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

CATEGORY: Directive and Policy

1. References:
   a. Engineer 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. Federal Acquisition Regulation (FAR) Subpart 36.3, Two-Phase Design-Build Selection Procedures


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 most qualified offerors from phase one to advance in the competition to phase two where they are invited to submit price and technical proposals for evaluation. Offerors advancing to phase two have much more favorable odds of winning the competition, and are therefore incentivized to submit superior price and technical proposals. As such, fewer industry partners are exercised to prepare (relatively expensive) price and technical 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 Selection Procedures**

   a. The use of a one-step selection procedures is authorized for: military construction projects; repair projects as defined in 10 U.S.C. 2811(e) with an approved cost equal to or less than $4,000,000, and; authorized security assistance projects as defined by 10 U.S.C. 401, 10 U.S.C. 404, 10 U.S.C. 2561, 22 U.S.C. 2769, 22 U.S.C. 2357, 22 U.S.C. 2392 or other international security assistance specifically authorized by law. One-step selection procedures require offerors to submit both price and technical proposals simultaneously and results in proposal evaluation in a single step.

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

      (1) The planned contract is an exception identified in 10 U.S.C. 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 procedures has been obtained from the District Chief of Construction for Sustainment, Restoration, and Modernization (SRM) projects equal to or less than $4,000,000, or the HQUSACE Chief of Construction Branch for all others. This approval will be based on an assessment that the Request for Proposal (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 nearby hydrant flow tests, and other information conveying the design intent.

      (4) The approval requirements of paragraph 4.b (3) above only apply to competitive “C” type contracts. There is no requirement for HQUSACE approval for delivery/task orders under an established Indefinite Delivery, Indefinite Quantity (IDIQ) contract, or sole source procurement authorized under FAR Subpart 6.3.

   c. The restrictions on the use of the one-step turn-key process contained in 10 U.S.C. 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.

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

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   JAMES B. SAUCEDA, P.E.
   Acting Chief, Engineering and Construction
   U.S. Army Corps of Engineers