IMPLEMENTING PROGRESSIVE DESIGN-BUILD UNDER OTA AUTHORITY

A FEDERAL OWNER'S GUIDE TO COST CERTAINTY

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Executive Summary

Federal construction contracting is entering a period of significant transformation. Evolving acquisition strategies are driving agencies toward more collaborative delivery models that prioritize speed, flexibility, innovation, and accountability. Among these approaches, Progressive Design-Build (PDB) has emerged as a leading methodology for agencies seeking to accelerate project delivery and improve alignment of scope, budget, and schedule. The growing use of Other Transaction Agreements (OTA) further reinforces this shift by providing agencies with greater flexibility than traditional procurement frameworks.

Recent federal legislation and Department of Defense (Department of War) policy have accelerated this shift, creating new authority to implement Progressive Design-Build and expanded Other Transaction Authority (OTA) for qualifying facility construction and repair. The Department's April 2026 memorandum signals a significant commitment to collaborative delivery, encouraging earlier industry engagement, greater flexibility in project execution, and improved cost and schedule certainty. These developments have immediate implications for DoD construction and acquisition organizations while offering valuable lessons for other federal agencies exploring alternative project delivery methods.

PDB offers clear advantages yet also poses a fundamental challenge: many federal owners are being asked to implement a sophisticated delivery methodology without the institutional processes, tools, or experience needed to manage it effectively. As several agency representatives acknowledged at recent industry forums, many organizations are developing their playbooks in real time.[1]

Successful implementation of PDB requires a different approach to project governance than traditional delivery methods. Unlike conventional design-build or design-bid-build procurement, where price is often established at a single point in time, PDB relies on the progressive development and correlation of scope, design, schedule, risk, and cost throughout the project lifecycle. As a result, ownership teams will be tasked with active, granular engagement with cost scenario evaluations, assumptions validation, and ensuring alignment with mission objectives and funding at every step - not just major milestones.

The central challenge facing federal owners is straightforward: ***How can cost certainty be maintained while both the project itself and the market in which it will be procured are evolving?***

The answer lies in continuous, independent, comprehensive cost validation and reconciliation. For federal agencies implementing PDB under OTA authority, the objective is not simply to adopt a different contracting method but to establish a delivery environment in which cost, schedule, risk, and value are continuously managed from project conception through construction. Independent cost validation provides the framework that enables owners to realize the benefits of PDB while maintaining accountability to mission requirements and taxpayer dollars.

1 *DBIA Federal Design-Build Symposium, August 2026*

WHAT IS PROGRESSIVE DESIGN-BUILD?

PDB is a project delivery method in which the owner selects a design-builder early in the project, typically through a qualifications, and fee based process, and the team's approach to managing the design, preconstruction, and construction phases. Following selection, the Owner and design-builder collaboratively advance the design, scope, schedule, risk and cost toward a mutually agreeable project solution and guaranteed maximum cost. Rather than requiring full price commitment at the time of selection, PDB allows the owner and design-builder to develop the design, test assumptions, clarify risks, and evaluate project feasibility before moving into construction.

Progressive Design-Build is intentionally structured around two distinct phases. Phase 1 is the project development period, during which the Owner and selected Progressive Design-Builder collaboratively advance the design, validate scope and schedule, test assumptions, investigate risk, perform market research, and continuously manage the cost of the work. Phase 2 authorizes final design, construction, and a guaranteed cost only after sufficient alignment has been achieved on scope, cost, schedule, risk, and funding.

Federal Construction is Changing: The New Landscape of Project Delivery

For decades, federal construction programs primarily relied on traditional procurement methods governed by the Federal Acquisition Regulation (FAR). While these methods provide structure, oversight, and consistency, they can also create lengthy procurement timelines and limit collaboration during project development.

Today, agencies face increasing pressure to:

- Deliver projects faster
- Reduce project costs
- Increase budget certainty and reduce project risk
- Improve procurement efficiency
- Adopt commercial best practices
- Accelerate mission readiness

In response, some federal agencies are implementing alternative project delivery methods that align more closely with private-sector delivery models, namely Progressive Design-Build.

Progressive Design-Build is now emerging as the significant project delivery approach within the U.S. Department of Defense (Department of War). The FY2026 National Defense Authorization Act established specific authority for Progressive Design-Build under 10 U.S.C. § 3241(g) and expanded the use of Other Transactions for military construction and facility repair under 10 U.S.C. § 2808a. Building on these authorities, the Department's April 2026 directive calls for the implementation and broader use of collaborative project delivery methods, especially Progressive Design-Build, to improve early industry engagement, strengthen cost and schedule certainty, encourage innovation, and accelerate delivery of military infrastructure.

For agencies operating under OTA authority, this shift is even more significant. Rather than relying solely on prescriptive procurement rules, owners gain greater flexibility in structuring project delivery. However, greater flexibility also increases the need for disciplined owner-side oversight.

> *DCA's will use collaborative delivery methods - specifically Progressive Design-Build and other Design Build approaches in lieu of traditional Design-Bid-Build where they enable early alignment between the DoW and industry, improve cost certainty, and accelerate delivery timelines.*[2]

2 *Department of War, Accelerating Delivery of Infrastructure to the Warfighter (April 2026), p. 2; FY2026 NDAA § 2809*

Progressive Design-Build Requires Substantial Owner Involvement

Unlike traditional design-bid-build procurement, where cost is primarily established through competition at a defined point in time (i.e., at the outset of the project or after bridging documents), PDB requires continuous decision-making as the scope, design, risk, and cost evolve. Without experienced and engaged owner-side leadership, several challenges commonly emerge:

- Budget drift
- Scope creep
- Schedule delays
- Uncontrolled risk transfer
- Late-stage GMP surprises
- Misalignment between funding and project requirements
- Loss of stakeholder confidence

The solution to overcome these potential risks is to establish robust cost, schedule, and risk management processes before procurement begins and maintain them throughout the project lifecycle.

Findings from a 2026 ACEC Research Institute study demonstrate that PDB performance is driven by execution discipline rather than by delivery method selection alone. "Projects perform best when Phase 1 Design and Preconstruction is treated as a formal alignment process supported by clear governance, transparent commercial terms, and early identification of risks and external constraints," states the study.[3]

3 *ACEC Research Institute. (2026). Progressive Design-Build Implementation*

Cost Certainty is Developed and Maintained, Not Discovered

How does an owner maintain cost certainty in Progressive Design-Build?

The success of a PDB project ultimately depends on that deceptively simple question. The answer is continuous independent validation and reconciliation of cost and schedule.

A ***robust pre-procurement process*** that includes rigorous vetting of project goals/priorities, risks/opportunities, and non-negotiables defines the parameters for a realistic, durable budget that serves as a defining element of the project charter throughout the design cycle and into project construction. This document is then used as the basis for comparison with the PDB team's costs from design through to the Guaranteed Maximum Price (GMP). It provides the owner with a vital tool to reconcile the movement of design, cost, and schedule throughout the project's development.

A validated owner's budget, developed before procurement, sets the project's financial boundaries. From that point forward, continuous cost validation provides the owner with independent cost intelligence throughout design development, value management, risk analysis, and eventual GMP negotiations. Rather than generating competing estimates at select milestones as separate data points, the process fosters transparency, accountability, and informed decision-making by providing a continuous forum for reconciliation, allowing multiple opinions to converge on a single output.

Cost certainty is not established at one stage, by one team, or at one time; it's the result of the efforts of all sides of a Project Development Team (PDT) and begins when the project does. Prudent owners utilize a system of robust, early, and ongoing expertise that's solely focused on their organization's financial and operational goals, serving as a steward of financial efficiency and ensuring that the project they originally envisioned is as close as possible to what is realized. When done correctly, these measures will often translate into reductions in project cost, schedule, and risk.

A Better Definition of Cost Certainty

Cost certainty doesn't mean an estimate never changes. Cost certainty is the owner's growing understanding of what the project is likely to cost, why it is likely to cost that amount, what uncertainties remain, and which party is responsible for them. Under that definition, cost certainty should increase as PDB progresses.

At the beginning:
High uncertainty + independent budget

During PDB Phase 1:
Increasing design definition + continuous validation + risk retirement

At final price:
Defined scope + validated market pricing + understood residual risk

The process is a more sophisticated concept than simply measuring variance between two milestone estimates.

BENEFITS OF EARLY COST & RISK ENGAGEMENT



Figure 1

Pre-Solicitation Cost Strategy: Why Cost, Schedule, and Risk Planning Starts Before Procurement

What should this project reasonably cost before we ask the industry to commit to delivering it?

To answer that question, there are five baselines to establish:

1. **Project Requirements Baseline**: What central goal must the project accomplish?
2. **Scope Baseline:** What physical project is contemplated to satisfy the goal?
3. **Market Baseline:** When and where must it be delivered?
4. **Risk Baseline:** What uncertainties are presently known? How can they be quantified?
5. **Cost Baseline:** What should the defined project reasonably cost?

Once initial baselines are established, the owner can work with an independent cost estimator to develop a sufficiently detailed, risk-informed cost baseline that reflects the project baseline. This aligns the project scope and budget, establishing a realistic expectation that the project can be constructed as defined once a PDB is brought on.

The independent cost estimator will address the following conditions in the budget, at a minimum:

- Defined program and performance requirements
- Conceptual quantities
- Appropriate unit cost benchmarking
- Project location and market conditions
- Labor conditions
- Anticipated competing project volume
- Project schedule and phasing
- Escalation to anticipated procurement and construction dates
- Site and logistical constraints
- Known permitting and agency requirements
- Anticipated procurement/package strategy
- Owner-specific requirements and standards
- Identified project risks and opportunities
- Design development contingency
- Construction contingency
- Appropriate allowances for undefined known scope

Together, these elements form the foundation of an owner's credible budget in the pre-solicitation phase.

Without this due diligence, an owner may successfully procure a PDB team only to discover that the scope and funding were not aligned from the outset, or that the alignment reflected market conditions that are no longer relevant. While PDB is exceptionally effective at solving project challenges, today's project development cycles and needs mean that a project that begins development significantly undercapitalized will take so long to recalibrate that savings are often eclipsed by additional escalation and market risks.

Establishing an independent cost estimate before procurement mitigates these risk factors and ensures the smooth establishment of the PDB's shared set of goals.

The Missing Piece: Independent Continuous Cost Management

One of the most important themes emerging from recent federal agency discussions surrounding PDB is the growing recognition that ***owners need independent cost expertise throughout the project lifecycle***, not simply at major design milestones.

Historically, independent estimating has often been a transactional model where the general contractor and independent cost estimator provide separate design milestone estimates and reconcile at each phase. (*Figure 2-1*) While useful, the design phase estimating process often identifies problems after important decisions have already been made.

In PDB, instead of periodic estimating exercises, cost professionals participate continuously in project development. (*Figure 2-2*) Cost discussions become part of design conversations rather than reactions to design decisions, and cost itself shifts from a reactive role to proactive management.

TRANSACTIONAL COST ESTIMATING MODEL

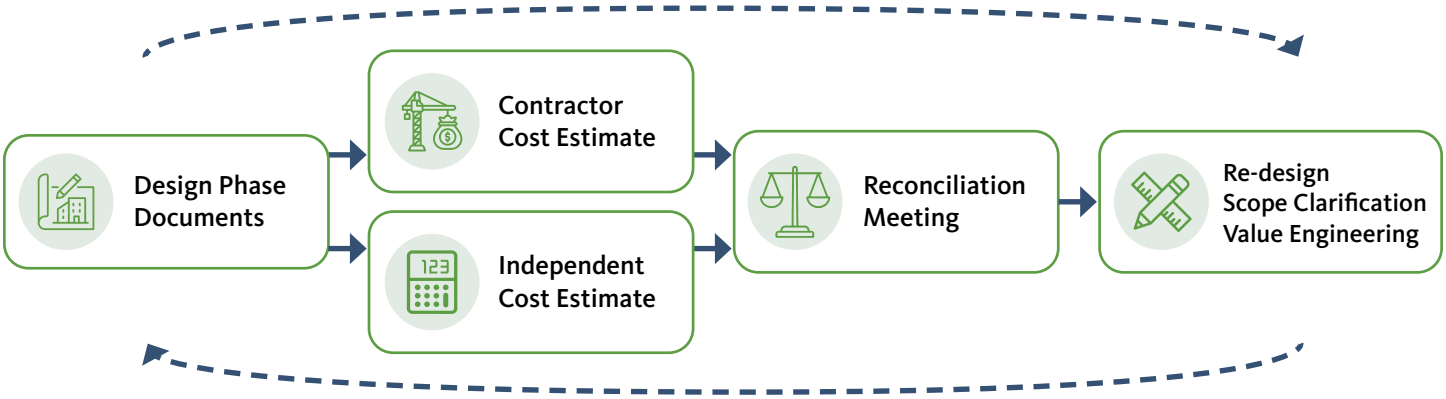


Figure 2-1

INDEPENDENT CONTINUOUS COST MANAGEMENT

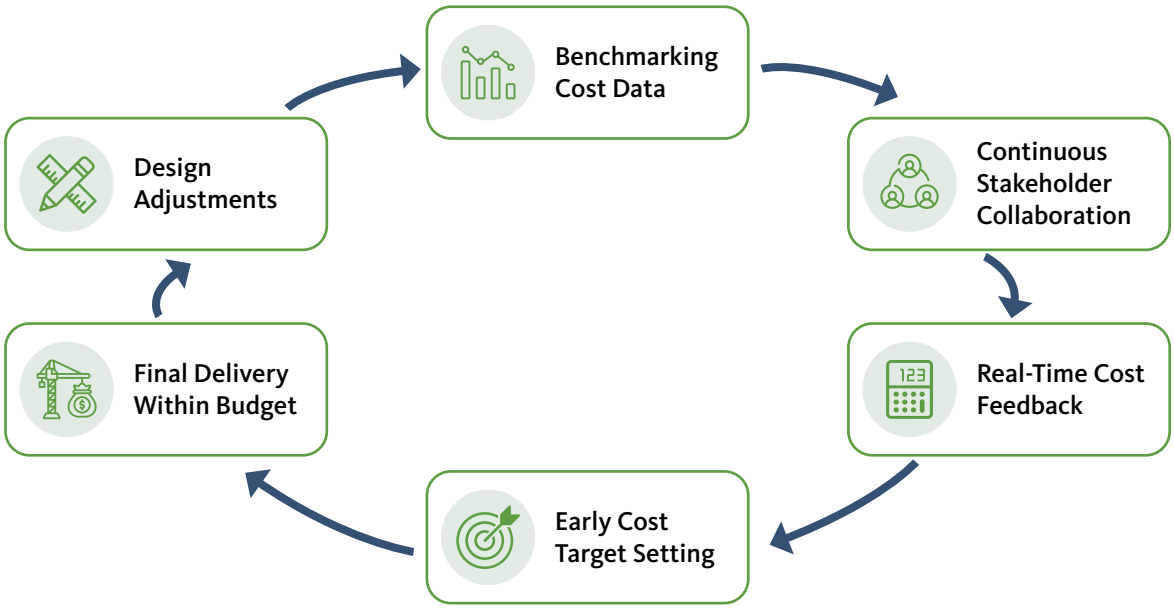


Figure 2-2

Under the PDB model, the objective is to help the owner understand the project's costs, the reasons for those costs, and how current decisions affect future outcomes. To that end, the cost team is embedded in project decision-making during the pre-construction process to ensure that:

- Cost experts participate throughout design development
- Cost implications are evaluated in real time
- Risk and opportunity assumptions are continuously tested and, if effective, are implemented
- Value management opportunities are identified early
- Design alternatives are evaluated against budget constraints

A Cost-Time-Value-Risk Framework for Progressive Design-Build

Successful PDB programs require a broader perspective than traditional project delivery, where estimating is one-dimensional and focused solely on cost. Every major decision should be evaluated through four lenses:

Cost: Can the project be delivered within the available funding?

Time: Is the current project schedule accounting for productivity rates given access and site constraints? Have material delivery schedules been verified to align with current procurement needs?

Value: Does the solution continue to support mission objectives?

Risk: What uncertainties remain, and who owns them? How can we minimize risks and maximize opportunities over the balance of the project cycle?

Together, these elements form a Cost-Time-Value-Risk (CTVR) Management framework (Figure 4) that supports better decisions throughout the lifecycle of a PDB project. This framework allows an owner to move beyond simple estimate comparison and focus on the true drivers of project success.

PDB Changes the Price Discovery Mechanism

The key difference in PDB is ***the mechanism through which the owner establishes confidence in price changes.***

In traditional Best Value Design-Build delivery:

Performance Criteria & Scope Development
↓
DB Competition
↓
Price Discovery & GMP

In Progressive Design-Build:

Owner Baseline
↓
Qualifications & Fee Based Selection
↓
Collaborative Design + Cost Validation
↓
Continuous Reconciliation
↓
Market Alignment
↓
Negotiated Price

Progressive Design-Build
Cost Control Timeline

Price confidence increases through the process by way of eight key mechanisms, leading to a negotiated GMP and a well-aligned start to construction.

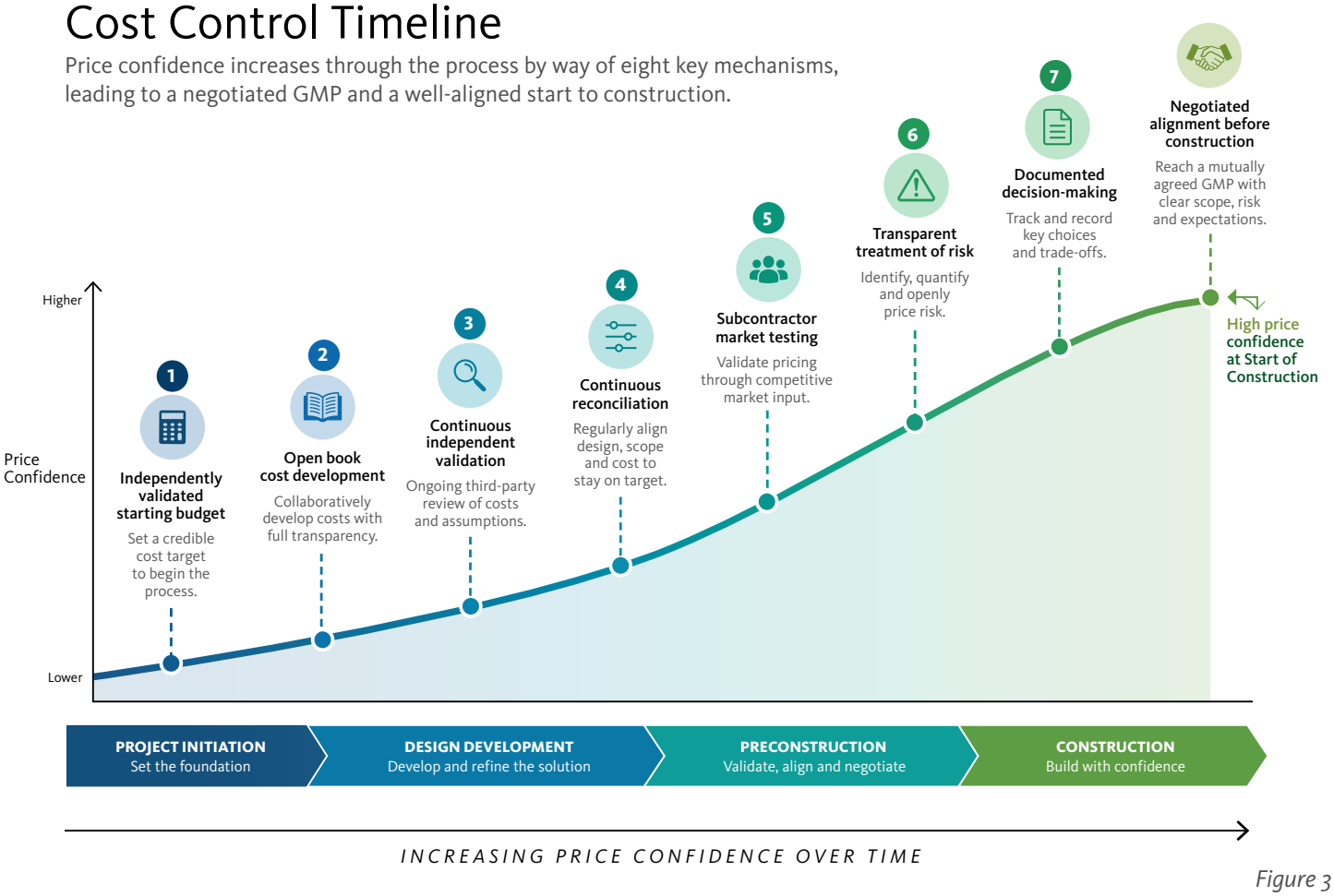


Figure 3

Price confidence increases through the process by way of:

- Independently validated starting budget
- Open book cost development
- Continuous independent validation
- Continuous reconciliation
- Subcontractor market testing
- Transparent treatment of risk
- Documented decision-making
- Negotiated alignment before construction

This is particularly relevant to the emerging federal PDB through OTA. The current DOD PDB framework describes a qualifications-based selection followed by Phase 1 design and preconstruction, open book estimating, collaborative scope refinement, continuous cost modeling, and eventual agreement on price before proceeding to Phase 2 (*Figure 3*). Because the OTA is outside the FAR, the negotiated agreement itself governs the parties' relationship. This makes cost governance even more, not less, important.

When agreement on scope, cost, and feasibility isn't reached during Phase 1 with the selected PDB team, off-ramping may be a valuable outcome, rather than viewing it solely as a project failure.

PDB Cost Confidence Process

Zone 1: Before PDB Selection

The objective of Zone 1 is to establish the Owner Baseline. Activities include:

- Defining project requirements
- Developing an independent cost model
- Validating scope against budget
- Assessing risk and escalation
- Establishing contingencies
- Confirming funding alignment

Only after these activities are completed should the Progressive Design-Build team be selected.

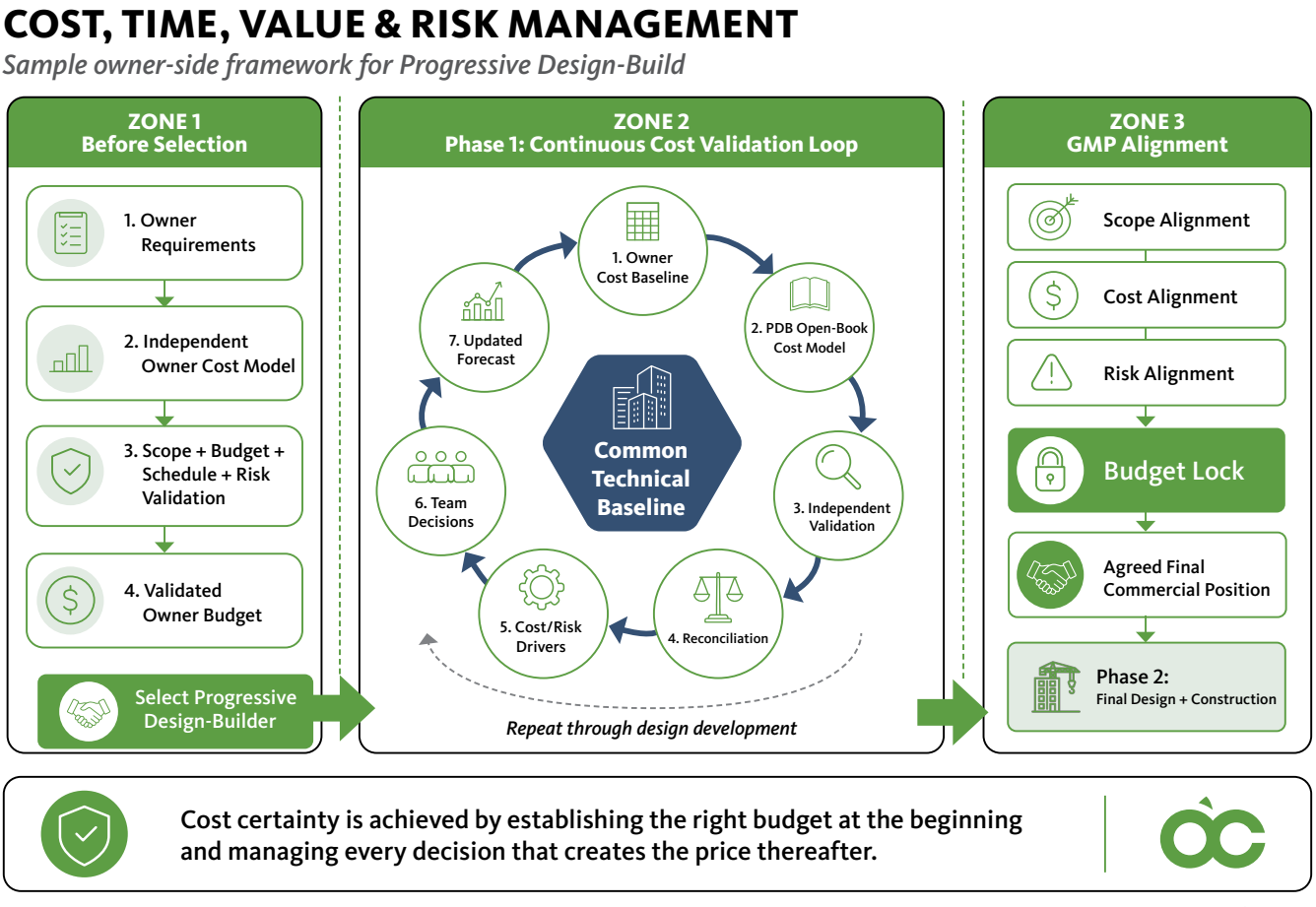


Figure 4

Zone 2: Progressive Design-Build Phase 1

This phase operates as a continuous Cost-Time-Value-Risk cycle. Activities include:

- Open-book cost development
- Independent cost validation
- Continuous reconciliation
- Market analysis and validation
- Value management
- Risk analysis
- Alternative evaluation
- Forecast updates

The process repeats as the project definition improves.

Zone 3: GMP Alignment

As design advances, the continuous loop produces four critical outcomes:

- Scope alignment
- Cost alignment
- Schedule alignment
- Risk alignment

Together, these elements support a defensible and transparent GMP negotiation.

Exploring the Implications of PDB: Three Scenarios

Let's explore these concepts in practice by looking at three distinct and plausible PDB scenarios.

Scenario 1: The Bad Starting Budget

Situation: An owner has $150M authorized project funding for a project whose initial planning budget was developed two years earlier. Before issuing the PDB solicitation, the owner's independent cost team validates the current requirements to establish a budget based on current economics and project parameters:

Adjustment	Impact
Current market escalation	+$6.2M
Updated program quantities	+$3.8M
Site utility requirements	+$2.1M
Security requirements	+$1.6M
Schedule/logistics	+$1.3M
Risk allowance	+$3.0M
Current expected cost	**$168M**

In this scenario, the cost differential is identified before PDB selection. The owner now has choices:

- Obtain additional funding
- Modify requirements
- Change phasing
- Defer scope
- Modify schedule
- Establish alternates

Suppose the owner restructures the project with an expected project cost of $152.5M: a $150M target + $2.5M identified additive alternative program. The PDB now enters Phase 1 with a credible financial objective.

Lesson: The first responsibility of independent cost management in PDB is to determine whether the owner's project and budget align. No delivery method can overcome a fundamentally unrealistic starting budget without changing scope, funding, or expectations. By making changes to the program before engaging a PDB team, the owner saves time and money that would have been spent discovering the misalignment later in Phase 1.

Scenario 2: Design Growth During Phase 1

Situation: Imagine that same $150M project from the first scenario. At selection, the Validated Owner Budget is $150M. After early design development, the PDB forecasts the project cost at $151.2M. The independent owner's forecast cost is $150.4M. That's a healthy alignment.

During collaborative design, new requirements emerge:

Emerging change	Cost
Enhanced envelope performance	+$2.0M
Additional electrical redundancy	+$1.5M
User program growth	+$1.8M
Site security revisions	+$0.9M
Total	**+$6.2M**

The critical question is no longer: "Why is the contractor over budget?" The independent trend log demonstrates

that the original validated program is $150M with $6.2M of added owner-directed/evolved requirements.

The team now evaluates alternatives and makes in formed choices:

Accepted improvement	+$1.5M
Offsetting design and scope decisions	-$3.7M
Owner contingency	-$0.8M
Revised forecast	$153.2M

Lesson: Continuous cost validation distinguishes between pricing growth and scope growth. This distinction is essential to PDB cost management.

Scenario 3: Reconciliation Before Budget Lock

Situation: A project has advanced significantly into Phase 1. The design has progressed to the point that both the Progressive Design-Builder and the independent owner's cost estimator have substantially more information than they had at PDB selection. Trade input is becoming available, the schedule is more defined, and assumptions regarding phasing, temporary conditions, productivity, escalation, and project risk are becoming more detailed.

At this stage, however, the two forecasts are not yet aligned:

Progressive Design-Builder forecast:	$183.5M
Independent owner forecast:	$175.5M
Apparent difference:	$8.0M / 4.6%

An $8 million difference prior to GMP could be seen as a disagreement over which estimate is "right." Instead, in a continuous cost management process, the two teams reconcile the estimates line by line to identify what is driving the difference and which assumptions are better supported by the information now available. Reconciliation identifies:

Driver	Difference
Current subcontractor escalation	$1.8M
Night work productivity	$1.2M
Temporary facilities/utilities	$0.8M
Quantity discrepancy	$1.9M
Market premium	$1.4M
Schedule contingency	$0.9M
Total	**$8M**

Following reconciliation:

- $4.1M of the PDB's position is supported by better current information.
- $2.9M of the PDB's forecast is removed or corrected.
- $1.0M remains unresolved.

The result is a PDB forecast of $180.6M, compared with the independent cost estimator's $179.6M, a 0.6% difference.

More importantly, the owner now understands exactly why the forecast changed. The $4.1 million increase in the independent forecast is not simply acceptance of the PDB's number; it reflects information that became clearer as Phase 1 progressed. Likewise, the $2.9 million reduction in the PDB forecast reflects assumptions that did not withstand reconciliation. The remaining $1.0 million is clearly identified for further investigation rather than buried within contingencies or carried unnoticed into the GMP.

Lesson: The reconciliation did not establish that either party's original estimate was "correct." It produced a better shared understanding of project cost. That is what the owner needs before GMP and agreement on the next phase. The value of the independent estimate is that it creates the discipline to understand, challenge, and progressively improve the project's cost forecast and budget certainty.

Reconciliation Remains the Core of the PDB Philosophy

As the above scenarios demonstrate, reconciling the PDB and independent owner cost estimates is a key component of the process for maintaining cost and scope certainty. Reconciliation meetings with the owner and the PDB team to review the detailed quantity takeoff, cost estimate, and quantity-and-cost reconciliation reports, and proactively identify quantity variances, scope gaps, pricing differences, productivity assumptions, and risk allocations. This enables the project team to resolve discrepancies and establish a common understanding of the project scope before moving to the next design phase/milestone.

The reconciliation of two well-developed cost positions may be more valuable than either cost position standing

alone, as the owner receives a clear and documented explanation of the differences and cost implications, which may stem from:

- Different quantities
- Different scope interpretation
- Current subcontractor intelligence
- Labor productivity
- Logistics
- Escalation
- Schedule
- Procurement assumptions
- Risk
- Contingency
- Estimating methodology

This reconciliation process creates a clear audit trail, supports informed decision-making, and provides the foundation for fair and objective GMP negotiations.

Risk Retirement Should be an Explicit PDB Objective

From project identification through early PDB Phase 1, risks and their inherent uncertainty result in higher allowances, contingency, and risk premiums. As Phase 1 activities are underway, with investigation and design progressing, the market is tested, and the owner makes decisions, uncertainty becomes known conditions with a defined scope and more accurate associated costs.

An example of this during Phase 1 may look like:

Risk	Initial priced exposure	At GMP
Existing utilities	$2.2M	$0.5M
Agency requirements	$1.4M	$0.3M
Site logistics	$1.8M	$0.8M
Design maturity	$4.0M	$1.5M
Market uncertainty	$2.1M	$1.2M
Total	**$11.5M**	**$4.3M**

Through the discovery process, the team has retired $7.2M of priced uncertainty without necessarily changing scope. The primary risk objective of PDB Phase 1 should be to convert priced uncertainty into known conditions before establishing the final GMP.

ASPECT	PROGRESSIVE DESIGN-BUILD	TRADITIONAL, BEST VALUE DESIGN-BUILD	DESIGN-BID-BUILD
Timing of Cost Targets	Set early and refined continuously	Set at team selection and monitored through design	Estimated later and adjusted post-bid
Design Influence	Scope, budget, and constructability jointly shape design	Design informed reactively by trade contractor pricing	Limited collaboration and sequential handoffs
Stakeholder Engagement	Continuous owner, designer, builder, and trade collaboration	Regular coordination with cost checkpoints between DB and trade partners; Owner often excluded from process	Reactive response to scope, cost, and bid overrun issues
Risk Mitigation	Proactive risk identification and pricing	Risks tracked and managed through ongoing cost controls by DB and trade contractors, sometimes at the expense of project scope	Reactive to budget overruns

RECOMMENDATIONS FOR FEDERAL AGENCIES

As agencies implement Progressive Design-Build delivery programs, several best practices consistently emerge:

1. *Validate budgets before procurement.*
2. *Establish a comprehensive Owner Baseline.*
3. *Maintain an independent owner cost model throughout the project.*
4. *Require transparent open-book cost development.*
5. *Reconcile differences continuously, not periodically.*
6. *Manage cost, time, value, and risk together.*
7. *Focus on risk retirement throughout Phase 1.*
8. *Require scope, cost, and risk alignment before GMP execution.*

Conclusion

Progressive Design-Build, with expanded availability of OTA, is fundamentally a different method of project delivery and implementation by federal agencies and the DOD's 2026 direction makes this especially timely for its construction and acquisition commands. The collaborative nature of PDB can accelerate delivery, improve decision-making, reduce conflict, and lead to better project outcomes. However, those benefits are realized only when owners establish the processes needed to maintain cost discipline throughout the project lifecycle.

An owner's credible budget establishes the target. Continuous, independent cost validation keeps the project aligned with that target. The final GMP should never be a surprise. It should be the logical outcome of a transparent process that includes continuous cost development, informed decision-making, risk evaluation, and ongoing reconciliation.

Cost certainty is not achieved by checking the price at the end of design; it is achieved by establishing the right budget at the outset and managing every decision that affects the price thereafter.

Federal contracting officers can procure independent PDB cost management expertise through established procurement vehicles including MATOCs, SATOCs, Indefinite Delivery/Indefinite Quantity, Blanket Purchase Agreements, and GSA Schedules. Selecting the appropriate vehicle allows agencies to bring independent cost management expertise into the process at an early stage. This approach helps agencies validate budgets, manage costs throughout design, and make informed decisions that support cost certainty.

OCMI Supports Owners with Cost, Value, and Risk Certainty in PDB Delivery

As agencies develop PDB implementation strategies, they need more than a traditional estimating consultant. They need a strategic partner capable of supporting projects from planning through procurement, design development, GMP negotiations, and construction execution.

OCMI brings together capabilities rarely found in a single organization: PDB experience, program-level advisory support, federal cost management and scheduling expertise, scalable resources, and embedded collaboration.

Progressive Design-Build Experience

OCMI has supported and delivered PDB projects for more than a decade, serving owners on complex programs across multiple markets and delivery environments. This experience offers practical insight into what works, what doesn't, and where cost certainty is most often lost.

Program-Level Advisory Support

OCMI's role extends beyond project estimates. We help owners:

- Establish budgets
- Evaluate and implement delivery methods
- Create governance processes
- Support contracting and procurement decisions
- Develop agency playbooks

Our opportunity begins at day zero, well before a solicitation reaches the market.

Federal Cost Modeling Expertise

Few firms combine deep PDB experience with advanced federal cost modeling capabilities. OCMI's expertise in federal cost systems and methodologies enables owners to move seamlessly from strategic planning budgets to detailed cost development and independent validation. This continuity improves transparency and ensures that cost decisions remain grounded in reliable data throughout the project lifecycle.

OCMI has been on the leading edge since its founding, and worked with USACE to develop the first Microcomputer-Aided Cost Estimating System (MCACES) in the 1980's.

As a premier provider of estimating and project management services to all federal government owners, OCMI is an expert in using various TRACES modules as well as SUCCESS. To meet the cost estimating needs of DOD clients, OCMI's estimators have advanced training in MCACES 2nd Generation (MII) and in developing programmatic cost estimates using PACES and Risk Analysis with Crystal Ball.

Department of Defense Expertise

A testament to OCMI's experience and competence, our team has collectively worked on more than 300 Defense Agency projects, delivering cost estimating and scheduling solutions through all stages of design, ranging from new construction to extensive renovation, for the Army Corps of Engineers, Air Force, Air National Guard, Marine Corps, National Guard, and Navy.

Scalable Resources

As federal agencies expand adoption of PDB and OTA-based delivery, demand for independent cost validation services will increase significantly. OCMI currently supports projects delivered through IDAC, CMAR, and ECI contracts as well as traditional delivery models and adapts our services to meet the evolving needs of these delivery models.

OCMI has the capacity to support multiple concurrent projects and programs while maintaining consistency and quality. Whether supporting a single project or a portfolio of bundled procurements, we provide the resources needed to scale with program needs.

Embedded Collaboration

Traditional estimating often takes place on the sidelines of project decision-making. OCMI believes cost professionals should be part of the conversation.

By embedding experienced cost advisors throughout project development, owners gain real-time visibility into the cost implications of design decisions, value management opportunities, procurement strategies, and emerging risks. This approach supports informed decisions rather than reactive corrections.

Ultimately, OCMI is more than an estimator. We are an owner advocate and strategic advisor, helping agencies navigate the decisions that shape PDB outcomes, including scope, cost, schedule, risk, procurement, and contract alignment. Our role is to provide the independent insight, and support owners need to make informed decisions and protect their interest throughout the entire PDB process.

About OCMI, Inc.

OCMI, Inc. is a respected project management consultancy that excels in quality solutions for the built environment. Established in 1982 as a cost consultancy serving owners and design professionals, OCMI has evolved over the past 44 years to offer comprehensive services covering every aspect of program, project, and construction management. OCMI has 13 offices nationwide.

OCMI is qualified under NAICs codes: 541330, 541611, 541618, 541990 541330 and on the GSA Professional Services Schedule: 47QRAA18D008M.

About the Authors

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Neil Murphy is President of OCMI, Inc. and has extensive experience advising public owners through planning, preconstruction, procurement, and project delivery. His expertise includes owner advisory services, delivery method development, procurement strategy, cost and schedule management, contract development and negotiation, risk management, and program management.

Neil has played a key role in the development and implementation of Progressive Design-Build programs for the California State University system and other public agencies, helping owners establish procurement frameworks, contract structures, validation processes, and cost management practices that support successful PDB delivery.

Tom Strandberg, CCP, PSP, PMP, LEED AP BD+C

With more than 19 years of professional experience working on DOD and government projects, Executive Vice President Tom Strandberg is a respected leader in cost, schedule, risk, and construction management. His experience across federal agencies – USACE, Air Force, NAVFAC, GSA, VA, DOI, HHS, DOS – provides unique experience in project delivery from planning to post-occupancy.

Tom is a subject matter expert as it relates to construction project cost control, as demonstrated by his successful leadership of multiple $1B+ projects. He is skilled at facilitating the successful completion of projects and efficiently managing complex teams and assignments due to his holistic knowledge of the construction management industry. Tom is experienced in delivering estimates utilizing a variety of DOD tools, including MCACES MII, TRACES, and BUILDER.

Chris Carcido

Chris Carcido is a Senior Cost Manager with more than eight years of experience providing cost estimating and preconstruction support for federal construction programs. He specializes in parametric, conceptual, and design-phase estimating for DoD clients, including the U.S. Air Force, USACE, and NAVFAC, on projects ranging from $1 million to more than $900 million. Proficient in MCACES MII, PACES, and DoD estimating standards, Chris brings expertise in early budget development, independent cost validation, estimate reconciliation, and cost-risk analysis.

His experience spans complex military infrastructure projects, including installation modernization, aviation facilities, communications infrastructure, and mission-support buildings. Through independent estimate development, contractor pricing validation, and reconciliation, Chris helps owners understand evolving project costs, evaluate risks, and maintain alignment between scope, budget, and design. His expertise directly supports the continuous cost management and transparency essential to successful Progressive Design-Build delivery. Chris also holds the USACE/NAVFAC Construction Quality Management for Contractors (CQM-C) certification.

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