



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

COMPTROLLER

MAY 7 2008

The Honorable Chet Edwards
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 project and amount shown below. Detailed justification is enclosed.

<u>Service/Installation</u>	<u>Project</u>	<u>Fiscal Program</u>	<u>Reprogramming Request</u>
<u>Department of Army</u> Charleston, South Carolina	Charleston Readiness Center (PN 450147)	2006	\$6,565,000

A similar letter is being sent to the Chairman and Ranking Member of the Military Construction, Veterans Affairs, and Related Agencies Subcommittee of the Senate Appropriations Committee.

Sincerely,



Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable Zach Wamp
Ranking Member



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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:

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Tina W. Jonas

Enclosure:
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cc:
The Honorable Kay Bailey Hutchison
Ranking Member

Bid Expiration date: July 1, 2008
 Military Construction, Army National Guard
 Reprogramming Request

Installation. Charleston, South Carolina
Project. Charleston Readiness Center (PN 450147)
Authorization. National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163)

Estimated Cost (\$000):

Previously Appropriated	10,195
Previously Reprogrammed	-
Requested Reprogramming	6,565
Total Estimated Cost	16,760

Description: This project is a multi-story Readiness Center facility servicing three units with a required strength of 308 personnel and 106 pieces of equipment. The new facility will ensure the necessary administrative, training, and storage areas will be available in order to meet readiness, recruiting, retention and training objectives. The facility will be jointly used with The Citadel. The South Carolina National Guard and The Citadel will equally share use of the first and fourth floors such as the Drill Hall, Classrooms, restrooms, and the kitchen. The National Guard will have use of the second and third floors, while The Citadel will have use of the fifth and sixth floors.

Justification: Bids were received in September 2006, and the lowest bid was in excess of available funding. Based on current estimates, the federal share for this project requires \$16.760 million. The State's share has also increased to \$5.859 million. The unfavorable bid climate was due to the impact of higher costs for fuel, copper, and steel, as well as the current market conditions in the Charleston area.

Source of Funds: The Army National Guard carried over higher than anticipated FY 2006 Planning and Design funding into FY 2007, resulting in excess FY 2007 funds.

<u>Location/ Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated (\$000)</u>	<u>Current Working Estimate (\$000)</u>	<u>Proposed Reprogramming (\$000)</u>
Planning & Design	2007	57,140	50,575	6,565