
MEETING AGENDA

Naval Facilities Engineering Systems Command (NAVFAC) Meeting **8:30 AM – 11:20 AM**
(Break from 10:00 AM to 10:15 AM)

Welcome Remarks and Introductions

George Rogers
AGC Chair, NAVFAC Committee

Naval Facilities Engineering Command

Welcome Remarks

Rear Admiral Dean VanderLey
Commander, Naval Facilities Engineering Systems Command and Chief of Civil Engineers

Chief Engineer Update

Keith Hamilton
Chief Engineer & Assistant Commander for Planning, Design & Construction

Acquisition Update

Cindy Readal
Assistant Commander for Contracting

Tim Bayse
Construction Product Line Leader, Capital Improvements

Members of NAVFAC Headquarters

AGC Questions for NAVFAC

1. Budget Update

Please provide a general update on upcoming and anticipated projects included in the approved FY2025 enacted budgets and the FY2026 request.

Questions:

- a. What is the breakdown of projects? By project types; By procurement/project delivery method (design-build, CMc, design-bid-build); By state/location.
- b. There are projects that are authorized, but do not have funds appropriated. What is the status of these projects, and when are appropriations expected?

2. CPARS

Performance evaluations are important to both government and contractor to provide a balanced view of performance. Therefore, it is important that CPARS are consistently and accurately issued.

Questions:

- a. Are there any current initiatives to change the CPARS rating system, if so please provide an update.
- b. AGC members to provide feedback on consistency in CPARS evaluations.
- c. Does NAVFAC have any internal metrics for tracking ratings given at each region or base? If so, what are the findings?

3. Project Delivery Methods

In recent years more emphasis has been required on new project delivery methods. NAVFAC will provide an update on evolving project delivery methods, including the expanded use of Progressive Design-Build and Other Transaction Authority (OTA) agreements. AGC seeks to better understand how industry can partner with NAVFAC under these expanded authorities and how contractors should prepare for the shift in procurement approaches. AGC is officially neutral on the project delivery methods and believes it is up to the owner and contractor to choose the best method.

Questions:

- a. Please give an update on NAVFAC's project delivery methods and related initiatives.

4. PLA Mandate

In January 2024, the [final regulation](#) went into effect that requires every prime contractor and subcontractor to engage in negotiation or agree to Project Labor Agreement (PLA) on federal construction projects valued at \$35 million or more. ([AGC of America comments](#)). AGC has long [maintained](#) that the federal government should not mandate PLAs. The use of government-mandated PLAs hurt [union contractors](#), [open-shop contractors](#), and fails to promote economy and efficiency in federal procurement. In 2025, DoD issued a [class deviation](#) removing the PLA requirement from all DoD contracts.

Questions:

- a. Are there any plans on rescinding the class deviation or any other policy changes?

5. Controlled Unclassified Information (CUI) Markings

NAVFAC is implementing a new system for procurement that requires Prime Contractors to sign a Nondisclosure Agreement (NDA) prior to receiving any blueprints when secured spaces are involved. AGC members report that NAVFAC offices are being required from leadership to control documents with CUI. In turn, we have to collect NDAs from all lower tiers, manufacturer's, etc. prior to sending them plans and specs to bid. These NDA restrictive and includes criminal penalties.

Questions:

- a. What is NAVFAC Headquarters' policy for CUI?
- b. What recommendations do AGC members have regarding this policy?

6. Funding Delays and Financial Risk

AGC members continue to express concern regarding payment delays for completed work, particularly regarding large contract modifications. Some contractors report waiting over a year to be paid for multi-million-dollar work, a situation that places an undue burden on firms with limited capital flexibility. Prolonged payment timelines threaten the financial stability of smaller firms and discourage competition for NAVFAC projects.

Questions:

- a. What steps is NAVFAC taking to improve the timeliness of funding and payments for modifications and other outstanding balances?
- b. What do you recommend contractors do if they find themselves in this situation?

7. REA Resolution

AGC members have expressed a desire for greater consistency and engagement in how NAVFAC reviews Requests for Equitable Adjustment (REAs) and claims. In particular, contractors have noted that in some cases, the response process can feel procedural rather than collaborative, with limited dialogue on the underlying project issues. AGC believes there is an opportunity to strengthen mutual understanding and clarify expectations on how risk is assessed and shared when contract interpretation issues arise.

Questions:

- a. What steps is NAVFAC taking to ensure REAs and claims are evaluated with input from appropriate technical and contracting staff?
- b. Is there guidance or a framework NAVFAC uses to assess and allocate risk in situations where contract documents may be open to interpretation?

8. Claims Resolution Timeframes

Contractors recognize that claims are sometimes necessary to resolve project issues, but there is growing concern about the length of time it takes to receive a decision. While the FAR allows up to 60 days for a response, AGC members have noted that decisions are often delayed beyond that window, sometimes without clear communication. This uncertainty can slow project closeout, tie up resources, and create additional administrative burden for both NAVFAC and the contractor. AGC sees an opportunity to improve predictability by reinforcing timelines and setting clearer expectations around claims processing.

Questions:

- a. Is NAVFAC considering any internal measures to help ensure timely responses to certified claims?
- b. How are extensions to the 60-day timeline tracked and managed, and is there a standard protocol for communicating delays to contractors?

9. Partnering and Relationship Building

NAVFAC, AGC, and AGC members have a long history of partnering to deliver the high-quality infrastructure projects in a safe and effective manner. AGC believes that engaging in project-level partnering as committed team members with NAVFAC will improve project execution, staff efficiency (NAVFAC and contractor), safety, trust, and the project 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. We see an opportunity to improve the process by getting a commitment from all parties attending to bring key decision makers (i.e. Design Manager, Contracting Officer, Contract Specialist, Project Manager, and Operation Manager, FEAD Director, Public Works Officer, etc.).

Questions:

- a. NAVFAC to provide an update on partnering goals or initiatives?
- b. How does NAVFAC ensure that partnering is actually followed through and abided by?
- c. What metrics are tracked from the date of partnering through project completion?
- d. How can AGC assist in providing help to contractors on Partnering training, expectations, best practices, etc.?

OPEN DISCUSSION

- Questions from the floor.