
BUILDING INFRASTRUCTURE, NOT PAPERWORK: UNDERSTANDING THE FEBRUARY 23, 2026, TELLE MEMOS

What Are the February 23, 2026, Telle Memos?

On February 23, 2026, Assistant Secretary of the Army for Civil Works (ASACW) Adam Telle issued a [series of policy memoranda](#) to the U.S. Army Corps of Engineers (USACE/Corps) as part of a broader reform initiative titled *Building Infrastructure, Not Paperwork*. Together, the memos are intended to accelerate project delivery, reduce process delays, increase accountability, and refocus the Civil Works program on core national priorities. The directives span multiple aspects of the Corps' work, including feasibility studies, design, permitting, dredging, contracting, real estate, hydropower, project prioritization, and the use of outside capabilities.

Why the Telle Memos Matter

These memoranda are important because they signal not just isolated policy changes, but a broader effort to reshape how the Corps plans, reviews, prioritizes, and delivers Civil Works projects. Some of the directives are aimed at long-standing concerns about delay, inefficiency, cost growth, and process layering. At the same time, several raise important questions about how these changes will be implemented in practice, how they may affect non-federal sponsors and project development, and whether additional congressional direction or oversight may be needed.

This brief provides a memo-by-memo overview of the February 23rd directives and explains what each memo is intended to do.

Development and Investment of Hydropower through Non-Federal Investment at Corps Facilities

This memo directs the Corps to review existing facilities for hydropower potential and identify barriers to greater non-federal investment, with specific attention to FERC licensing, Section 408 processing, Engineering Regulation 1110-2-1156 on safety of dams, Engineering Regulation 1110-

2-8156 on water control manuals, and the Corps' permit review process under Section 10 of the Rivers and Harbors Act of 1899 and Section 404 of the Clean Water Act. It also directs outreach to nongovernmental organizations and an OMB-approved survey to assess private-sector interest in developing or reinvesting in hydropower at Corps facilities.

Increasing Dredging Capacity Through Better Mitigation Banking

This memorandum tells the USACE to look more deliberately at where mitigation banks can be used in navigation projects. It says USACE should treat mitigation banks as the preferred way to meet mitigation needs unless there is a strong reason to use another approach. It also directs USACE to improve and speed up the process for approving mitigation banks and to consider making mitigation bank creation a central part of planning for major deep-draft navigation dredged material management.

Policy on Use of Project Labor Agreements on Army Civil Works

Projects

This memorandum states that the Administration supports use of Project Labor Agreements (PLAs) on large-scale federal construction projects when they are practical and cost-effective. For Civil Works construction projects under \$35 million, USACE must obtain approval from ASACW before using a PLA. For projects above \$35 million, the memorandum indicates that an exemption is likely appropriate where use of a PLA causes project costs to exceed the government's budget by 10 percent. It also states that this policy applies to any Civil Works construction procurement action where USACE has not yet issued a solicitation. The requirements of the Federal Acquisition Regulations on the application of labor laws to Corps acquisitions would still apply.

Preliminary List for the Deauthorization of Projects

This memorandum directs USACE to identify authorized water resources development projects that may no longer be viable for construction because of lack of local support, lack of available federal or non-federal resources, or an authorized purpose that is no longer relevant or feasible. It applies that direction to projects and separable elements authorized for construction before June 10, 2014 that meet one of the criteria listed in the memorandum, including where planning, design, and construction had not been initiated before January 4, 2025, or where planning, design, and construction had been initiated before that date but no federal or non-federal funds were obligated for those activities during the current fiscal year or any of the 10 preceding fiscal years. The memorandum also directs USACE to develop a separate list of other projects that should be considered for deauthorization by Congress, including projects that may have been authorized or funded more recently but may no longer be viable because of cost growth,

changed conditions, lack of federal resources or interest, or reduced non-federal sponsor interest.

Prioritization of Effort in Planning, Design, and Construction of Infrastructure Across the Army Civil Works Program

This memorandum provides policy direction from ASACW on how USACE is to resource Civil Works projects, programs, policies, and activities. It directs USACE to prioritize that work in the following order: (1) protecting human life and safety, including emergency potable water; (2) protecting infrastructure that is economically or strategically significant to the nation; (3) maintaining efficient navigation and minimizing supply chain impacts; (4) protecting human property; (5) restoring nationally significant aquatic ecosystems; (6) protecting state level infrastructure; and (7) protecting municipal infrastructure. The memorandum states that work outside these areas should be considered lesser priority and should generally be conducted by outside resources. It also directs USACE to further use non-federal delivery authorities, including Sections 203, 204, and 1043; to share work among districts where USACE has available staff capacity; and to use contractors where the work cannot be done by a non-federal partner and USACE does not have the staff to perform it. It further states that non-priority work, such as environmental infrastructure, technical assistance studies, and comprehensive or watershed-type planning that do not lead to construction, is to be contracted as a first priority unless there is a compelling reason to do it in-house. This memorandum does not apply to the Regulatory Program, flood control and coastal emergencies, or the Formerly Utilized Sites Remedial Action Program.

What are Sections 203, 204, and 1043?

The memorandum points to several authorities that allow non-federal interests to play a larger role in moving projects forward.

- Section 203 allows a non-federal interest to carry out a feasibility study and submit it to USACE for review.
- Section 204 allows a non-federal interest to perform project design work for USACE review and approval.
- Section 1043 allows a non-federal interest to construct a water resources development project, subject to USACE oversight and applicable federal requirements.

Prioritization of Effort within the Army Civil Works Program

This memorandum sets up a bottom-up process for identifying and ranking Civil Works infrastructure priorities across the Corps. It directs each district commander to identify and rank no fewer than five priorities, then directs each division commander to take those submissions and develop a ranked list of no fewer than 20 priorities for Headquarters review. The Chief of Engineers is then to review and rank those priorities before forwarding them to the ASACW office. The memorandum states that this prioritization should precede and inform budget formulation, while also noting that resourcing is only one component of infrastructure delivery.

Programmatic Direction on Processing Requests for Permission Under Section 408

This memorandum directs USACE to develop nationwide categorical permissions for certain activities under Section 408 and to incorporate that work into the broader rulemaking now underway to codify Section 408 procedures. It says USACE should first identify activities that could be handled through standardized nationwide permissions and then determine how regional or district-specific categorical permissions could complement those nationwide permissions. The memorandum also directs USACE to standardize review procedures, reduce burden on the public, and consider how categorical permissions could facilitate non-federal hydropower development and investment at Corps projects. USACE is directed to prioritize this effort and provide bi-weekly updates to the ASACW office.

Propelling Project Delivery through Early Actionable Increments for Complex Water Resources Problems

This memorandum states that USACE investigations, regardless of complexity or geography, are to be completed within three years and \$3 million, and that requests for additional resources should be rare and generally limited to four years and \$5 million. It says comprehensive studies may be classified as complex but should still be limited in scope so they can be completed within three years and \$3 million unless Congress provides otherwise. Before requesting additional time or funding, USACE is directed to address the Section 1001 factors, including the type, size, location, scope, and overall cost of the project; whether the project will use innovative design or construction techniques; whether significant action by other federal, state, or local agencies will be required; whether there is significant public dispute about the nature or effects of the project; and whether there is significant public dispute about the economic or environmental costs or benefits. The memorandum also states that ASACW supports moving studies toward 35 percent design so long as doing so does not unnecessarily extend the study timeframe, and that design maturity alone should not justify additional time or funding. In the rare cases where the three-year, \$3 million limits cannot be met, USACE is directed to identify early actionable increments that can be implemented within three years and \$3 million and provide the most significant benefits to communities, such as reducing risk to critical infrastructure or national defense, reducing life safety risk, and preserving evacuation routes.

Realignment of the Investigation Phase and Federal Interest Determination to Ensure Effective Use of Federal Resources

This memorandum directs USACE to make the Federal Interest Determination (FID) earlier in the investigation process, before feasibility study scope, budget, and timeline are developed. For new fiscal year 2026 investigations, the FID is to be completed within 45 days at a cost of no more than \$100,000 and should consider leveraging contracting resources. The purpose of the

FID is to determine whether a project falls under the USACE's core mission areas of flood risk management, navigation, and aquatic ecosystem restoration, and to assess whether there is a reasonable alternative that, if investigated through a feasibility study, would likely result in a water resources development project being recommended for congressional authorization. Such assessment should consider whether a reasonably likely alternative exists that would produce economic, social, and environmental benefits exceeding anticipated costs, and whether a potential non-federal sponsor has the legal and financial capability to meet project requirements, including real estate, cost share, and operation and maintenance responsibilities. If Federal interest is substantiated, the ASACW office is to concur on study scope before USACE develops the scope, schedule, and budget. If Federal interest is not substantiated, the non-federal interest will be provided notice and apprised of available cost share technical assistance authorities to aid future solutions for local implementation. The memorandum also directs USACE to focus its expertise and contracting resources on planning feasible solutions to the nation's toughest navigation, flooding, and ecosystem challenges; requires ASACW office concurrence before initiation of Preconstruction Engineering and Design (PED); calls for review and possible reset of studies that exceed approved parameters; and directs review of investigation milestones and current review requirements.

Section 902 Reassignment – Reallocation Strategy

This memorandum addresses what USACE is to do when a project is projected to exceed the Section 902 cost limit after construction funding has already been appropriated. It directs the Chief of Engineers, within 60 days of determining that the maximum project cost is projected to be exceeded, to provide the ASACW office a business case evaluating three options: keeping the project with the current team, reassigning it to a different team within the district, or reassigning it to a team in another district. The business case is also to address the scope of work for any post-authorization change report (PACR) that may be required, including a description of any engineering, economic, or environmental work and associated modeling needed to complete the PACR.

Smarter Real Estate Acquisition

This memorandum directs USACE to review and revise its real estate policies and procedures and to consult with non-federal sponsors on specific experiences they have had with Corps real estate policies and procedures. It directs the Corps to solicit recommendations for improvements that would streamline non-federal sponsor real estate acquisition, reduce burdens, and remove barriers. The memorandum also directs USACE to evaluate the types of real estate instruments used across Civil Works mission areas, identify where acquisition processes can be materially streamlined, and give particular attention to requiring only the minimum interest in real estate necessary to support the project. In addition, USACE is to consult with non-federal sponsors on how best to manage financial and schedule risk, analyze the current real estate acquisition

timeline and identify opportunities to accelerate it while remaining consistent with applicable laws and regulations, and examine whether non-federal sponsors can be given greater flexibility in managing acquisition schedules in relation to project milestones and federal funding availability. The memorandum also directs review of appraisal, budgeting, and crediting processes for non-federal sponsor real estate contributions and evaluation of simplified cost-sharing arrangements and innovative financing mechanisms that could encourage greater non-federal sponsor participation in real estate acquisition.

Use of Ship Simulation in Navigation Project Design

This memorandum directs USACE to use ship simulation in designing Army Civil Works navigation projects so navigation features are appropriately sized and configured and to reduce the risk of overdesign or underdesign. Unless a waiver is approved, it requires USACE to use navigation ship simulation by marine pilots or other marine professionals when designing navigation channels, including deep-draft navigation projects and where appropriate, locks and other elements of the Inland Waterways System. It also directs USACE to explore agreements with entities that have ship simulation capability, including maritime pilots' organizations and training centers, and to enter into at least three memorandums of agreement within 60 days to support navigation project design.

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