



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

COMPTROLLER

DEC 24 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. Detailed justification for each project is enclosed.

#	<u>Service/Agency/Installation</u>	<u>Project</u>	<u>Program</u>	<u>Request(\$)</u>
	<u>Defense Logistics Agency</u>			
1	Holloman Air Force Base, New Mexico	Replace Hydrant Fuel System	2014	3,100,000
	<u>U. S. Special Operations Command</u>			
2	Joint Base Lewis-McChord, Washington	SOF Battalion Ops Fac	2014	6,738,000
3	Joint Base Lewis-McChord, Washington	SOF Working Dog Kennel	2014	1,715,000

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

Sincerely,

Michael McCord

Enclosure:
As stated

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





UNDER SECRETARY OF DEFENSE
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WASHINGTON, DC 20301-1100

COMPTROLLER

DEC 24 2014

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 justification for each project is enclosed.

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As stated

cc:
The Honorable Mark Kirk
Ranking Member



Bid Expiration Date: April 8, 2015
 Military Construction, Defense-Wide (Defense Logistics Agency)
 Reprogramming Request

Installation: Holloman Air Force Base, New Mexico
Project: Replace Hydrant Fuel System
Authorization: National Defense Authorization Act for Fiscal Year (FY) 2014,
 Public Law 113-66

Estimated Cost (\$000):

Previously Appropriated:	\$21,400
Requested Reprogramming:	\$3,100
Total Estimated Cost:	\$24,500

Description: This project constructs a 2,400 gallon-per-minute pumphouse, two 5,000-barrel aboveground fuel storage operating tanks, fuel transfer pipeline, truck fillstand, truck offload, hydrant truck checkout stand in support of the mission at Holloman Air Force Base.

Justification: Congress authorized and appropriated this project in FY for \$21,400,000. Based on competitive bids received to date, an additional \$3.1 million is needed to award this project. The higher than expected bids are driven by general economic market conditions. These variations in cost were unknown when the project was originally programmed.

Source of Funds: Bid savings from the following projects are available to fund this requirement.

<u>Location/ Project</u>	<u>Fiscal Year</u>	<u>Appropriated Amount</u> ^{1/}	(Dollars in Thousands)	
			<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Whidbey Island, WA Replace Fuel Pipeline	2012	24,413	22,713	1,700
Philadelphia, PA Upgrade HVAC System	2012	7,786	6,386	1,400

^{1/} Reflects reduction associated with the FY 2013 sequestration order.

Bid Expiration Date: April 3, 2015

Military Construction, Defense-Wide (US Special Operations Command)

Reprogramming Request

Installation: Joint Base Lewis-McChord, Washington
Project: SOF Battalion Operations Facility, Project Number 69445
Authorization: National Defense Authorization Act for Fiscal Year (FY) 2013,
Public Law 112-239.

Estimated Cost (\$000):

Previously Appropriated	46,461
Sequestration Reduction	<u>-3,589</u>
Revised Appropriated Amount	42,902
Requested Reprogramming	<u>6,738</u>
Total Estimated Cost	49,640

**Reflects section 3001 and 3004 in P.L. 113-6.*

Description: Construct a battalion operations facility of approximately 180,000 square feet. The complex will consist of a battalion operations headquarters, a company operations facility, a tactical equipment maintenance facility, a communications center, and a military working dog kennel. All facilities support the 1st Special Forces Group (Airborne) [1st SFG (A)] at Joint Base Lewis-McChord, Washington. The original scope is being reduced by 15% to minimize this reprogramming request but still provide a complete and usable facility for 1st SFG (A).

Justification: Based on competitive bids received to date, an additional \$6.738 million is needed to award this project. Scope reductions have been made to achieve the lowest cost and still maintain a complete and useable facility that meets mission needs. The higher than anticipated bids are the result of current market conditions. Labor and material costs have increased. These variations in cost were unknown when the project was programmed. In addition, the sequestration reduction applied to this project also contributed to the need for a prior approval reprogramming action. The sequestration reduction had a detrimental impact on the ability to provide a complete, functionally adequate, and usable facility.

A Title 10 Section 2853 cost increase notification, dated September 8, 2014, was sent to the congressional committees.

Source of Funds: Bid savings from the following projects are available to fund this requirement.

(Dollars in Thousands)				
<u>Location/ Project</u>	<u>Fiscal Year</u>	<u>Appropriated Amount</u> ^{1/}	<u>Current Working Estimate</u> ^{2/}	<u>Proposed Reprogramming</u>
Ft. Bragg, NC SOF Battalion Operations Facility (PN 76364)	2012	40,310	34,424	5,000
Ft. Bragg, NC SOF Battalion Operations Complex (PN 69458)	2012	23,089	19,625	1,738

^{1/} Reflects reduction associated with the FY 2013 sequestration order.

^{2/} A 10 U.S.C. 2853 cost decrease notification, dated October 12, 2012, was sent to the congressional committees.

Bid Expiration Date: February 7, 2015

Military Construction, Defense-Wide (U.S. Special Operations Command)

Reprogramming Request

Installation: Joint Base Lewis-McChord, Washington
Project: SOF Military Working Dog Kennel, Project Number 69257
Authorization: National Defense Authorization Act for Fiscal Year (FY) 2013, Public Law 112-239

Estimated Cost (\$000):

Previously Appropriated*	3,962
Sequestration Reduction	<u>-306</u>
Revised Appropriated Amount	3,656
Requested Reprogramming	<u>1,715</u>
Total Estimated Cost	5,371

*Reflects section 3001 and 3004 in P.L. 113-6

Description: Construct a military working dog kennel of approximately 10,700 square feet. The facility will consist of indoor and outdoor kennels, administration offices, and a veterinary exam and surgical suite. All facilities support the 2nd Battalion, 75th Ranger Regiment (2/75 RGR REGT) at Joint Base Lewis-McChord, Washington.

Justification: Based on competitive bids received to date, an additional \$1.715 million is needed to award this project. All potential scope reductions have been made. The higher than anticipated bids are the result of current market conditions. Labor and material costs have increased. These variations in cost were unknown when the project was programmed. In addition, the sequestration reduction applied to this project also contributed to the need for a prior approval reprogramming action.

A Title 10 Section 2853 cost increase notification, dated October 3, 2014, was sent to the congressional committees.

Source of Funds: Bid savings from the following project are available to fund this requirement.

(Dollars in Thousands)

<u>Location/ Project</u>	<u>Fiscal Year</u>	<u>Appropriated Amount</u> ^{1/}	<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Ft. Campbell, KY SOF Battalion Operations Complex (PN 64989)	2011	25,743	23,541	1,715

^{1/} Reflects reduction associated with the FY 2013 sequestration order.

1. Component DEFENSE (DLA)	FY 2014 MILITARY CONSTRUCTION PROJECT DATA		2. Date MARCH 2013
3. Installation and Location HOLLOMAN AIR FORCE BASE, NEW MEXICO		4. Project Title REPLACE HYDRANT FUEL SYSTEM	
5. Program Element 0702976S	6. Category Code 121	7. Project Number DESC1407	8. Project Cost (\$000) 21,400

9. COST ESTIMATES

Item	U/M	Quantity	Unit Cost	Cost (\$000)
PRIMARY FACILITIES.....	-	-	-	15,770
OPERATING FUEL TANKS (1,590 kL/10,000 BARRELS...	LS	-	-	(3,385)
PUMPHOUSE.....	LS	-	-	(4,830)
TRANSFER PIPELINE.....	LS	-	-	(1,925)
TRUCK UNLOAD STATION & LOAD STATION.....	LS	-	-	(685)
FUEL DISTRIBUTION PIPING.....	LS	-	-	(2,690)
FUEL FILTER AND SEPERATOR	LS	-	-	(2,140)
SUSTAINABLE DESIGN.....	LS	-	-	(115)
SUPPORTING FACILITIES.....	-	-	-	3,475
SITE PREPARATION AND IMPROVEMENTS.....	LS	-	-	(830)
DEMOLITION.....	LS	-	-	(1,635)
UTILITIES.....	LS	-	-	(1,010)
SUBTOTAL.....	-	-	-	19,245
CONTINGENCY (5%).....	(5%)	-	-	962
ESTIMATED CONTRACT COST.....	-	-	-	20,207
SUPERVISION, INSPECTION & OVERHEAD (SIOH) (5.7%)..	(5.7%)	-	-	1,152
TOTAL.....	-	-	-	21,359
TOTAL (ROUNDED).....	-	-	-	21,400
FUNDED FROM OTHER APPROPRIATIONS (NON-ADD).....	-	-	-	(340)

10. Description of Proposed Construction: Provide a 152 liter-per-second (2,400 gallon-per-minute) pumphouse, two 795-kiloliter (kL) (5,000-barrel) aboveground fuel storage operating tanks, fuel transfer pipeline, pig launching and receiving facility, truck fillstand, truck offload, hydrant truck checkout stand. Work includes cathodic protection system, leak detection, automatic tank gauging, product recovery system, fire detection, utility connections, emergency generator, secondary containment systems, access pavements, security fencing, lighting and fuel analysis laboratory. Demolish or decommission four 50,000 gallon storage tanks, fuel transfer facility, fuel analysis laboratory and existing supply line with all associated foundations, piping and appurtenances.

11. REQUIREMENT: 2,400 GPM ADEQUATE: 0 SUBSTANDARD: 2,400 GPM

PROJECT: Replace a failing hydrant fuel system. (C)

REQUIREMENT: There is a need to replace a deteriorated, inadequate hydrant fuel system. Holloman requires clean, dry fuel to 44 aircraft parking locations at existing hardened aircraft shelters for tactical fighter aircraft. This system is essential for physically protecting mission-critical aircraft and personnel during fueling operations

CURRENT SITUATION: The existing 35-year old hydrant system components are failing. A September 2005 survey of the transfer line determined that the protective pipeline coating is failing. Spot repairs to the pipeline require the entire pipeline to be drained which causes significant mission disruption. Also the entire system lacks basic pressure controls which results in pressure surges that increase the risk of metal failure within the system. The operating tanks are too small to allow suitable setting time to maintain fuel quality and tank supports have corroded in their saddles with metal loss increasing the risk for fuel leaks. Also there is no spill containment in areas where fuel is loaded or unloaded.

1. Component DEFENSE (DLA)	FY 2014 MILITARY CONSTRUCTION PROJECT DATA		2. Date MARCH 2013
3. Installation and Location HOLLOMAN AIR FORCE BASE, NEW MEXICO		4. Project Title REPLACE HYDRANT FUEL SYSTEM	
5. Program Element 0702976S	6. Category Code 121	7. Project Number DESC1407	8. Project Cost (\$000) 21,400
<p>IMPACT IF NOT PROVIDED: If this project is not provided, the base will be compelled to provide ineffective, expedient repairs to this hydrant system to prevent serious degradation in refueling capability to support mission requirements. A potential environmental hazard will continue jeopardizing aircraft and personnel. Lack of pig launch and retrieval facilities will require increased monitoring and alternate testing methods to determine the condition of the pipe. Past failure of the cathodic protection system will continue increasing the risk of pipeline leaks. System failures will result in truck refueling of all assigned aircraft requiring additional refueling time that may threaten successful mission accomplishment.</p> <p>ADDITIONAL: An analysis of the status quo versus replacement construction concluded that replacement of the existing system is the only feasible alternative to accomplish the refueling mission. This project meets the criteria/scope specified in Air Force Handbook 32-1084, "Facility Requirements." Low Impact Development will be included in the project as appropriate.</p>			
12. Supplemental Data:			
A. Estimated Design Data:			
1. Status			
(a) Date Design Started:			10/11
(b) Parametric Cost Estimate Used to Develop Costs (Yes/No):			No
(c) Percent Complete as of February 2013:			35%
(d) Date 35 Percent Complete:			06/12
(e) Date Design Complete:			09/13
(f) Type of Design Contract			D/B/B
2. Basis			
(a) Standard or Definitive Design:			Yes
(b) Date Design was Most Recently Used:			10/11
3. Total Cost (c) = (a)+(b) or (d)+(e) (\$000)			
(a) Production of Plans and Specifications			1,020
(b) All Other Design Costs			680
(c) Total			1,700
(d) Contract			0
(e) In-House			1,700
4. Contract Award			01/14
5. Construction Start			02/14
6. Construction Complete			02/16
B. Equipment associated with this project that will be provided from other appropriations:			
<u>PURPOSE</u>	<u>APPROPRIATION</u>	<u>FISCAL YEAR REQUIRED</u>	<u>AMOUNT (\$000)</u>
Environmental Remediation	DWCF	2014	210
Automatic Tank Gauging	DWCF	2014	130
Point of Contact is DLA Civil Engineer at 703-767-2326			

1. Component USSOCOM		FY2013 MILITARY CONSTRUCTION PROJECT DATA			2. Date FEB 2012	
3. Installation and Location/UIC: FORT LEWIS, WASHINGTON				4. Project Title SOF BATTALION OPERATIONS FACILITY		
5. Program Element 1140494BB		6. Category Code 140	7. Project Number 69445		8. Project Cost (\$000) 46,553	
9. COST ESTIMATES						
Item		U/M	Quantity	Unit Cost	Cost (\$000)	
PRIMARY FACILITY					36,368	
BATTALION HQ AND COMPANY OPERATIONS(124,000SF)		SM	11,556	1.922	(22,211)	
TACTICAL EQUIPMENT MAINTANENCE(12,500SF)		SM	1,161	2.675	(3,106)	
ORGANIZATIONAL VEHICLE PARKING(32,000SY)		SM	26,756	82	(2,194)	
DEPLOYMENT EQUIPMENT STORAGE BLDG(12,000SF)		SM	1,115	948	(1,057)	
TUAV MAINTENANCE FACILITY(9,510SF)		SM	884	1.984	(1,754)	
COMMUNICATIONS DATA CENTER(2,130SF)		SM	198	2.064	(409)	
MWD KENNEL(12,000SF)		SM	1,115	1.736	(1,936)	
MAINTENANCE FACILITY REPLACEMENT(7,960SF)		SM	740	1.847	(1,367)	
BUILDING INFORMATION SYSTEMS		LS	--	--	(1,750)	
SUSTAINABLE DESIGN AND DEVELOPMENT AND ENERGY POLICY ACT 2005 COMPLIANCE		LS	--	--	(584)	
SUPPORTING FACILITIES					4,119	
ELECTRICAL/MECHANICAL UTILITIES		LS	--	--	(1,280)	
SITE IMPROVEMENT/DEMOLITION		LS	--	--	(1,157)	
INFORMATION SYSTEMS		LS	--	--	(1,012)	
PASSIVE FORCE PROTECTION MEASURES		LS	--	--	(670)	
SUBTOTAL					40,487	
CONTINGENCY (5.0%)					2,024	
TOTAL CONTRACT COST					42,511	
SUPERVISION, INSPECTION AND OVERHEAD (5.7%)					2,423	
SUBTOTAL					44,934	
DESIGN BUILD DESIGN COST (4.0%)					1,619	
TOTAL REQUEST					46,553	
TOTAL REQUEST (ROUNDED)					46,553	
EQUIPMENT PROVIDED FROM OTHER APPROPRIATIONS					(5,451)	
10. Description of Proposed Construction: Construct a battalion headquarters and company operations facility including company administrative and readiness modules with arms vaults, classrooms, conference rooms, team rooms, and mission planning areas; a tactical equipment maintenance facility; organizational parking; a tactical unmanned aerial vehicle maintenance facility; a communications center; and military working dog kennel. Building systems will include fire detection and suppression, energy management control integrated to match the local system, communications networks, protected distribution system, intrusion detection, surveillance, and electronic access control. Supporting facilities include all related site-work and utilities (electrical, water, gas, sanitary sewer, and information systems distribution), lighting, parking, curb and gutter, sidewalks, storm drainage, landscaping, roads, and other site improvements. Special construction includes sustainable construction features complying with Leadership in Energy and Environmental						

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1. Component USSOCOM		FY2013 MILITARY CONSTRUCTION PROJECT DATA		2. Date FEB 2012	
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5. Program Element 1140494BB		6. Category Code 140	7. Project Number 69445	8. Project Cost (\$000) 46,553	
Design (LEED) "Silver." Access for persons with disabilities will be provided. Comprehensive interior design and audio visual services are included. Air conditioning: 1,054 kW (300 tons)					
11. Requirement: 16,769SM(180,000SF) Adequate: 0 SM Substandard: 5,874 SM (63,200 SF) <u>PROJECT:</u> Construct a Battalion Headquarters and Company Operations Facility Complex for the 1 st Special Forces Group (Airborne) [1 st SFG (A)]. <u>REQUIREMENT:</u> Provides adequate facilities to house battalion and company operations and other activities for the 1 st SFG (A). The 1 st SFG (A) performs missions and activities throughout the full range of military operations and in all environments. The unit provides Department of Defense and Theater Combatant Commanders a means to resolve crises, achieve U.S. objectives and pursue U.S. strategic goals. These facilities support the continual operations, training and deployment of forces into real world exercises and conventional and unconventional, special and irregular war scenarios. <u>CURRENT SITUATION:</u> The 1 st SFG (A) operates from undersized and poorly configured facilities. These existing battalion facilities are inadequate to support force structure growth for one operational battalion and the group support battalion. There are no existing facilities to support the tactical unmanned aerial vehicle, deployment storage and tactical equipment maintenance facility requirements. <u>IMPACT IF NOT PROVIDED:</u> The 1 st SFG (A) will continue to operate out of facilities that support only half of its requirement. The unit will remain severely hindered in conducting planning, operations, and training needed to optimize the unit's capability to meet urgent national security missions. Organizational effectiveness, operational efficiency, and unit morale will risk degradation by continued use of substandard, severely undersized and poorly configured buildings. <u>ADDITIONAL:</u> Alternative methods of meeting this requirement have been explored during project development and this project is the only feasible option. Antiterrorism/force protection measures will be included in accordance with Unified Facilities Criteria (UFC) 4-010-01, DOD Minimum Antiterrorism Standards for Buildings dated 8 October 2003 and updates as applicable. Sustainable engineering principles will be integrated into the design, development, and construction of the project in accordance with the Energy Policy Act 2005 and Executive Orders 13123 and 13423. This project will comply with U.S. Army Corps of Engineer's Technical Instructions 800-01; Fort Lewis Architectural Compatibility Plan; International Building Code; National Fire Protection Association 101. Life Safety Code; Unified Facilities Criteria (UFC) 3-600-01, Design: Fire Protection for Facilities; and U.S. Army's Military Construction Transformation principles. <u>JOINT USE CERTIFICATION:</u> N/A. USSOCOM budgets only for those facilities specifically for SOF use. Common support facilities are budgeted by the military departments. Reference Title 10, Section 165.					
12. Supplemental Data:					
A. Design Data (Estimates)					
(1) Status					
(a) Date Design Started				Jul 11	
(b) Percent Complete as of January 2012				35%	
(c) Date Design 35% Complete				Jan 12	
(d) Date Design 100% Complete				Mar 13	

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5. Program Element 1140494BB		6. Category Code 140	7. Project Number 69445	8. Project Cost (\$000) 46,553	
(e) Parametric Estimates Used to Develop Costs				Yes	
(f) Type of Design Contract				Design Build	
(g) Energy Study and Life Cycle Analysis Performed				No	
(2) Basis					
(a) Standard or Definitive Design Used				No	
(b) Where Design Was Previously Used				N/A	
(3) Total Design Cost				(\$000)	
(a) Production of Plans and Specifications				1,983	
(b) All Other Design Costs				777	
(c) Total Cost (a + b or d + e)				2,760	
(d) Contract Cost				2,095	
(e) In-House Cost				665	
(4) Construction Contract Award Date				Jan 13	
(5) Construction Start Date				Mar 13	
(6) Construction Completion Date				Sep 14	
B. Equipment Associated With This Project Which Will be Provided From Other Appropriations:					
Equipment		Procuring	FY Appropriated	Cost	
<u>Nomenclature</u>		<u>Appropriation</u>	<u>or Requested</u>	<u>(\$000)</u>	
Collateral Equipment		O&M, D-W	2014	3,660	
C4I Equipment		O&M, D-W	2014	1,144	
C4I Equipment		PROC, D-W	2014	647	
United States Army Special Operations Command Telephone: (910) 432-1296					