



DEPARTMENT OF THE NAVY

NAVAL FACILITIES ENGINEERING COMMAND
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IN REPLY REFER TO

NAVFACINST 11010.51J

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29 September 2000

NAVFAC INSTRUCTION 11010.51J

From: Commander, Naval Facilities Engineering Command

Subj: 2807 NOTIFICATIONS FOR MILCON AND FAMILY HOUSING

Ref: (a) Title 10 United States Code, Chapter 169, Section 2807(b)

Encl: (1) Examples that Require 2807 Notification

1. Purpose. To provide policy and standard procedures for congressional notifications when acquiring (or performing in-house) architectural and engineering (A-E) services and construction design effort that is estimated to exceed \$500,000 for military construction or family housing projects using funds appropriated under the authority of 10 USC 2807 (a).

2. Cancellation. NAVFACINST 11010.51H.

3. Background. Reference (a) requires notification of the appropriate committees of Congress when the estimated cost of "architectural and engineering (A-E) services and construction design" (herein collectively referred to as "design"), exceeds \$500,000 for military construction projects and family housing construction and improvement projects. Design includes the preparation of performance specifications for a design-build project. When NAVFACENGCOM is the construction agent and 2807 rules apply, this instruction establishes notification procedures regardless of the client.

4. Policy. The following is NAVFACENGCOM's policy to comply with the provisions of reference (a).

a. Notification of the appropriate committees of Congress is required where the estimated cost of design, as defined below, exceeds \$500,000.

b. In-house design effort funded with funds appropriated for design is subject to 2807 Notification requirements.

c. When 2807 Notification requirements apply, no obligation or expenditures may be incurred (whether award of an A-E contract or task order, start of an in-house design, or a combination of the foregoing) until the congressional notification has been submitted, the 21-day waiting period has expired, and

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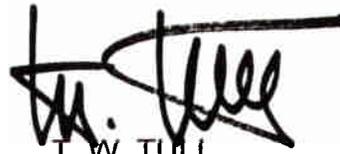
NAVFACHQ provides approval to proceed. Synopsis of the proposed contract action and administrative actions leading to the award may be started.

d. When a project is undertaken or when several projects which support the same functional purpose are undertaken (e.g., a project in several increments/phases), a 2807 Notification must be submitted before design may begin if the total design effort will exceed \$500,000. This applies even though the project design may be subdivided into several A-E contracts or task orders, or a combination of A-E contracts and in-house design. Housing neighborhoods programmed in several increments/phases require 2807 Notification if the increments are combined into one design package and the total design effort will exceed \$500,000.

5. Action.

a. NAVFACENGCOM MILCON or Housing Program Directors, as appropriate, shall prepare and submit 2807 Notifications to the appropriate Congressional Committees on an as required basis for Navy projects only. Other agency 2807 Notifications are submitted to Congressional Committees via the other agency's chain of command.

b. Commanders/Commanding Officers of Engineering Field Divisions and Activities (EFDs and EFAs) shall ensure compliance with the above requirements when contracting for design and performing in-house design. For Navy projects, they shall notify NAVFACENGCOM when a notification is required; provide their acquisition strategy for the project(s), a description of work and an estimated design cost to NAVFACENGCOM. For other agency projects they shall notify the agency that a notification is required. Some examples of when 2807 Notifications are required are provided in enclosure (1).



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Examples that Require 2807 Notification

A 2807 Notification is required for the following examples. When 2807 Notification requirements apply, no obligation or expenditures may be incurred, whether award of an A-E contract or task order or start or continuation of an in-house design, until the congressional notification has been submitted, the 21-day waiting period has expired, and NAVFACHQ has given approval to proceed.

These are not the only possible scenarios. If you have questions on a particular situation, call MILCON or Housing at NAVFACHQ for clarification – before obligations or expenditures are incurred.

(1) The estimated design cost for project X is \$550K. A 2807 Notification must be completed for project X.

(2) A MILCON project is phased through different fiscal years, and all phases are authorized at the same time. The estimated total cost of the design effort for all phases will exceed \$500K. A 2807 Notification must be completed for the entire project.

(3) A plan is developed to divide construction work for an entire housing neighborhood into a series of projects called phases. These project phases are normally budgeted in different fiscal years. While the individual estimated design cost of each phase is not expected to exceed \$500K, the combined design effort of the phases is expected to exceed \$500K and they are supporting the same functional purpose. For example, A-E firm XYZ is awarded a contract or task order to design Phases I, II, III of housing project X over two years with an estimated cost of \$550K and Phases IV and V are projected to be completed in future years but not in the above contract or task order. A 2807 Notification must be completed for Phases I, II and III. Phases IV and V may be added later as separate task order(s) and the applicability of the 2807 Notification determined separately from Phases I, II and III.

(4) Five similar projects with the same functional purpose, e.g., Aircrew Water Survival Tanks are required over a known period of time and are undertaken by the same A/E firm. Each individual project design effort is not over \$500K, each project is in a different geographic location, but the total design effort of the five projects is over \$500K. A 2807 Notification is required for all five projects.

(5) Five similar projects with the same functional purpose, e.g., berthing, are required at the same location over a known period of time. The A/E effort for each individual project may be under \$500K, but the total A/E effort will be over \$500K. A 2807 Notification is required for all five projects.

(6) A new system is approved and funded. A base requires several projects to support the new system. All projects will be authorized in the same fiscal year or a known period of time. These projects will support the same functional purpose and though the design effort for each project may be under \$500K the total A/E effort will be over \$500K. A 2807 Notification is required for all the projects involved to support the new system.