
MEETING AGENDA

AGC – Defense Construction Agencies Joint Meeting

1:00 PM – 3:00 PM

Welcome Remarks and Introductions

Tyler Stephens

Chair, AGC Corps of Engineers Committee—Military Construction

Stan Ekren

Chair, AGC Corps of Engineers Committee—Civil Works

George Rogers

Chair, Naval Facilities Engineering Systems Command Committee

S. Keith Hamilton, P.E.

Chief Engineer and Assistant Commander for Planning, Design and Construction

NAVFAC

Cindy Readal

Assistant Commander for Contracting

NAVFAC

Tim Bayse

Construction Product Line Leader, Capital Improvements

NAVFAC

Larry Myers

Senior Construction Manager

NAVFAC

Kimberly Armstrong

Senior Construction Engineer

NAVFAC

Tom Smith

Director of Engineering & Construction

USACE

Kenny Simmons

Chief of Construction

USACE

Andrea Hinkle

Senior Construction Engineer

USACE

Collaborative Industry Topics for Discussion

This session is intended to provide collaborative discussion between industry and defense construction agents on issues that affect our collective ability to successfully deliver the mission.

1. Partnering and Relationship Building

USACE, NAVFAC AGC, and its member firms share a long-standing tradition of collaboration to deliver high-quality infrastructure projects safely and efficiently. For over a century, the partnership between AGC, NAVFAC, and USACE has played a vital role in constructing the infrastructure our Nation relies on, both domestically and overseas. AGC strongly supports project-level partnering with NAVFAC and USACE as a means to enhance project execution, improve staff efficiency on both sides, strengthen safety performance, build trust, and foster more effective team relationships. 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. Recently, USACE published [USACE Construction Project Partnering Playbook](#) and [Firm Fixed Price Contract Changes Playbook](#) on its [partnering website](#). AGC and USACE are expected to soon release the “Submittal Playbook” in 2025. Likewise, AGC has partnered with NAVFAC to create NAVFAC published the [Project Partnering Implementation Guide](#).

USACE and NAVFAC will provide perspectives on our successes and continuing efforts to build and sustain a culture that values strong business relationships at all levels of both USACE and contractor organizations. Ongoing updates to expand the Partnering Playbook and relationship building tools will also be discussed.

2. Innovation Integration

Innovation remains critical to the success of federal construction programs, especially as evolving mission requirements demand greater speed, resiliency, and efficiency. AGC members are increasingly leveraging new technologies, construction methods, and project management tools to deliver better outcomes. However, contractors often face challenges when integrating innovation into federal projects. How can NAVFAC, USACE, and industry work together to test and expand innovative solutions that enhance quality, accelerate delivery, and improve cost efficiency?

3. Cybersecurity Maturity Model Certification (CMMC)

As the Department of Defense rolls out its Cybersecurity Maturity Model Certification framework, many federal contractors—especially small and mid-sized firms—are seeking clarity on implementation timelines, certification levels, and subcontractor responsibilities. These contractors face challenges in understanding and implementing cybersecurity requirements while managing compliance costs.

How will CMMC be phased into upcoming USACE and NAVFAC construction solicitations? Are USACE and NAVFAC coordinating on CMMC levels and CUI? What level of certification will be required for primes and subs under typical construction contracts? How will CUI be managed in contract documents and derivative works to minimize the number of contractors and subcontractors that will require CMMC Level 2 and above? Is your agency providing resources, training, or timelines to help contractors meet compliance expectations?

4. Reduced Bidders and Shrinking Federal Contractor Pool

AGC members are reporting a noticeable decline in bid submissions and growing concerns over the sustainability of the federal construction workforce and business base. Ensuring a competitive and healthy industrial base is essential for delivering mission-critical infrastructure, yet rising project costs, regulatory burdens, and uncertain pipelines are causing some firms to exit federal markets.

Has USACE/NAVFAC observed a decline in bid activity or vendor interest in certain regions or project types? What steps can be taken to improve the business climate for small, mid-sized, and regional contractors? Are there efforts underway to simplify procurement processes or reduce non-value-added burdens that discourage participation? Are there specific steps being taken under the FAR or any other directive to streamline procurement and broaden contractor participation?

5. Tariffs and Supply Chain Impacts

Federal construction projects continue to be affected by tariffs on imported materials and supply chain volatility. AGC members are increasingly impacted by tariffs on steel, aluminum, and other key inputs, as well as delays stemming from global supply chain congestion. These pressures are driving unpredictable material costs, complicating project pricing, budgeting, and risk management. Clear guidance on how these factors are addressed in solicitations, change orders, and price escalation clauses is critical to maintaining schedule and performance expectations.

How is your agency tracking and responding to supply chain disruptions affecting project schedules? What guidance or contract language does USACE/NAVFAC use to address tariff-related cost increases? Is there flexibility in procurement or payment mechanisms to help mitigate contractor exposure to cost spikes? What lessons did USACE/NAVFAC learn from the extreme post-COVID market instability in 2021-22 and how will those lessons be applied to the current market uncertainty surrounding tariffs?

OPEN DISCUSSION

- Questions from the floor.