



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

AUG 14 2009

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.

<u>Service/Installation</u>	<u>Project</u>	<u>Fiscal Program</u>	<u>Reprogramming Request</u>
<u>Department of Army/Army Reserve</u> Planning and Design	N/A	2009	14,770,000
Fort Devens, Massachusetts Shoothouse	65949	2009	1,543,000

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,

Robert F. Hale

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

Dear Mr. Chairman:

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Sincerely,

Robert F. Hale

Enclosures:
As stated

cc:
The Honorable Kay Bailey Hutchison
Ranking Member



Bid Expiration Date: Not Applicable
Military Construction, Army Reserve
Reprogramming Request

Installation: Unspecified Locations

Project: Planning and Design

Authorization: Duncan Hunter National Defense Authorization Act for FY 2009,
Public Law 110-417

Estimated Cost (\$000):

Previously Appropriated	14,883
Previously Reprogrammed	-
Requested Reprogramming	14,770
Total Estimated Costs	29,653

Description: This reprogramming action supports the parametric, concept, final design, and value engineering of major construction projects designated as Grow the Army (GTA) within the Military Construction, Army Reserve (MCAR) appropriation.

Justification: The Army Reserve has recently completed a review of its construction requirements and determined that the amount available for planning and design in its FY 2009 military construction budget was underestimated based on increases in GTA major construction requirements in FY 2010 and beyond. As planning and design is done 12-24 months prior to the projects being executed, this action will ensure that design is completed in time for scheduled construction timelines. This reprogramming will enable the completion of planning and designing of approximately 40 military construction projects essential to rebalancing and transforming the Army Reserve to an operational force.

Source of Funds: Bid savings from major construction projects will be used to finance the increase in FY 2009 planning and design.

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>(Dollars in Thousands)</u>		
		<u>Amount Appropriated</u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
New Century, Kansas Army Reserve Center PN 11815	2005	8,742	8,180	10
Fort Meade, MD Army Reserve Center PN 11492	2005	15,743*	15,733	10
*Includes below threshold reprogramming				
Wausau, WI Army Reserve Center PN 00203	2006	10,987	8,810	4
Erie, PA Army Reserve Center PN 10966	2006	9,273	8,248	137
Fort McCoy, WI General Purpose Warehouse PN 10822	2007	13,744	10,649	946
Granite City, IL Army Reserve Center PN 10832	2007	20,935	15,841	2,756
Sioux Falls, SD Army Reserve Center PN 11254	2007	12,876	11,020	1,012
Menasha, WI Army Reserve Center PN 11370	2007	12,159	9,613	2,546
Fort Dix, NJ Combined Maint Facility PN 67430	2008	17,000	13,292	3,708

(Dollars in Thousands)

<u>Location/Project</u>	<u>Fiscal</u> <u>Year</u>	<u>Amount</u> <u>Appropriated</u>	<u>Current</u> <u>Estimate</u>	<u>Proposed</u> <u>Reprogramming</u>
Fort McCoy, WI Reg Med Tng Fac PN 67432	2008	8,523	6,434	2,001
Ellsworth, WI Army Reserve Center PN 67431	2008	9,100	7,417	1,640

PN = Project Number

Bid Expiration Date: September 18, 2009

Military Construction, Army Reserve

Reprogramming Request

Installation: Fort Devens, Massachusetts

Project: Shoothouse, Project Number 65949

Authorization: Duncan Hunter National Defense Authorization Act for FY 2009,
Public Law 110-417

Estimated Cost (\$000):

Previously Appropriated	1,900
Previously Reprogrammed	-
Requested Reprogramming	1,543
Total Estimated Cost	3,443

Description: This project constructs a modified, standard-design, two-story live-fire exercise shoothouse. Primary facilities include the shoothouse, a command and control After Action Review (AAR) building, and a maintenance/storage building. Supporting items include electrical, sewage, communications, security lighting, fencing and other site improvements. This is one of Fort Devens' most critical training facility requirements. This range is used to train and to test more than 30,000 individual Soldiers annually on the skills necessary to identify, engage and defeat targets with the M16 and M4 rifles in an urban, live-fire scenario. Fort Devens supports Army Reserve and National Guard forces as one of the four main power projection platforms. Modern, target-dense training environments are important skill qualifiers for individual Soldiers.

Justification: This project was programmed based on cost estimates that assumed a competitive bidding process. However, the project was later designated to meet small business goals and was offered for solicitation to an 8A, sole-source small business. The Corps of Engineers (COE) independent Government estimate, performed upon completion of the design, was 29 percent above the original programmed amount, including options and accounting for adjustments for the small business sole-source acquisition strategy. The bid amount exceeds the original programmed amount by 81%. The proponent reviewed the project's scope and determined that scope reductions would not be adequate to bring the project within the originally programmed amount. The COE attempted to negotiate the contractor's proposals within the originally programmed

amount but was unable to reach an acceptable agreement. During the technical evaluation, which compared the contractor's proposal to the request for proposal, the contractor submitted subcontractor documentation that demonstrates a thorough understanding of the project requirements and supports the bid amount.

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

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>(Dollars in Thousands)</u>		
		<u>Amount Appropriated</u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
Fort McCoy, WI Automatic Qualification Training Range PN 65868	2009	4,000	2,781	1,200
Honolulu, HI Army Reserve Center PN 67583	2009	19,199	18,825	343

PN = Project Number