



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

MAY 23 2011

The Honorable John Culberson
Chairman
Subcommittee on Military Construction,
Veterans Affairs, and Related Agencies
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

The purpose of this letter is to notify the Committee of the proposed reprogramming of funds for the projects and amounts shown below. Detailed justifications are enclosed.

<u>Service/Installation</u>	<u>Project</u>	<u>Program Year</u>	<u>Request (\$K)</u>
<u>Army</u> Fort Leonard Wood, Missouri	Automated Multipurpose Machine Gun Range	2008	3,750
Fort Eustis, Virginia	Vehicle Paint Facility	2009	3,204
<u>Air National Guard</u> Hickam AFB, Hawaii	F-22 Parking Apron/Taxiway	2010	2,200

A similar letter is being sent to the Chairman of the Military Construction, Veterans Affairs, and Related Agencies Subcommittee of the Senate Appropriations Committee. Thank you for your continued support of Department of Defense programs.

Sincerely,

Robert F. Hale

Enclosure:
As stated

cc:
The Honorable Sanford D. Bishop, Jr.
Ranking Member





UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
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COMPTROLLER

MAY 23 2011

The Honorable Tim Johnson
Chairman
Subcommittee on Military Construction,
Veterans Affairs, and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

The purpose of this letter is to notify the Committee of the proposed reprogramming of funds for the projects and amounts shown below. Detailed justifications are enclosed.

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Enclosure:
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cc:
The Honorable Mark Kirk
Ranking Member



Bid Expiration Date: June 30, 2011

Military Construction, Army

Reprogramming Request

Installation: Fort Leonard Wood, Missouri

Project: Automated Multipurpose Machine Gun Range

Authorization: National Defense Authorization Act for Fiscal Year 2008,
Public Law 110-181

Estimated Cost (\$000):

Previously Appropriated	4,150
Previously Reprogrammed	-
Requested Reprogramming	3,750
Total Estimated Cost	7,900

Description:

The additional \$3.75 million is needed to construct a complete and usable, Multipurpose Machine Gun Range at Fort Leonard Wood. Army Active, Reserve, and Guard members will use the range to satisfy training and qualification requirements for light and heavy machine guns, helping the installation to meet its mission to provide combat ready units.

Justification:

Real estate limitations, terrain attributes, and surface safety zone restrictions that were not originally taken into consideration resulted in proposals consistently below scope and above the appropriated amount. The proposal that provides the best value for a complete and usable training range is 19 percent below scope (eight firing lanes vs. the standard design ten firing lanes) and is 90 percent above the appropriated amount. A 2853 notification for the cost increase was submitted to congressional committees on or about February 10, 2011.

Existing machine gun ranges at Fort Leonard Wood do not support current doctrine and target systems. If the project is not executed, there will not be sufficient or adequate permanent facilities to support the training of "Echelons Above Brigade" (EAB) units to be stationed at the installation as part of the increase in the permanent end strength due to Grow the Force. If units are not able to obtain and maintain efficiency for live fire training for machine gun engagements, then Soldiers may enter combat less than fully prepared to employ the full capabilities of their weapons and equipment.

Source of funds: The additional funds required will be provided from the following projects:

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>(Dollars in Thousands)</u>		
		<u>Amount Appropriated</u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
Fort Campbell, KY Barracks PN: 068877	2008	27,000	25,500	1,500
Fort Bragg, NC Barracks Complex, Inc2 PN: 053554	2007	50,000	48,000	2,000
Fort Lewis, WA Barracks Complex PN: 057437	2007	49,000	48,500	100 ¹
Fort Campbell, KY Vehicle Maintenance Shop PN: 064904	2007	9,886 ²	9,736	150
Total				<u>3,750</u>

PN = Project Number

Note 1: The remaining \$400 thousand is being used as part of a reprogramming request for the Vehicle Paint Facilities at Fort Eustis, VA that is also included in this action.

Note 2: The original appropriated amount was \$10 million; however, \$114 thousand was used for a reprogramming action previously approved by the congressional committees on April 24, 2008.

Bid Expiration Date: June 11, 2011

Military Construction, Army

Reprogramming Request

Installation: Fort Eustis, Virginia

Project: Vehicle Paint Facility

Authorization: Duncan Hunter National Defense Authorization Act for FY 2009,
Public Law 110-417

Estimated Cost (\$000):

Previously Appropriated	3,900
Previously Reprogrammed	-
Requested Reprogramming	3,204
Total Estimated Cost	7,104

Description:

The additional \$3.204 million is needed to construct a complete and usable, Vehicle Paint Facility at Fort Eustis, Virginia. This facility will provide U.S. Army Forces Command's 7th Sustainment Brigade with the capability to paint all vehicles within its current inventory without limitations, and operate in compliance with Occupational Safety and Health Administration and Virginia Environmental Quality regulations.

Justification:

The results of several design-build requests for proposals for this project indicate that the project was under-programmed at the time of the original request. The estimate did not capture all required elements associated with the project, such as adequate mechanical equipment to maintain temperature and humidity within required limits (300 tons instead of 30 tons of required cooling), and electrical components suitable for the 40 foot high clearance required inside the paint booth.

Project scope has been reduced to the maximum degree possible (from 11,550 to 8,780 square feet (76 percent)), while still providing a complete and usable facility. The end-user reviewed the project scope and determined that further reductions would result in a facility inadequate to meet mission requirements. The lowest current proposal yields a current working estimate that exceeds the appropriated amount by 82 percent. A 2853 notification for the cost increase was submitted to congressional committees on or about March 1, 2011.

Source of funds: The additional funds required will be provided from the following projects:

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>(Dollars in Thousands)</u>		
		<u>Amount Appropriated</u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
Fort Irwin, CA MOUT Phase 2 PN 60241	2008	18,500	16,900	1,600
Fort Stewart, GA Barracks PN 68863	2008	25,000	23,796	1,204
Fort Lewis, WA Barracks Complex PN 57437	2007	49,000	48,500	400 ¹
				<u>3,204</u>

PN = Project Number

Note 1: The remaining \$100 thousand difference between the appropriated amount and the current working estimate is being used as part of a reprogramming request for the Automated Multi-Purpose Machine Gun Range at Fort Leonard Wood that is also included in this action.

Bid Expiration Date: Not Applicable
Military Construction, Air Force
Reprogramming Request

Installation: Hickam Air Force Base, Hawaii

Project: F-22 Parking Apron/Taxiway

Authorization: National Defense Authorization Act for FY 2010 (P. L. 111-84)

Estimated Cost (\$000):

Previously Appropriated	7,000
Previously Reprogrammed [¶]	1,700
Requested Reprogramming	2,200
Total Estimated Cost	10,900

[¶] *Below Threshold Reprogramming*

Description: This project provides a new taxiway and parking apron with four combat aircraft parking spaces in support of the Hawaii Air National Guard (HI ANG) F-22 conversion. Existing taxiway will be closed once construction of the FY 2011 Squadron Operations and Aircraft Maintenance Hangar project starts. The ANG must construct four parking spaces at an appropriate site to accommodate the F-22 explosive safety clear zone. This construction is necessary for operation during conversion to support Initial Operating Capability (IOC). The existing apron parking does not meet minimum clear zone requirements.

Justification:

This action reprograms bid savings from another ANG project to fund the full scope of the F-22 Parking Apron/Taxiway project at Hickam AFB. The Current Working Estimate (CWE) for this project is \$10.9 million, 156 percent of the appropriated amount.

This project is the critical link for the successful beddown of the F-22 aircraft. To ensure the new taxiway is completed on time and ensure access to the newly constructed F-22 Low Observable/Coating Repair Facility and interim maintenance hangar, the base bid was awarded to construct the taxiway and two of the four aircraft parking spaces. This action funds contract options to construct the remaining two aircraft parking spaces.

Project proposals for this project were significantly higher than the original program amount due to unforeseen factors. Factors contributing to the higher cost include the stringent aggregate quality requirements for airfield concrete pavements. The available aggregate supply is susceptible to Alkali-Silica Reactivity; therefore, lithium nitrate is required as a mitigating additive. This increases the concrete unit price by as much as 47%. Local suppliers are almost never asked to produce this type of concrete. Only one of the two local suppliers can produce

this non-traditional mix. The ANG evaluated importing aggregate from non-Hawaiian sources and concluded that the import alternative is more costly than purchasing from the Oahu supplier. Finally, contractors must have a record of high quality experience in airfield pavement construction. In Hawaii, only two contractors are considered qualified.

Source of Funds: Bid savings from the following project will fund this requirement:

(Dollar in Thousands)

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
Bangor, ME – Replace Aircraft Maintenance Hangar	2010	28,000	26,000	<u>2,200</u>
Total				<u>2,200</u>