



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

JUN 16 2008

COMPTROLLER

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 projects and amounts shown below. Detailed justifications are enclosed. 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.

<u>Service/Installation</u>	<u>Project</u>	<u>Fiscal Program</u>	<u>Reprogramming Request</u>
<u>Department of Army</u> Bagram, Afghanistan	Bulk Fuel Storage, Phase 2	2007	\$7,000,000
<u>Department of Air Force</u> Hickam AFB, Hawaii	Expand Strategic Airlift Ramp	2004	\$8,500,000

Sincerely,

Tina W. Genas

Enclosures:  
As stated

cc:  
The Honorable Zach Wamp  
Ranking Member



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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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Sincerely,

  
Tina W. Jonas

Enclosures:  
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cc:  
The Honorable Kay Bailey Hutchison  
Ranking Member

Bid Expiration Date: 30 September 2008

Military Construction, Army

Reprogramming Request

Installation: Bagram Airfield, Afghanistan

Project: Bulk Fuel Storage, Phase 2, PN 065556

Authorization: U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (P.L. 110-28)

Estimated Cost (\$000):

Previously Appropriated	25,000
Previously Reprogrammed	-
Requested Reprogramming	7,000
Total Estimated Cost	32,000

Description. This project constructs a bulk fuel storage system at Bagram Airfield, Afghanistan. The project originally consisted of two storage tanks (1,050,000 gallons each) including pump house for each tank, located at the North Fueling Point. The fuel storage tanks shall be cut-and-cover (per the DoD standard), with exposed openings protected against rocket attack. This project will include a transfer line to bag farm, storage tanks, pump house, filter building and 6-fill stands at the North Fueling Point.

Justification. At the time the construction cost was estimated, there was no comparable project by which to provide historical estimates for such a system. Therefore, as bids came in, it became apparent that the project would have to be adjusted to fit within available funding. At the time, CENTCOM believed that going to one storage tank would be sufficient. Therefore, the project was awarded to include 1 storage tank (at 83% of original scope) on 29 September 2007. The remaining 1,050,000 gallon storage tank was listed as an optional item and was not included in the original award.

However, based on the current operational tempo at the Bagram Air Base, it has been determined that two tanks are necessary in order to maintain the current fueling operation and filling capacity, one serves as a reserve tank for receiving fuel and allowing for settling time, other one for issuing fuel. The sole method for fuel delivery is via host nation contractors in fuel trucks, and the normal supply route takes a minimum of 7-8 days through treacherous mountain areas. Delays from harsh weather or holidays can cause delivery time to double, and with just the one fuel storage tank, the risk is that Bagram Air Base would not have enough available fuel, jeopardizing on going missions. Therefore, the Army requests a reprogramming of \$7 million in order to exercise the option to add the second storage tank.

Source of Funds. The following list shows the specific projects to be used to fund this action. These funds are available due to bid-savings.

<u>Location/ Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated (\$000)</u>	<u>Current Working Estimate (\$000)</u>	<u>Proposed Reprogramming (\$000)</u>
Road South Of Sharana/ Afghanistan PN 67226	2007	33,000	29,157	3,843
Road Qalat to Shinkay/ Afghanistan PN 67346	2007	57,000	54,043	2,957
Road Qalat to Mazan/ Afghanistan PN 67345	2007	30,000	29,800	200
Total				7,000

Bid Expiration Date: N/A  
Military Construction, Air Force  
Reprogramming Request

Installation: Hickam Air Force Base, Hawaii  
Project: Expand Strategic Airlift Ramp  
Authorization: FY 2004 National Defense Authorization Act (P.L. 108-136)

Estimated Cost (\$000):

Appropriated:	10,102
General Rescission <sup>1</sup>	-6,600
Previously Reprogrammed:	11,348
Requested Formal Reprogramming:	8,500
Total Estimated Cost:	23,350

<sup>1</sup>Funds used for congressional rescission mandated in P.L. 109-114.

Description: This project expands an existing strategic airlift ramp with the addition of 43,859 square meters of concrete pavement for parking apron and access taxiways. Additionally the project provides required apron/taxiway lighting, signage, airfield markings, aircraft tie-downs/grounding, asphalt shoulders and associated utilities/site improvements.

Justification: The Air Force proposes to reprogram \$8.5 million to the FY 2004 Expand Strategic Airlift Ramp project; bid savings from multiple prior year projects will fund this requirement. This project is currently under construction; however, the contract was not awarded at the programmed scope due to insufficient funding. Bid savings have now been identified to fund the full scope of the Strategic Airlift Ramp project expansion.

This FY 2004 project was originally programmed at \$10.1 million in FY 2001 based upon the OSD Pricing Guidance. Since then construction costs have escalated due to costs of steel, copper, concrete, wall board and other products. In FY 2007, a reprogramming action approved and executed bringing the project value to \$14.85 million based on design estimates. The design estimates considered the increased cost of construction in Hawaii and were compiled to accommodate the timeline for an Air Force wide project reprogramming action.

Bids for the entire scope of work exceeded the available funding (\$14.85 million) by 125%; therefore, the full scope of the project was not awarded. On February 21, 2007, a contract was awarded \$16.15 million, 109% of the new programmed amount, was awarded to deliver a preponderance of the capability on a project that was funded in FY 2004 and finally awarded in FY 2007. A keyhole in the strategic ramp was not awarded due to the lack of funding to avoid further project slippage.

This section of the strategic ramp must be completed to accommodate 12 C-5 aircraft and precludes the execution of one hydrant pit that is funded in the Defense Logistics Agency (DLA) FY 2008 Military Construction, Defense-wide appropriation—this project was deferred from FY 2004 due to slippage of the strategic ramp project and the high cost to replace the existing strategic ramp fuel pit systems. The cost to modify the strategic ramp contract is estimated at \$8.5 million based on an analysis of expired contractor bid proposals and Corps of Engineer estimates.

An adequately sized and configured strategic aircraft parking ramp is required to support strategic airlift operations in support of Pacific Command (PACOM) Operations Plans. Without this second reprogramming, the strategic airlift ramp will only be capable of using 9 of the 12 aircraft spots for C-5s, hampering PACOM's ability to simultaneous refuel aircraft and provide critical strategic airlift. This project supports a DLA project to increase hydrant-refueling capabilities.

Source of Funds:

<u>Installation / Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated (\$000)</u>	<u>Current Working Estimate (\$000)</u>	<u>Proposed Reprogramming (\$000)</u>
Osan AB, South Korea Distributed Common Ground Station	2007	\$2,156.0	\$2,097.0	\$58.7
Hickam AFB, Hawaii C-17 Restore Aircraft Apron & Access	2007	\$3,538.0	\$3,377.0	\$160.6
Hickam AFB, Hawaii C-17 Fuel Cell Nose Dock Upg NW Field Infrastructure	2007	\$25,000.0	\$23,149.0	\$1,047.4

<u>Installation / Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated (\$000)</u>	<u>Current Working Estimate (\$000)</u>	<u>Proposed Reprogramming (\$000)</u>
Elmendorf AFB, Alaska Low OBSE	2007	\$31,750.0	\$28,354.0	\$1,119.7
Elmendorf AFB, Alaska Dormitory (120 Rooms)	2007	\$21,000.0	\$20,549.0	\$450.6
Eielson AFB, Alaska Replace Chapel Center	2007	\$14,400.0	\$13,877.0	\$398.9
Eielson AFB, Alaska Fitness Center (ADAL)	2007	\$23,900.0	\$22,485.0	\$1,415.3
Ramstein AB, Germany Airfield Maint Compound	2006	\$8,514.0	\$6,481.0	\$588.6
Kunsan AB, South Korea Consolidated Personnel Process/Theatre	2006	\$6,732.0	\$4,605.0	\$444.3
Kunsan AB, South Korea Dormitory (384 Room)	2006	\$40.7	\$27.7	\$1,359.1
Lajes AB, Azores Fire/Crash Rescue Station	2006	\$11.9	\$10.3	\$582.0
Osan AB, South Korea Dormitory (156 Rooms)	2006	\$18,562.5	\$12,353.0	\$72.9

<u>Installation / Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated (\$000)</u>	<u>Current Working Estimate (\$000)</u>	<u>Proposed Reprogramming (\$000)</u>
Hickam AFB, Hawaii Upgrade Electrical Distribution System	2006	\$7,623.0	\$7,359.0	\$119.4
Andersen AB, Guam Joint AF/USDA Working Dog Facility	2006	\$3,465.0	\$3,117.0	\$50.6
Andersen AB, Guam AEF FOL, Munitions Storage Igloos	2006	\$14,850.0	\$13,520.0	\$11.8
Elmendorf AFB, Alaska C-17 ADAL Survival Eq Shop	2006	\$818.8	\$808.0	\$3.8
Kunsan AB, South Korea Dormitory (144 Rooms)	2005	\$18,550.0	\$10,335.0	\$100.2
Kunsan AB, South Korea Dormitory (144 Rooms)	2005	\$18,550.0	\$10,335.0	\$100.2
Elmendorf AFB, Alaska ADAL Fitness Center	2005	\$11,957.0	\$11,910.0	\$8.2
TOTAL				\$8,500,000.0