

2026 SAME PANEL DISCUSSION

OTHER TRANSACTION – Progressive Design Build (PDB) and Construction Manager at Risk (CM@R)

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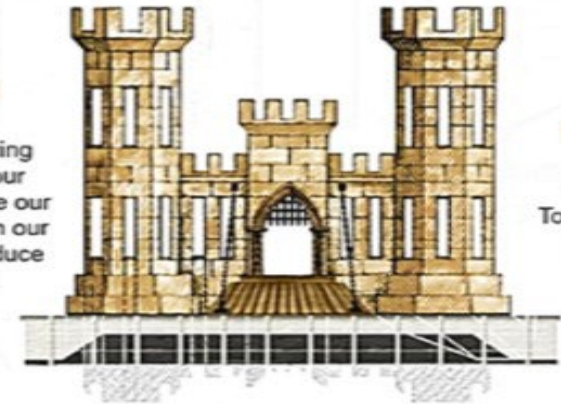


US Army Corps
of Engineers

U.S. ARMY CORPS OF ENGINEERS

MISSION

Deliver engineering solutions, with our partners, to secure our Nation, strengthen our economy, and reduce disaster risk.



PRIORITIES

Today → Deliver
Tomorrow → Innovate
Always → You

ENGINEERING SOLUTIONS TO THE NATION'S TOUGHEST CHALLENGES

TODAY



TOMORROW



BUILDING SMARTER, FASTER, TOGETHER



ALTERNATIVE DELIVERY METHODS

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USACE DELIVERY METHODS

Design-Bid-Build

Traditional approach to construction. Design and construction are sequential and contracted for separately with two contracts and two contractors.



Benefits

- Familiar delivery method
- Control over design
- Valuable for non-complex
- Lowest upfront cost

Risks

- No "fast-tracking"
- Change orders/disputes
- Cost/schedule growth
- Design liability
- Misalignment on scope and budget

Integrated Design and Construction

Variation to Design-Bid-Build, selecting construction manager prior to design completion. Note: Private sector CM@Risk.

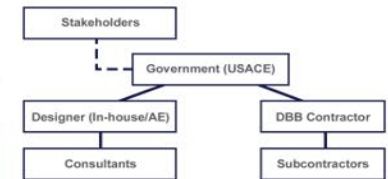


Benefits

- Early collaboration
- Low cost/schedule growth
- Off-ramp
- Incentivizes pricing within budget

Risks

- Non-traditional admin
- Shared risk
- Ceiling price
- Initial Target Price can fluctuate up to Ceiling/not final until negotiated (FFP)



Traditional Two-Phase Design-Build

Owner prepares preliminary design documents (often to 35%) before selecting the design-build team and establishing price.



Benefits

- Collaboration post-award
- Reduced design liability
- Maximizes minimum requirements vs Maximizes budget

Risks

- 35% design reduces industry ability to provide solutions within budget
- Fixed design parameters
- Higher upfront cost

Design-Build to Budget

DBIA Best Practices. Optimize the budget in terms of quality, scope, and durability with innovative betterments and enhancements within the budget. Best solutions and team.

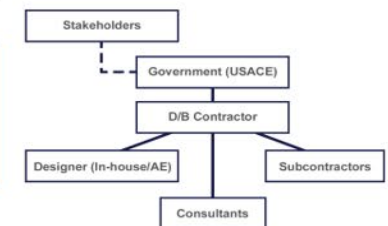


Benefits

- Collaborative proprietary meetings
- Optimizes budget, schedule (fast-track)
- Aligned scope

Risks

- Fixed design parameters
- Longer solicitation phase



Progressive Design-Build

Variation of Design-Build. Single contract awarded for design and construction. Final construction price determined once design progresses.



Benefits

- Highly collaborative
- Performance orientation optimizes budget, schedule
- Aligned scope
- Quality is team responsibility

Risks

- No off-ramp
- Non-traditional admin
- Shared risk
- Initial Target Price can fluctuate up to Ceiling/not final until negotiated (FFP)

10 U.S.C. § 2808a

A Flexible Authority for DoD Facility Construction Projects

WHAT IS 10 U.S.C. § 2808a?



Section 2808a authorizes the Secretary of Defense or a Military Department to use **Other Transaction (OT)** authority for repair and construction projects for facilities, including all associated planning, design, engineering, prototyping, piloting, and execution.

KEY FEATURES OF 2808a

-  **Specifically for Facilities:** Designed for repair and construction projects for military or other DoD **facilities**.
-  **Broad Project Scope:** Covers planning, design, engineering, prototyping, piloting, and execution—enabling end-to-end delivery flexibility.
-  **Funding Flexibility:** Allows use of Military Construction (**MILCON**), Operation & Maintenance (**O&M**), or Research, Development, Test & Evaluation (**RDT&E**) funds.
-  **Congressional Notification:** Requires **14-day notification** to the congressional defense committees before entering into the transaction.
-  **Follow-On Authority:** Allows a follow-on production contract or transaction **without further competition** if the initial effort used competitive procedures and the participants successfully complete a complete and useable facility or improvement.
-  **Why It Matters:** Provides speed, flexibility, and collaboration to deliver complex facility projects on time and within budget.
-  **Ideal For:** Large, complex facility projects that benefit from integrated teams, innovation, and streamlined acquisition.

COMPARISON OF DoD OTHER TRANSACTION AUTHORITIES

10 U.S.C. § 2808a Facility Construction Authority	10 U.S.C. § 4021 Prototype Projects Authority	10 U.S.C. § 4022 Follow-On Production Authority
		
Purpose: Repair and construction projects for facilities .	Purpose: Prototype projects for military purposes.	Purpose: Production projects to follow a prototype project.
Typical Use: Design-build, progressive design-build, renovation, military facilities, labs, hangars, test ranges, etc.	Typical Use: Prototypes, technology demonstrations, experimentation, experiments, integration of emerging technologies.	Typical Use: Production or fielding of systems, equipment, or capabilities after successful prototype.
Scope: Planning, design, engineering, prototyping, piloting, and execution.	Scope: Research, design, development, prototyping, testing, evaluation.	Scope: Production, fabrication, integration, delivery.
Funding: MILCON, O&M, or RDT&E	Funding: RDT&E	Funding: Procurement (typically RDT&E-funded prototypes transitioning to procurement for production).
Congressional Notification: Yes – 14 days prior	Congressional Notification: Yes – 14 days prior	Congressional Notification: Yes – 14 days prior
Follow-On Without Further Competition: Yes – if competitive procedures used and facility is successfully completed.	Follow-On Without Further Competition: Yes – if competitive procedures used and prototype project is successfully completed.	Follow-On Without Further Competition: Yes – for production after successful prototype.

AT A GLANCE COMPARISON

Primary Focus	Facilities	Prototypes	Production
End Product	Built or improved facility	Prototype system/solution	Production system/capability
Typical Outcome	Operational facility	Validated prototype	Fielded production capability
Best Fit For	Construction projects	R&D and experimentation	Production and fielding

BOTTOM LINE: Use 2808a for facility construction projects. | Use 4021 for prototype projects. | Use 4022 for follow-on production after prototype success.



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10 U.S.C. 3241 (NDAA FY26)



§ 3241. Design-build selection procedures

Authorization to **enter into a progressive design-build (PDB) agreement for a military construction project** if:

- (A) **The Agreement is awarded in a single phase based on qualifications and demonstrated capabilities of the offeror without submission of a detailed construction cost or price proposal at the time of award.**
- (B) The contract provides for **collaboration** between the Secretary concerned and the contractor to **develop and refine the project scope and design, including cost estimates.**
- (C) Following development of the project scope and preliminary design, the contract provides for **negotiating a guaranteed maximum price or other fixed-price agreement** for the construction phase of the military construction project.
- (D) If negotiations fail, the Agreement includes terms for termination or renegotiation.

Agencies shall ensure appropriate oversight, risk management, and contract administration.

PROGRESSIVE DESIGN-BUILD (PDB) w/ OT

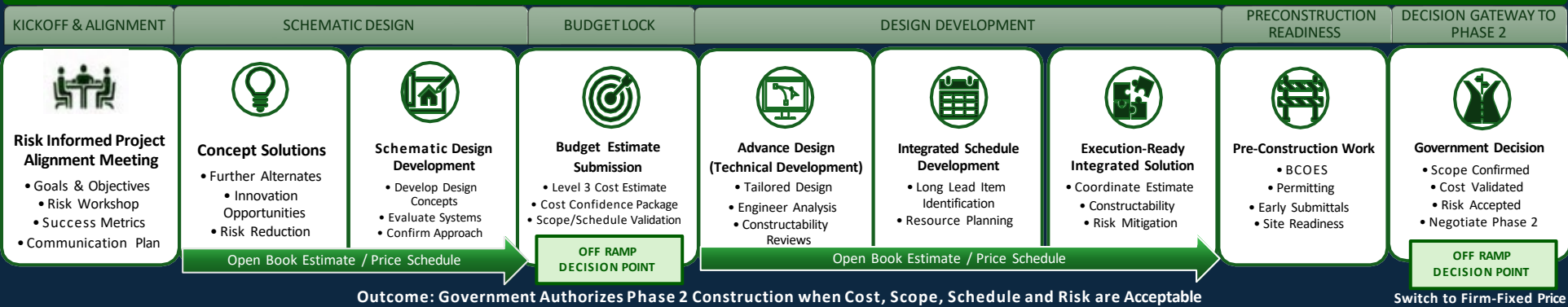
End-to-End Process for MILCON Projects

Right Authority.
Right Collaboration.
Right Outcome.

PRE-AGREEMENT: PLANNING, SOLICITATION, & AWARD



AGREEMENT PHASE 1 – DESIGN & PRECONSTRUCTION SERVICES (OT Agreement using MILCON Design Funds)



AGREEMENT PHASE 2 – FINAL DESIGN & CONSTRUCTION (OT Agreement using MILCON Construction Funds)



OT STATUTORY AUTHORITY:

10 U.S.C. § 2808a,
Facility Construction
or Repair:
Transactions Other
Than Contracts and
Grants

GOVERNANCE & OVERSIGHT

- Tailored Oversight
- Periodic Reporting
- Cost, Schedule, Performance Reviews
- Risk Management

Why PDB with OT?





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WHAT IS CM@RISK?

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- Award via an OT
- Similar to the FAR based Integrated Design and Construction (IDaC)
- Construction Management at Risk (CM@Risk) is a 2-phase delivery method where the contractor holds 2 distinct roles:
 - The **Consultant (Preconstruction Phase)**: The contractor is **hired around 95% design** to collaborate with the Government and the A/E for constructability reviews, value engineering, and supply-chain analysis to finalize the design.
 - The **Builder (At-Risk Phase)**: **At 100% design**, the Government & contractor negotiate the **Guaranteed Maximum Price (GMP)** and contractor transitions into the General Contractor role, assuming the financial and schedule "Risk" of the physical construction.



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FAR – OTA ROSETTA STONE

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FAR	OTA
Market Research	Market Intelligence
Acquisition Plan	Plan of Action
Source Selection Plan	Evaluation Plan
Clauses	Articles/Terms & Conditions
Request for Proposal	Request for Qualifications/White Papers
Evaluation	Down-select
Contract	Agreement
Contractor	Agreement Holder
Contracting Officer	Agreements Officer
Debriefs	Feedback Sessions
Administrative Contracting Officer	Administrative Agreements Office
Contracting Officer Representative	Agreements Officer Representative





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NWS AIR FORCE OT PROJECTS

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Project Title SENTINEL - MAFB MT	Anticipated \$ (Millions)	% Design Complete	Award Type	Anticipated Solicitation Date	Anticipated Award Date	Comments
Infrastructure Improvements	\$100M - \$200M	100%	OT - CM@Risk	FY27Q1	FY27Q4	Sources Sought W912DW26S1CE0 Issued 8/14/26 - Responses Due 8/28/26
Consolidated Maintenance (CMF)	\$300M - \$400M	100%	OT - CM@Risk	FY27Q2	FY27Q4	
Integrated Training Center (ITC)	\$100M - \$200M	100%	OT - CM@Risk	FY27Q3	FY28Q2	
Missile Handling Complex (MHC)	\$100M - \$200M	100%	OT - CM@Risk	FY28Q1	FY28Q4	
Integrated Command Center (ICC)	\$100M - \$200M	65%	OT - PDB	FY28Q1	FY28Q4	
Operations Group Facility (OGF)	\$100M - \$300M	35%	OT - PDB	FY28Q1	FY28Q4	



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USACE OT PROJECTS (SAM.GOV)

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Project Title	Anticipated \$	Award Type	Comments
RENOVATE HQ AFMC B/10262 PH 2 at WPAFB Dayton OH	\$140M - \$170M	OT -PDB	W912QR-PDB-RENO-HQ-AFMC Response Date 8/31/26
Survivable Airborne Operations Center (SAOC) Bed-Down Offutt AFB NE	NTE \$2B	OT - PDB	W9128F269A001 Response Date 9/1/26
Fort Wainwright Dining Facility Alaska	\$100M - \$200M	OT - PDB	W911KB269A002 Response Date 8/27/26
Sentinel Utility Corridor at Malmstrom AFB, Montana	\$1.4 - \$2.0B	OT - PDB	W9128F26SM024 Response Date 9/24/26
ACC002 Utilities and Infrastructure Joint Base Elmendorf-Richardson, Alaska	NTE \$600M	OT – CM@Risk	W911KB26RWP01 Response Date 9/9/26
Fightertown Recap Program Joint Base Elmendorf-Richardson, Alaska	NTE \$6.9B	OT - PDB	Packaging 26 MILCON projects



LONG RANGE FORECAST



<https://www.usace.army.mil/Strategic-Partnerships/Small-Business/Upcoming-Contract-Opportunities/>

QUESTIONS



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