



**US Army Corps
of Engineers®**

DIRECTOR'S POLICY MEMORANDUM

CIVIL WORKS

No. DPM CW 2018-09 Issuing Office: CECW-I Issued: 16 July 2018 Expires: Indefinite

SUBJECT: Principals of Delivery for the 2018 Emergency Supplemental

CATEGORY: Directive

REFERENCES: Emergency Supplemental Funds appropriated in Public Law 115-123
DPM CW 2018-04; Video Message from the Honorable R.D. James, Assistant Secretary of the Army (Civil Works), <https://youtu.be/HBUZloxGw1M>.

1. **Purpose.** The U.S. Army Corps of Engineers (USACE) received \$17.1B dollars in Emergency Supplemental Funding as appropriated in Public Law 115-123. The purpose of this Director's Policy Memorandum is to insure that all USACE team members clearly understand enterprise intent for the aggressive and high-quality delivery of projects and studies included in the Emergency Supplemental.
2. **Applicability.** This direction applies to all Emergency Supplemental projects and studies executed by USACE.
3. **Policy.** Emergency Supplemental Funds appropriated in Public Law 115-123 are designated by the Congress for emergency requirements. As such, the USACE will take all steps necessary to deliver the Emergency Supplemental program expeditiously while still observing all appropriate legal requirements and policy standards. USACE will immediately begin the aggressive, effective and efficient delivery of quality projects as part of the Emergency Supplemental. The list of projects and studies cleared by the Administration on 5 July 2018 is available at <http://www.usace.army.mil/Missions/Civil-Works/Budget/> under "Supplemental Appropriations for Disasters 2018."

The USACE objective is to **Drive Quality Project Delivery** to "turn dirt" and complete projects as quickly as legally and technically possible. Every day that a project is not generating project benefits is an additional day that the Nation and its citizens are exposed to the risk of additional storm damage. The Divisions and Districts have identified several potential impediments to enhanced delivery which I used to drive discussion during the 3rd Quarter Executive Governance Meeting (EGM) regarding aggressive delivery and the available opportunities to enhance delivery. This discussion, informed by extensive field input, led to EGM senior leader adoption of 23 specific opportunities to enhance project delivery as reflected in attachment (A). The following are examples of the 23 items that are directly tied to those recommendations from the field:

- a. Headquarters, USACE (HQ) Contracting is considering whether there are additional opportunities for delegation of Principal Assistant Responsible for Contracting (PARC) reviews.
- b. HQ Contracting is currently reviewing the contract development and award process to identify opportunities for streamlining acquisition strategy without sacrificing quality execution.

c. HQ Engineering and Construction (E&C) is reviewing the cost engineering process to determine opportunities for leveraging enterprise expertise and the Cost Center of Expertise to streamline the cost engineering process.

d. HQ Human Resources (HR) is reviewing the current policies and practices for use of recruitment and retention incentives.

In addition to the specific 23 actions, USACE leadership has acknowledged that the surge in work associated with the Emergency Supplemental requires an enterprise solution to leverage both existing in-house resources and available contract capacity to achieve timely and effective execution of work. Prior to any significant new hiring action, Districts will work through its MSC to consider the balance between utilizing existing enterprise expertise – versus “building the bench” with new talent – when considering their human capital strategy so as to take maximum advantage of existing expertise and capacity within the enterprise. The intent is to not hire in one location without considering existing available capacity at other locations outside the geographic District and Division.

Every echelon within USACE and every USACE team member will **Drive Aggressive/Quality Project Delivery** to “turn dirt” and complete projects as quickly as legally and technically possible so as to deliver project benefits in an expeditious and high-quality manner.

Every echelon within USACE and every USACE team member will exercise prudent and risk-informed application of innovative and expedited project and program delivery tools and techniques. I have directed our E&C community to develop a review process to assure that we are incorporating the best innovative practices from the public and private sector. The purpose of this review is to assure the application of innovative approaches to all phases of project delivery (including but not limited to Engineering, Construction, and Contracting) are not overlooked.

We will leverage Enterprise Risk Management (ERM) to facilitate the expeditious delivery of the projects funded under the Emergency Supplemental. ERM is the procedure whereby risk is used to assist in making both strategic and tactical decisions. ERM requires adoption by all members of the organization across all functions and mission areas, from top leadership through those directly executing projects and programs. A new Engineering Circular that will further define ERM is in the final stages of review and will be issued separately from this memorandum. The USACE intent is to utilize ERM to sustain quality and to enhance delivery at every level.

We will exploit all available contracting tools to expedite project delivery, including but not limited to Cost Reimbursable Incentive, Integrated Design-Bid-Build, Early Contractor Involvement, and Design-Build contracts. We have developed a list of available contract types for your consideration as you develop your acquisition strategies. A list of available delivery tools is included in attachment (B).

4. Principals of Delivery. Every echelon within USACE and every USACE team member will embrace the following principles for execution of projects and studies under the Emergency Supplemental:

a. Active pursuit of advancing project delivery at every engagement in lieu of managing to existing schedules.

- b. Deliver quality in all that we do.
- c. Prioritize outcomes: turning dirt and cutting ribbons.
- d. Fully exploit and build delivery plans around full funding up front.
- e. Drive an expeditionary mindset in all decisions and timelines. Focus on project delivery, not process.
- f. Take an expansive view of contracting tools and approaches.
- g. Fully leverage partnering principles, including acknowledging that not all work must be executed by the USACE.
- h. Leverage the full capability of the USACE enterprise expertise and staff availability. The intent is not to hire in one location without considering existing available capacity at other locations.
- i. Not all work must be done by the geographic District or MSC.
- j. Be innovative and aggressive. Utilize latest technology and practices in industry.

5. **Aggressive Delivery Targets.** Draft Aggressive Delivery targets are defined in Attachment C. These will be discussed among the USACE senior leaders and finalized in a subsequent Director's Policy Memorandum.

6. **Deliverables.** Each MSC Program Director, District Deputy for Project Management, and District/Division Commander is encouraged to conduct an all-hands meeting within their organizational domains to insure that every USACE Division, District, and Civil Works team member clearly understands the intent of this DPM. Below are deliverables that HQ and MSC offices are responsible for achieving by the indicated deadlines.

1. NLT 15 August 2018 - Each MSC will provide a draft Acquisition Strategy for all their projects within the Emergency Supplemental program. HQ will provide a template for MSC use. The plan will address:

- a. Project Name.
- b. Project Type.
- c. Project Dollar Value.
- d. Proposed delivery strategy for each project.
- e. Key Project Milestones (minimum milestones to be provided).

f. Major Risk Items and Mitigation Strategies addressing quality, schedule, staffing (in coordination with their HQ HR Strategic Advisor and Civilian Human Resources Agency (CHRA)) leadership), and funding as a minimum.

2. Residual Risk (unmitigated risk for acceptance discussion). NLT 30 August 2018 - HQ will consolidate MSC strategies into a national strategy

3. NLT 30 August 2018 - HQ E&C will establish a proactive process to insure that all Emergency Supplemental funded projects are leveraging innovative and expedited project delivery tools and techniques.

4. NLT 15 August 2018 - HQ will identify governance structure for the proactive monitoring and control of Emergency Supplemental project delivery.

7. **Sustainment.** No later than 30 September 2018, HQ Civil Works Programs Integration Division (CWPID) will adjust the Monthly Management Review and Directorate Management Review to incorporate a proactive governance structure to support the delivery standards described above. CWPID will also recommend that the Command Management Review adapt to incorporate a more proactive governance approach to Emergency Supplemental funded projects. Quarterly Project Delivery updates will be presented at the EGMs as an Interim Progress Report (IPR).

8. Please address any question to David Dale, the USACE Executive Director for Enhanced CW Delivery, at David.F.Dale2@USACE.army.mil.

A handwritten signature in black ink, appearing to read 'J. Dalton', with a long horizontal flourish extending to the right.

James C. Dalton, P.E.
Director of Civil Works

Attachment (A) - “23 EGM Follow up Actions”

8 May 2018 EGM Work Load to Work Force EGM Discussion,

Ver2 (5 Jul 2018)

Objective: Provide a summary and identify required follow-on actions.

First, let me start off by thanking everyone in attendance at the EGM for the energetic and informed discussion we had during the Workload/Workforce briefing. I also want to express my gratitude to the various staff elements at the MSCs and HQ that provided invaluable responses to the data call contained in the recent Director’s Policy Memorandum. The discussion in the EGM was very helpful, and I believe it helped clarify the extent and complexity of the USACE mission during the next several years, while also identifying some great opportunities, based on MSCs input, to enhance our CW Delivery Process. Based on the feedback during the EGM, we all accepted the MSC-recommended topics and agreed that they should be addressed in an expeditious manner.

The discussion was helpful, but ultimately the real value is in the actions that are taken in direct response to the discussion. During the presentation, we identified 19 specific actions that our MSC’s were asking HQ to take action. In addition to the 19 items identified by the MSCs, we identified four additional items during the Q&A portion of the presentation that needed addressing. As part of his remarks associated with this session, LTG Semonite asked for an in-progress review in June and resolution of the items discussed prior to the next EGM, which is in August.

Summary:

What follows are the 23 (19+4) items that were discussed and that will require completion prior to the next EGM.

Original 19 items identified by the MSCs:

1. **PARC Authorities to MSC** - This item took numerous forms in the actual MSC feedback, but the over-arching theme was to delegate some of the HQ/PARC review and approval authorities to the MSC/Districts to expedite contracting.
2. **Streamline Contract Reviews** - This item would include item #1, but is broader in that it is addressing the need to streamline CT reviews with the objective of enabling the enterprise work through contract actions more quickly, ultimately enhancing project delivery.
3. **Streamline Contract Award Process** – This item is focused specifically on the award process and is related leveraging risk-informed decision making during the various compliance review in an attempt to enhance project delivery.

4. **ID Enterprise Contracting Tools Needed, A/E, MATOC etc.** – This is all about developing an enterprise-level acquisition strategy and then using enterprise acquisitions, executed at the Districts, to avoid wasted effort across the command acquiring duplicative project delivery tools.
5. **Streamline Office of Counsel (OC) reviews** - This about looking to streamline OC reviews and scale the level at which reviews are performed to the client's level in support of enhanced project delivery.
6. **Non Standard PPA Delegation to District/MSD** – This is about leveraging risk-based decision making to identify low-risk opportunities to push some non-standard PPAs down to the MSD level to enhance project delivery.
7. **IEPR Waivers/Streamlined Decision to MSD** - **This is the desire to leverage risk-informed decision making to push the delegation of IEPR waivers down to the MSD.**
8. **Delegate and/or Streamline Cost Estimate Reviews** – This is a concern focused on the bandwidth available at Walla Walla to be responsive at performing the quantity of estimate reviews that will be necessary to deliver USACE's growing program.
9. **Establish a National Enterprise Delivery Strategy** – This will be an input to item 4.
10. **Review, Implement, and Drive PMBP Standards** – This is a recognition that we have good doctrine related to project delivery, but we must leverage that good doctrine and assure that it is implemented.
11. **Improve System Reliability to Support PMBP Standards** – This is focused on the reliability of our key IT systems, which directly support project delivery.
12. **Request Priority on DA Interns for Two Years** – This is directly focused on our need to bring in new talent at quantities greater than we have had authorities for in the past.
13. **Relax Policy on Recruit/Retention Incentives** - This will allow us to retain existing talent and to recruit new journeyman level talent.
14. **Expedited and Direct Hiring Authorities** – This will allow us to more efficiently attract and hire new talent.
15. **Identify Additional CPAC/CHRA Support Needed** – This is intended to address the need for additional personnel at the CPAC/CHRA in direct support of the growing need to bring more talent in the organization quickly.
16. **Relax Policy on Long Term and Remote Location** – This item is driven by the need to leverage our existing resource to the maximum extent and recognition that the current TDY duration

restrictions keep us from doing so. Any actions must be coordinated with HQ HR and RM, and taken in strict compliance with the Joint Travel Regulations.

17. Drive HQ Staff Acceptance of Risk Acceptance Opportunities – This is directly attributable to the feedback Mr. Dalton has received during several recent MSC visits. In general, the feedback indicates that there are HQ staff elements that have not yet fully operationalized and/or embraced risk-informed decision making as a tool to enhance CW project delivery.

18. Stand up Knowledge Management HUB – ERDC has begun to establish a KM HUB, a site where enterprise knowledge can be stored and easily accessed. The intent is to have an operating enterprise KM HUB that will leverage knowledge from across the command to enhance project delivery.

19. Establish Contract Acquisition Strategy Knowledge site on the KM HUB - The intent here is to collect enterprise-level knowledge on the many project delivery tools and to make them universally available to all of our project delivery team members. The pros and cons associated with each tool could be shared on the site so that our PDTs could leverage risk-informed decision making on our various acquisition strategies to enhance Civil Works project delivery.

In addition to the 19 items included in the presentation, listed above, there were four other items identified in the Q&A portion of the presentation, listed below.

20. Review Dredging Capacity and Analyze the need for a Jones Act Waiver - The intent is to assess the need to waive the Jones Act requirements for the use of U.S. flagged dredges.

21. Seek Approval to Use OPM's Resume Mining Tool – The intent is to potentially utilize the OPM system to gain access to a larger numbers of highly-qualified individuals interested in working for the Corps.

22. Develop a HQ Policy to Define how the Enterprise Underwrites Risk-Informed Decision Making to support Risk Acceptance. – The intent of this item is to insure that when individuals/organizations who are properly authorized to accept risk on behalf of the organization, and they take prudent risk, other elements in the organization fully accept and support the risk, provided that all actions are in accordance with law and regulation.

23. Loosen/Streamline the Restriction on the Use of Rehired Annuitants – The intent of this action is to provide USACE more timely and reliable access to the knowledge and skills that can be accessed through the use of Rehired Annuitants.

Required follow on Actions:

Who	Responsible for Action(s)	Completion due
Col Beeler	1,2,3	Prior to Aug 18 EGM
Larry McCallister	8,22	Prior to Aug 18 EGM
David Cooper	5	Prior to Aug 18 EGM
David Dale	4,9,19	Item 9 - 31 May Item 19 - Prior to Aug 18 EGM
James Dalton/Lloyd Caldwell	17	Prior to Aug 18 EGM
Karen Pane	12,14, 15, 21,23	Prior to Aug 18 EGM
Eddie Belk/Stacie Hirata	10, 11	Prior to Aug 18 EGM
Jose Sanchez	18	Prior to Aug 18 EGM
Joe Redican	6, 7	Prior to Aug 18 EGM
Tom Steffen	13,16	Prior to Aug 18 EGM
Tom Smith	20	Prior to Aug 18 EGM

DPM CW No. 2018-09

Subject: Principals of Delivery for the 2018 Emergency Supplemental

Attachment (B)

Available Tools (Not all inclusive)

Comparison of Major Contract Types

	Firm-Fixed-Price (FFP)	Fixed-Price Economic Price Adjustment (FPEPA)	Fixed-Price Incentive Firm Target (FPIT)	Fixed-Price Award-Fee (FPAF)	Fixed-Price Prospective Price Redetermination (FPPR)	Cost-Plus-Incentive-Fee (CPIF)	Cost-Plus-Award-Fee (CPAF)	Cost-Plus-Fixed-Fee (CPFF)	Cost or Cost-Sharing (C or CS)	Time & Materials (T&M)
Principal Risk to be Mitigated	None. Thus, the contractor assumes all cost risk.	Unstable market prices for labor or material over the life of the contract.	Moderately uncertain contract labor or material requirements.	Risk that the user will not be fully satisfied because of judgmental acceptance criteria.	Costs of performance after the first year because they cannot be estimated with confidence.	Highly uncertain and speculative labor hours, labor mix, and/or material requirements (and other things) necessary to perform the contract. The Government assumes the risks inherent in the contract, benefiting if the actual cost is lower than the expected cost, or losing if the work cannot be completed within the expected cost of performance.				
Use When ...	The requirement is well-defined. •Contractors are experienced in meeting it. •Market conditions are stable. •Financial risks are otherwise insignificant.	The market prices at risk are severable and significant. The risk stems from industry-wide contingencies beyond the contractor's control. The dollars at risk outweigh the administrative burdens of an FPEPA.	A ceiling price can be established that covers the most probable risks inherent in the nature of the work. The proposed profit sharing formula would motivate the contractor to control costs and to meet other objectives.	Judgmental standards can be fairly applied by the fee determining official. The potential fee is large enough to both: •Provide a meaningful incentive. ¹ •Justify related administrative burdens.	The Government needs a firm commitment from the contractor to deliver the supplies or services during subsequent years. The dollars at risk outweigh the administrative burdens of an FPPR.	An objective relationship can be established between the fee and such measures of performance as actual costs, delivery dates, performance benchmarks, and the like.	Objective incentive targets are not feasible for critical aspects of performance. Judgmental standards can be fairly applied. Potential fee would provide a meaningful incentive.	Relating fee to performance (e.g., to actual costs) would be unverifiable or of marginal utility.	The contractor expects substantial compensating benefits for absorbing part of the costs and/or foregoing fee or the vendor is a non-profit entity.	No other type of contract is suitable (e.g., because costs are too low to justify an audit of the contractor's indirect expenses).
Elements	A firm-fixed-price for each line item or one or more groupings of line items.	•A fixed-price, ceiling on upward adjustment, and a formula for adjusting the price up or down based on: •Established prices. •Actual labor or material costs. •Labor or material indices.	•Ceiling price •Target cost •Target profit •Delivery, quality, or other performance targets (optional) •Profit sharing formula •10% ceiling and 50:50 share as points of departure	•Fixed-price •Award amount •Award fee evaluation criteria and procedures for measuring performance against the criteria	•Fixed-price for the first period. •Proposed subsequent periods (at least 12 months apart). •Timetable for pricing the next period(s).	•Target cost •A minimum, maximum, and target fee •A formula for adjusting fee based on actual costs and/or performance •Performance targets (optional)	•Estimated cost •Base amount, if applicable, and an award amount •Award fee evaluation criteria and procedures for measuring performance against the criteria	•Estimated cost •Fixed fee	•Total estimated cost •No fee •If CS, an agreement on the Government's share of the cost.	•Ceiling price •A per-hour labor rate that also covers overhead and profit •Provisions for reimbursing direct material costs
Contractor Is Obligated to:	Provide an acceptable deliverable at the time, place and price specified in the contract.	Provide an acceptable deliverable at the time and place specified in the contract at the adjusted price.	Provide an acceptable deliverable at the time and place specified in the contract at or below the ceiling price.	Perform at the time, place, and the price fixed in the contract.	Provide acceptable deliverables at the time and place specified in the contract at the price established for each period.	Make a good faith effort to meet the Government's needs within the estimated cost in the Contract, Part I the Schedule, Section B Supplies or services and prices/costs.				Make a good faith effort to meet the Government's needs within the ceiling price.
Contractor Incentive (other than maximizing goodwill)	Generally realizes an additional dollar of profit for every dollar that costs are reduced.	Generally realizes an additional dollar of profit for every dollar that costs are reduced.	Realizes profit on cost by completing work below the ceiling price. May earn higher profit by incurring costs below the target cost or by meeting objective performance targets.	Generally realizes an additional dollar of profit for every dollar that costs are reduced, earns an additional fee for satisfying the performance standards.	For the period of performance, realizes an additional dollar of profit for every dollar that costs are reduced.	Realizes a higher fee by completing the work at a lower cost and/or by meeting other objective performance targets.	Realizes a higher fee by meeting judgmental performance standards.	Realizes a higher rate of return (i.e., fee divided by total cost) as total cost decreases.	If CS, shares in the cost of providing a deliverable of mutual benefit.	
Typical Application	Commercial supplies and services.	Long-term contracts for commercial supplies during a period of high inflation.	Production of a major system based on a prototype.	Performance-based contracts.	Long-term production of spare parts for a major system.	Research and development of the prototype for a major system.	Large scale research study.	Research study.	Joint research with educational institutions.	Emergency repairs to housing plants and aircraft engines.
Principal Limitations in FAR/DFARS Parts 16, 32, 35, and 52²	Generally NOT appropriate for R&D.	Must be justified.	Must be justified. Must be negotiated. Contractor must have an adequate accounting system. Cost data must support targets.	Must be negotiated.	MUST be negotiated. Contractor must have an adequate accounting system that supports the pricing periods. Prompt redeterminations.	The contractor must have an adequate accounting system. The Government must exercise surveillance during performance to ensure use of efficient methods and cost controls. Must be negotiated. Must be justified. Statutory and regulatory limits on the fees that may be negotiated. Must include the applicable Limitation of Cost clause at FAR 52.232-20 through 23.				D&P required (w/ HCA if over 3 years). Government MUST exercise appropriate surveillance to ensure efficient performance. Document any ceiling increases.
Variants	Firm-Fixed-Price Level-of-Effort		Successive Targets (TPIS), with ceiling and floor on firm target profit.		Retrospective Redetermination			Completion of Term.		Labor Hour (LH)

¹ Goodwill is the value of the name, reputation, location, and intangible assets of the firm. ² Comply with any USD(AT&L), DPAP or other memoranda that have not been incorporated into the DFARS or DoD Directives or Instructions.



D-B

As of: 6 Apr 2018

U.S. ARMY CORPS OF ENGINEERS

BUILDING STRONG®

INFORMATION PAPER: Design-Build (D-B), General & Civil Works

DEFINITION: It is a method to deliver a project in which the design and construction services are contracted by a single entity known as the design–builder or design–build contractor. In contrast to "design–bid–build" (or "design–tender"), design–build relies on a single point of responsibility contract and is used to minimize risks for the project owner and to reduce the delivery schedule by overlapping the design phase and construction phase of a project.

WEB LINK: <https://en.wikipedia.org/wiki/Design%E2%80%93build>

DISCUSSION:

- **Project Examples:**
 - Denison – Texoma Flood Gate Hoists
- **Lessons Learned:**
 - The difference between USACE design criteria and Industry standard does cause confusion during the design process

HQs POC: Mr. Rick Calloway, CECW-CE, (202)-761-7500, rick.calloway@usace.army.mil



IDBB

As of: 6 July 2018

U.S. ARMY CORPS OF ENGINEERS

BUILDING STRONG®

INFORMATION PAPER: INTEGRATED DESIGN BID BUILD (IDBB) similar to EARLY CONTRACTOR INVOLVEMENT (ECI)

DEFINITION: Under IDBB, the Corps engages the services of a general contractor to provide "preconstruction services" concurrent with the design of a project that is being performed by a design firm. The construction contractor reviews the partially completed design for constructability and biddability. As the design work nears completion, construction is then procured through the exercise of an option under the IDBB contract.

WEB LINK: <https://federalconstruction.phslegal.com/2009/02/articles/contracting-by-negotiation/early-contractor-involvement-another-experiment-by-the-corps-of-engineers-in-creative-contracting/>

DISCUSSION:

- **Project Examples:**
 - Fort Riley Hospital, Kansas
- **Lessons Learned:**
 - The preconstruction services did not resolve post award constructability issues.

HQs POC: Mr. Rick Calloway, CECW-CE, (202)-761-7500, rick.calloway@usace.army.mil



Fast Track Construction

As of: 6 Apr 2018

U.S. ARMY CORPS OF ENGINEERS

BUILDING STRONG®

INFORMATION PAPER: Fast Track Construction

DEFINITION: Fast-track construction is a scheduling technique that can be used to reduce the overall duration of projects by overlapping tasks that on a traditional contract would not be commenced until the previous task was completed. The greatest time saving is often achieved by overlapping the design and construction phases.

This is possible by progressively freezing the design an element at a time and then constructing completed elements whilst the design of the rest of the development continues. For example, it may be possible to determine a piling layout and begin construction whilst the design of above ground works continues.

WEB LINK: https://www.designingbuildings.co.uk/wiki/Fast_track_construction

DISCUSSION:

- **Project Examples:**
 - Permanent Canal Closures and Pump Stations, New Orleans, DB
 - NGA New Campus East, Springfield Va., IDBB
- **Lessons Learned:**
 - Construction in front of completed design increases both Government and Constructor risk for design errors significantly impacting construction schedule and cost.

HQs POC: Mr. Rick Calloway, CECW-CE, (202)-761-7500, rick.calloway@usace.army.mil

Pre-Qualification of Sources

I. Overview:

(a) Prequalification procedures may be used when necessary to ensure timely and efficient performance of critical construction projects. Prequalification—

(1) Results in a list of sources determined to be qualified to perform a specific construction or service contract; and

(2) Limits offerors to those with proven competence to perform in the required manner.

(b) The determination to use Pre-Qualification of Sources must be authorized in writing and state that a construction project is of an urgency or complexity that requires prequalification and outline the prequalification procedures.

(c) The CCO, serving in a GS-15 position, is delegated the authority under DFARS 236.272(b) to authorize the use of prequalification and approve the prequalification procedures. If the CCO is serving in a GS-14 position, the respective PARC is delegated the authority.

II. Regulatory Authority: DFARS 236.272, UAI 5136.272

III. Recommended Dollar Level: Recommended for any construction project or program of an urgent or complex nature. May also be useful when construction plans/specifications have not been finalized and there is sufficient project information to describe the minimum qualification(s) (e.g., technical and bonding capacity requirements).

IV. Advantages/Disadvantages/Risk

Advantages:

1. Saves at least 15 days (synopsis time) for each project identified under the pre-qualification announcement or approved acquisition plan.

2. Advantages: Allows the District/Center to identify qualified firms while the construction plans/specifications are being finalized. This could be a considerable time savings depending on the status of obtaining or finalizing the design package for the construction solicitation.

3. If Prequal is completed early enough, prequalified firms can participate at various design complete stages. If prequal is crafted correctly, preconstruction services may be allowed as long as ALL prequalified contractors are afforded the opportunity to participate. [We need to

define this part of the process better. Up until now, it has only been participation to get up to speed on the drawings as competed. It has been more one way information session that a two way collaborative ECI approach.]

Disadvantage: If the Pre-Qualification of Sources is for an IDC, must be able to identify the specific projects that will be awarded under the pre-qual.

Risk: For small businesses, the prequalification procedures must require the qualifying authority to request a preliminary recommendation from the appropriate Small Business Administration regional office, if the qualifying authority believes a small business is not responsible; Permit the small business to submit a bid or proposal if the preliminary recommendation is that the small business is responsible; and follow the procedures in FAR 19.6, if the small business is in line for award and is found nonresponsible. Risk from a bundling perspective must also be considered and evaluated as part of the acquisition strategy and supported with a bundling analysis (as required) if the acquisition is considered "bundled". Therefore, recommend that PREQUAL only be utilized on large dollar projects.

Attachment (C)

Storm Supplemental Delivery Targets

Assume Receipt of funds NLT Jul 2018

Near Term Repairs

- **CW O&M actions**
 - o completed within 12 months of receipt of funds
- **FCCE 84-99 repairs to completed project**
 - o Report, if required, completed in 45 days of receipt of funds
 - o Construction funds provided to the District within 7 days of approved report
 - o Construction contract Award within 90days of receipt of funds
 - o Construction NTP issued 7 days after award
 - o Construction complete 180 days after NTP
- **Long Term Investments**
 - o Studies
 - New Start
 - Large 60 Months (Watershed Studies)
 - Medium 36 Months (FRM Projects)
 - Small 18 Months
 - Completions
 - Large 36 Months (Watershed Studies)
 - Medium 24 Months (FRM Projects)
 - Small 12 Months
 - o **MR&T** Complete NLT Jan 21-22
 - o **Construction**
 - Continuing/Ongoing
 - Large (>\$500M) (4yrs)Constr Compl
 - Medium (\$100M-500M) (2-3yrs)Constr Compl
 - Small (<\$100M) (2yrs)Const Complete
 - New Starts
 - Large (>500M)
 - o Compl PED (1yr)
 - o Award 1st Contr **Oct 20**
 - o Compl Constr **Jan 24**

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- Medium(\$100M-\$500M)
 - Compl PED (1 Yr) **Sep 19**
 - Award 1st Contr **Jan 20**
 - Compl Constr **Jan 23**

- Small (<\$100M)
 - Compl PED (9 Month) **Mar 19**
 - Award 1st Contr **Jul 19**
 - Compl Constr **Jul 22**