

UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON WASHINGTON, DC 20301-1100

OCT 1 9 2021

The Honorable Debbie Wasserman Schultz Chairwoman Subcommittee on Military Construction, Veterans Affairs, and Related Agencies Committee on Appropriations U.S. House of Representatives Washington, DC 20515

Dear Madam Chairwoman:

The purpose of this letter is to notify the committee of the proposed reprogramming of funds for the project and amount shown below. Detailed justification for the project is enclosed.

<u>#</u>	Service/Agency/Installation Army	Project	Program	Request (\$)
1	Fort Jackson, South Carolina	Trainee Barracks Complex 3, Ph2	2019	8,050,000

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 Defense programs.

Michael McCord

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Enclosures:

As stated

cc:

The Honorable John Carter Ranking Member

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OCT 1 9 2021

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

Dear Mr. Chairman:

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<u>#</u>	Service/Agency/Installation Army	Project	Program	Request (\$)
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cc:

The Honorable John Boozman Ranking Member

Bid Expiration Date: December 15, 2021

Military Construction, Army

Reprogramming Request

Installation:

Fort Jackson, South Carolina

Project:

Trainee Barracks Complex 3, Ph2

Authorization:

John S. McCain National Defense Authorization Act (NDAA) for Fiscal Year

(FY) 2019, Public Law 115-232

Estimated Cost (\$000):

Previously Appropriated	63,000 ^{I/}
Previously Reprogrammed	0
Requested Reprogramming	8,050
Total Estimated Cost	71.050

^{1/} The project was originally appropriated and authorized at \$52 million. Congress authorized an additional \$7 million in the "William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021" (Public Law116-283) and appropriated an additional \$11 million in the "Consolidated Appropriations Act, 2021" (Public Law 116-260).

Project Description: This project is the second phase of a two-phase project, to provide a standard-design Basic Combat Trainee (BCT) Complex for 1,200 trainees with Company Operations Facilities (COF). This phase will include three barracks/company operations facilities, three physical training pits, building information systems, fire protection and alarm systems, video surveillance system installation, Intrusion Detection System (IDS) installation, Electronic Security System (ESS) installation and an Energy Monitoring and Control System (EMCS) connection.

<u>Justification</u>: The cost increase is due to local market conditions resulting in a limited availability of skilled labor and increased demand on materials. New construction starts as well as renovations are out pacing the available labor market. In addition, from the time this project was originally bid until now, material prices have increased at a very high pace. The Association of General Contractors issued inflation alerts showing that costs rose an average of 13% from April 2020 to February 2021 and extended the alert after inflationary factors continued to impact steel production. Supply chain disruptions are anticipated to persist well into Spring 2022.

A 10 U.S.C. §2853 cost variation notification dated September 22, 2021 was submitted to Congress.

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

(Dollars in Thousands)

Location/Project	Fiscal <u>Year</u>	Amount Appropriated	Current Working <u>Estimate</u>	Proposed Reprogramming
Corpus Christi Army Depot, TX Powertrain Facility (Machine Shop)	2020	86,000	73,100 ^{1/}	8,050
Total				8,050

 $^{^{}I\prime}$ A 10 U.S.C. §2853 cost variation notification dated April 19, 2021 was submitted to Congress.