



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

COMPTROLLER

MAR 31 2014

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. A detailed justification is enclosed.

#	<u>Service/Installation</u>	<u>Project</u>	<u>Program</u>	<u>Request(\$)</u>
	<u>Army</u>			
1	Presidio of Monterey, California	Satellite Communications Facility	2011	12,900,000
2	Fort Belvoir, Virginia	Road and Access Control Point	2010	5,500,000
	<u>Army National Guard</u>			
3	Fort Buchanan, Puerto Rico	Readiness Center (JFHQ)	2013	3,786,000

A similar letter is being sent to the Chairman of the Senate Subcommittee on Military Construction, Veterans Affairs, and Related Agencies. Additional details will be provided separately. Thank you for your continued support of DoD programs.

Sincerely,

Robert F. Hale

Enclosure:
As stated

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



UNDER SECRETARY OF DEFENSE
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COMPTROLLER

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

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cc:
The Honorable Mark Kirk
Ranking Member

Bid Expiration Date: July 24, 2014

Military Construction, Army

Reprogramming Request

Installation: Presidio of Monterey, California (Camp Roberts)
Project: Satellite Communications Facility
Authorization: Ike Skelton National Defense Authorization Act for Fiscal Year (FY) 2011,
Public Law 111-383

Estimated Cost (\$000):

Previously Appropriated	37,924*
Previously Reprogrammed (Prior Approval)	-
Requested Reprogramming	12,900
Total Estimated Cost	50,824

**Includes 0.2% rescission directed in Section 1119 of Public Law 112-10, the Department of Defense and Full-Year Continuing Appropriations Act, 2011*

Description: The project will provide a Strategic Communications Earth Station Operations, Satellite Communications (SATCOM) Repair and Utilities Facilities, and Command/Administration Support Center to support Joint Chiefs of Staff (JCS) command, control, communications and intelligence. The project will also include space for electronic equipment, operations and systems maintenance support areas, technical control center, network operations center, satellite repair facility, secure conference/training areas, technical library, loading docks, and antenna operating sites with cable trenches.

Justification: This project was initially awarded on August 30, 2011, within the Army's authority for \$39.3 million (103.76 percent of the appropriated amount). The project encountered several post award changes and delays that impacted the project schedule. Delays stemmed from unforeseen site conditions, design error, and complications with the utility plan. Numerous design modifications were identified by the U.S. Army Network Enterprise Technology Command (NETCOM). These modifications, combined with the site and utility changes, required a complete redesign of the facility.

Due to the mounting costs, the project team determined it was more financially advantageous to terminate the project. The contract was terminated for convenience (T4C) in March 2013. The facility was redesigned to meet all the emergent requirements and bids were re-solicited. The redesign and subsequent re-solicitation incorporate a modified floor plan that supports the legacy and new wideband, critical communications equipment. It also features a reconfigured site and civil plan, adjusts utility pathways, and includes landscaping that conserves water. This reprogramming will allow the Army to award the new contract and pay the T4C costs incurred.

The 10 U.S.C. § 2853 cost increase notification was sent to the congressional committees on January 24, 2014, reflecting a Current Working Estimate (CWE) of \$50.824 million.

Source of Funds: The additional funds required will be provided from the following project.

(Dollars in Thousands)

Location & Project	Fiscal Year	Amount Appropriated	Current Working Estimate	Proposed Reprogramming
Fort Bliss, TX Barracks Complex PN 73686	2012	13,000	\$0 ^{1/}	\$12,900

PN = Project Number

^{1/} The Barracks Complex project at Fort Bliss, TX (PN 73686) is no longer required. A 10 U.S.C. §2853 notification was sent to the congressional committees on January 24, 2014.

Bid Expiration Date: May 30, 2014

Military Construction, Army

Reprogramming Request

Installation: Fort Belvoir, Virginia

Project: Road and Access Control Point

Authorization: National Defense Authorization Act for Fiscal Year (FY) 2010,
Public Law 111-84

Estimated Cost (\$000):

Previously Appropriated	9,500
Previously Reprogrammed (Prior Approval)	-
Requested Reprogramming	5,500
Total Estimated Cost	15,000

Description: This project will provide a two lane access road and an access control point for Fort Belvoir, Virginia. Project will provide paving, truck and vehicle inspection canopies, a gatehouse, a search building, a search area shelter, a guard booth, an overwatch station, an ID check canopy, guardrails, and other traffic controls.

Justification: This project is required to provide access onto Fort Belvoir from US Route 1, reducing congestion and providing alternate access to the installation during periods of heightened force protection conditions. During project design, it was determined that a scope of work increase was required than was authorized in the approved DD Form 1391, based on updated standards for access control points. Congress authorized the additional scope through the FY 2013 National Defense Authorization Act (NDAA). The full required scope and a higher construction bidding climate have resulted in the current estimated cost for the project.

The 10 U.S.C. §2853 cost increase notification was sent to the congressional committees on January 24, 2014, reflecting a current working estimate (CWE) of \$15 million.

Source of funds: Funds for this increase will be provided from the following projects.

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	(Dollars in Thousands)	
			<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Fort Bliss, TX Vehicle Maintenance Shop PN 55361	2010	16,000	15,000	1,000

(Dollars in Thousands)				
<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Fort Wainwright, AK Aviation Unit Operations Complex PN 61507	2010	17,433 ^{/1}	16,908	525
Fort Wainwright, AK Railhead Complex PN 61503	2010	13,000 ^{/2}	12,525	475
Fort Drum, NY All Weather Marksmanship Facility PN 71727	2010	8,200	7,820	380
Fort Bliss, TX Vehicle Maintenance Shop PN 71948	2010	18,560 ^{/3}	18,150	410
Fort Carson, CO Commissary PN 72258	2010	21,504 ^{/4}	21,234	270
Fort Wainwright, AK Warrior in Transition Complex PN 71541	2010	26,788 ^{/5}	26,423	365
Sagami, Japan Training Aids Center PN 71117	2010	4,875 ^{/6}	4,575	300
Fort Carson, CO Warrior in Transition (WT) Complex PN 70196	2010	41,500 ^{/7}	41,255	245
Bagram AB, AF Aviation Support Facility PN 72095	2010	2,600	2,445	155

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	(Dollars in Thousands)	
			<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Fort Stewart, GA Warrior in Transition (WT) Complex PN 69391	2010	35,487 ^{/8}	35,187	110
Fort Campbell, KY Company Operations Facilities PN 60155	2011	21,457 ^{/9}	20,622	835
Fort Stewart, GA Training Aids Center PN 72190	2011	5,738 ^{/9}	5,408	330
Fort Bliss, TX Barracks Complex PN 73686	2012	13,000	0 ^{/10}	100
Total:				5,500

PN = Project Number

^{1/} While the Aviation Unit Operations Complex at Fort Wainwright, AK (PN 61507) was appropriated at \$19 million, the revised amount reflects a rescission of \$1.567 million as part of the \$263 million rescission reflected in P.L. 112-10, Section 2010.

^{2/} While the Railhead Complex at Fort Wainwright, AK (PN 61503) was appropriated at \$26 million, the revised amount reflects a rescission of \$13 million as part of the FY 2010 General Reduction (\$230 million), P.L. 111-117, Section 129.

^{3/} While the Vehicle Maintenance Shop at Fort Bliss, TX (PN 71948) was appropriated at \$20 million, the revised amount reflects a rescission of \$1.440 million as part of the \$263 million rescission reflected in P.L. 112-10, Section 2010.

^{4/} While the Commissary at Fort Carson, CO (PN 72258) was appropriated at \$35 million, the revised amount reflects a rescission of \$13 million as part of the FY 2010 General Reduction (\$230 million), P.L. 111-117, Section 129, and \$0.496 million as part of the \$340 million rescission in H.R. 1586, Jobs and Education Bill.

^{5/} While the Warrior in Transition Complex at Fort Wainwright, AK (PN 71541) was appropriated at \$28 million, the revised amount reflects a rescission of \$1.212 million as part of the \$263 million rescission reflected in P.L. 112-10, Section 2010.

^{6/} While the Training Aids Center at Sagami, JA (PN 71117) was appropriated at \$6 million, the revised amount reflects a rescission of \$1.125 million as part of the \$263 million rescission reflected in P.L. 112-10, Section 2010.

^{7/} While the Warrior in Transition (WT) Complex at Fort Carson, CO (PN 70196) was appropriated at \$56 million, the revised amount reflects a rescission of \$14.5 million as part of the FY 2010 Brigade Combat Team General Reduction in P.L. 111-117, Section 2104c.

^{8/} While the Warrior in Transition (WT) Complex at Fort Stewart, GA (PN 69391) was appropriated at \$49 million, the revised amount reflects a rescission of \$10.130 million as part of the \$263 million rescission reflected in P.L. 112-10, Section 2010, and \$3.383 million as part of the \$340 million rescission in H.R. 1586, Jobs and Education Bill.

^{9/} The revised amount reflects the 0.2 percent rescission and the year-long CR as reflected in P.L. 112-10, Sections 1119 and 2001.

^{10/} The Barracks Complex at Fort Bliss, TX (PN 73686) is no longer required. The 10 U.S.C. §2853 notification was sent to the congressional committees on January 24, 2014.

Bid Expiration Date: July 18, 2014
Military Construction, Army National Guard
Reprogramming Request

Installation: Fort Buchanan (Guaynabo), Puerto Rico
Project: Readiness Center (JFHQ), PN 430081
Authorization: National Defense Authorization Act for Fiscal Year (FY) 2013,
Public Law 112-239

Estimated Cost (\$000):

Previously Appropriated	14,508*
Previously Reprogrammed (Prior Approval)	-
Requested Reprogramming	3,786
Total Estimated Cost	18,294

**Includes a rescission totaling 0.132% as directed in §3001b and §3004c of Public Law 113-6, the Consolidated and Further Continuing Appropriations Act, 2013, and a reduction of \$0.472 million as directed in Public Law 112-25, the Budget Control Act of 2011.*

Description: This project consists of a readiness center at Fort Buchanan for the Joint Forces Headquarters (JFHQ). The readiness center will provide adequate spaces for education areas, kitchen area, administration space, and special functional spaces. Supporting facilities will include military and privately owned vehicle parking, fencing, sidewalks, access roads and utilities.

Justification: The Readiness Center is required to house all elements of the JFHQ. This project will provide adequate space for the unit to complete their mission and achieve proficiency in their training. This project was designed with a base bid and 15 additive bid items and was solicited with restricted competition for the Small Business Set Aside, in accordance with the Office of the Principal Assistant Responsible for Contracting. With the restricted solicitation, proposals came in with higher bids than those typically received for the Army National Guard's military construction projects. In response to the higher than expected bids, the Army National Guard awarded the critical components of the project in order to begin construction within the appropriated amount of \$14.5 million. The 10 U.S.C. §2853 cost increase notification was sent to the congressional committees on January 9, 2014, reflecting a Current Working Estimate (CWE) of \$18.3 million. Additional funds in the amount of \$3.8 million are required to award the remaining project scope.

Source of Funds: Bid savings from the following projects will fund this action.

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	(Dollars in Thousands)	
			<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Fort Bragg, NC Tactical UAS Support Facility PN: 370897	2010	5,933 ^{1/}	2,800 ^{3/}	2,486
Fort Benning, GA Readiness Center PN: 130077	2010	15,283 ^{2/}	8,622 ^{4/}	1,300
Total:				3,786

PN = Project Number

^{1/} The appropriated amount includes a reduction of \$0.105 million as directed in the Budget Control Act of 2011, Public Law 112-25.

^{2/} The appropriated amount includes a reduction of \$0.207 million as directed in the Budget Control Act of 2011, Public Law 112-25.

^{3/} A 10 U.S.C. §2853 cost reduction notification was sent to congressional committees on October 25, 2010, reflecting an award Current Working Estimate (CWE) of \$2.5 million. This project is 100% complete with final estimate at \$ 2.8 million.

^{4/} A 10 U.S.C. §2853 cost reduction notification was sent to congressional committees on February 24, 2010, reflecting an award Current Working Estimate (CWE) of \$8.4 million. This project is 100% complete with final estimate at \$ 8.6 million.