



**US Army Corps
of Engineers®**

ENGINEERING AND CONSTRUCTION BULLETIN

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SUBJECT: Limitations on the Use of One-Step Selection Procedures for Design-Build

APPLICABILITY: Directive and Policy

1. References:

- a. Engineering Regulation (ER) 1180-1-9, Design-Build Contracting, 31 March 2012.
- b. Title 10 United States Code (U.S.C.) Section 2305a, Design Build Selection Procedures.
- c. Title 10 U.S.C. Section 2862, Turn-key Selection Procedures.
- d. 2015 National Defense Authorization Act (NDAA).
- e. FAR Subpart 36.3, Two-Phase Design-Build Selection Procedures.

2. Purpose. Reinstatement and update of ECB 2012-23, “Limitations on the Use of One-Step Selection Procedures for Design-Build,” and incorporation of legislative revisions contained in the NDAA passed into law on 19 December 2014.

3. Two-Phase Discussion

a. The two-phase selection procedure authorized under 10 U.S.C. 2305a allows offerors to submit (relatively inexpensively) information related to specialized experience, technical competence, capability to perform, past performance, teaming arrangements or other information requested in step one. Based on this information, the source selection authority selects a limited number of the most qualified offerors from phase one to advance in the competition, who are subsequently invited to submit price and technical proposals for evaluation during the second phase. Offerors advancing to the second phase have much more favorable odds of winning the competition and are therefore incentivized to submit superior technical and price proposals. Fewer industry partners are exercised to prepare (relatively expensive) technical and price proposals.

b. The two-phase selection procedure is the only design-build contracting method authorized for Civil Works and Support for Others projects. In addition, the two-phase selection procedure is the highly preferred method of this Command for acquiring design-build services for military and authorized security assistance construction projects. Implementation guidance on its use can be found at FAR Subpart 36.3.

4. **One-Step Policy**

a. The use of a one-step selection procedure is now authorized for military construction projects; repair projects as defined in 10 USC 2811(e) with an approved cost equal to or less than \$4,000,000; or an authorized security assistance project as defined by 10 USC 401, 10 USC 404, 10 USC 2561, 22 USC 2769, 22 USC 2357, 22 USC 2392 or other international security assistance specifically authorized by law. One-step selection procedures requires offerors to submit both price and technical proposals simultaneously and results in proposal evaluation in a single step. It is expensive for industry to submit technical proposals requiring significant levels of design effort, and does not allow the source selection authority to down-select the most qualified offerors.

b. The one-step selection procedures may only be used when all of the following conditions are met:

(1) The planned contract is an exception identified in 10 USC 2862.

(2) The offerors are not required to submit design products as part of their technical proposal.

(3) Approval to use a one-step selection procedure has been obtained from the district Chief of Construction for SRM projects less than \$4M or the Headquarters USACE Chief of Construction Branch for all others. The approval will be based on an assessment that the RFP has been developed to an approximate 35% design level and includes a site plan, architectural floor plan, building elevations, room finishes, heating and cooling system type(s), results of hydrant tests near the building site, and other information conveying the design intent.

(4) The restrictions contained in paragraph c. only apply to competitive "C" type contracts. No HQ level approval is required for delivery/task orders under an established IDIQ contract or sole source procurement authorized under FAR 6.3.

c. The restrictions on the use of the one-step turn-key process contained in 10 USC 2862 require close coordination with the District Office of Counsel during the acquisition planning process.

5. **Update.** All new requirements will be included in the next appropriate policy document update prior the expiration of this ECB.

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6. **Points of Contact.** HQUSACE points of contact for this ECB are Mr. Rick Calloway, 202-761-7500 or Mr. Kenneth Simmons, 202-761-7234.

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