discussion, all agreed this could not affect NAS Safety because of the fact that the work plan is always prioritized and those projects with a safety element are addressed as a higher priority and the ESEP will not impact that process or the ability to get the highest priority projects completed.


2. NAS Technical Evaluation Program (NASTEP): The ESEP mentions NASTEP from a financial standpoint and NASTEP is one of the key components in correcting and managing potential conflicts associated with changes to the NAS. After discussion, all agreed this could not affect NAS Safety because the mention of NASTEP was primarily from a bookkeeping standpoint to account for the NASTEP function transferring from Engineering Services to Technical Services. The ESEP makes no changes to the function of the NASTEP program or policy.

3. Operations Engineering Staff: The ESEP indicates that a slight reduction in Operations Engineering staffing may occur and this function is periodically called upon as the expertise to decide if NAS equipment or services should remain operational during certain situations. After discussion, all agreed this could not affect NAS Safety because the ESEP will not change the policies regarding this function. Additionally, there would be no impact to response time for facility restoration, since restoration is accomplished by the first line organization outside the scope of this plan.

The safety review group as a result of these findings determined the above issues have no impact to safety.

Concurrence Signature(s):

Reviewed By:



Marco Fraina, Safety Representative
 ATC Facilities System Engineer Group, ATO-W

3/19/08
 Date