
MEETING AGENDA

AGC – Defense Agencies Joint Session

1:30 PM – 3:00 PM

Welcome and Introductions

Tyler Stephens
Chair, AGC Corps of Engineers Committee—Military Construction

Stan Ekren
Chair, AGC Corps of Engineers Committee—Civil Works

Matt Ferguson
Chair, Naval Facilities Engineering Systems Command Committee

Defense Agencies Joint Session: NAVFAC & USACE

Cindy Readal
Assistant Commander for Contracting

Herman Pablo
Construction Product Line Leader, Capital Improvements

Tim Bayse
Senior Construction Engineer

Kimberly Armstrong
Senior Construction Engineer, Capital Improvements

Pete Perez
Chief, Engineering and Construction Division

Kenny Simmons
Chief, Construction Branch

Mackenzie Searle
Senior Construction Engineer

Rick Calloway
Senior Construction Engineer

Neal Parker
Senior Construction Engineer

Additional Members of NAVFAC & USACE Headquarters

AGC Questions for NAVFAC & USACE

1. Period of Performance

Accurate Period of Performance requirements, during which the federal agency authorizes a grantee to complete the approved work of the project described in the application, is critical to AGC members, NAVFAC, and USACE. Inaccurate Period of Performance requirements can not only have a negative effect on the federal projects but can cause tension between AGC members and federal partners. AGC members identify key factors that can impact performance periods: 1) Supply chain disruptions; 2) Labor constraints, including skill and qualifications; and 3) Schedule compression.

Questions:

- A. What factors does NAVFAC/USACE view as impacting Period of Performance requirements?
- B. What solutions can AGC members, NAVFAC, and USACE offer to ensure accurate Period of Performance requirements?

2. Speed of Award and Execution

Time is money in the construction industry. Any delays in project award or execution are costly to both AGC contractors and their federal partners. Delays have increasingly become more costly and disruptive because of supply chain disruptions, labor shortages, and the cost of doing business with the federal government (such as more complex and onerous regulations).

AGC members recommend that federal agencies:

1. Make it easier for contractors to secure and bill for offsite stored materials/equipment, to reduce escalation risk and mitigate supply chain uncertainty on project schedules. [FAR 52.232-5](#)
2. Allow contractors to make an escalation adjustment to submitted pricing (in response to updated Davis-Bacon wage decisions, for example) just prior to award.
3. Do not allow offices to request a Best and Final Offer plus agreement to hold that price for long periods of time, such as 120 or 180 days.

4. On long (3+ year projects), increase use of alternative delivery strategies (GMP, ECI, progressive design-build, etc.) that allow contractors flexibility to adjust pricing in response to market fluctuations.

Questions:

- A. What initiatives from NAVFAC/USACE will help increase the speed of project award?
- B. What initiatives from NAVFAC/USACE will help increase the speed of project execution?
- C. What can NAVFAC/USACE do to reduce instances where AGC members are asked to hold bids?
- D. What other recommendations do AGC members have?

3. Project Labor Agreements

AGC is expecting the [final regulations](#) that will implement President Biden’s Executive Order mandating Project Labor Agreements (PLAs). When in effect, this regulation will require every prime contractor and subcontractor to engage in negotiation or agree to PLAs on federal construction projects valued at \$35 million or more. ([AGC of America comments](#)) According to an AGC of America [analysis](#) of data obtained via a [Construction Advocacy Fund](#)-financed lawsuit under the Freedom of Information Act, the Department of Defense federal construction agencies rejected PLA mandates 99.4 percent of the time even when encouraged to do so under the Obama Administration.

Questions:

- A. AGC members to provide feedback on the potential impacts to NAVFAC and USACE projects.
- B. How does NAVFAC and USACE intend to apply this on its projects?
- C. How does NAVFAC and USACE intend to pursue exemptions for its programs?
- D. Would NAVFAC and USACE consider standard survey questions?

4. Workforce / Staffing Levels

AGC members and federal agencies are experiencing workforce shortages. AGC published the association’s [Workforce Recommendations](#) to identify effective existing solutions and craft new solutions for the recruitment, training and retention of construction workforce.

Questions:

- A. What progress to improve staffing levels has been made in the past year and what is your staffing plan moving forward?
- B. What is your training plan for new staff coming on board?

5. Partnering / Building Relationships

USACE, NAVFAC, and AGC members have a long history of partnering to deliver the high-quality infrastructure projects in a safe and effective manner. AGC members have embraced partnering

and are committed to bringing key decision makers into the fold in order to get the most out of the process. We see an opportunity to improve the process by getting a commitment from all parties attending to bring key decision makers.

Questions:

- A. Recently, USACE published [USACE Construction Project Partnering Playbook \(2022\)](#) and [Firm Fixed Price Contract Changes Playbook \(2020\)](#) on its [partnering website](#).
- B. NAVFAC published [Project Partnering Implementation Guide \(2020\)](#).
- C. With NAVFAC and USACE requiring/mandating partnering more frequently in contracts, are metrics being tracked? If so which ones and can they be shared? Are other improvements being implemented as previously suggested by AGC?
- D. How does NAVFAC and USACE ensure that partnering continues throughout the project, not just the initial meeting and all parties are abiding by the principles that sustain strong relationships?
- E. What metrics are tracked from the date of partnering / building relationships through project completion?
- F. How can AGC assist in providing help to contractors on Partnering training, expectations, best practices, etc.

General Questions

Open questions from the floor?