



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

MAR 26 2010

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</u>			
Fort Carson, Colorado	Physical Fitness Facility	2009	7,800,000
Fort Sam Houston, Texas	Unit Operations Facility	2008	5,400,000
Fort Leavenworth, Kansas	Lewis and Clark Instructional Facility	2004	<del>2,150,000</del> 1,601,000
<u>Department of Air Force</u>			
<del>Unspecified Worldwide</del>	<del>Unspecified Minor Construction</del>	<del>2010</del>	<del>18,980,000</del> SAC DENIED
<u>Defense-wide</u>			
Fort Meade, Maryland	NSAW Campus Chilled Water Backup	2010	19,100,000
<u>Army National Guard</u>			
Camp Dawson, West Virginia	Joint Interagency Training Education Center	2009	12,500,000

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

Enclosure:  
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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cc:  
The Honorable Kay Bailey Hutchison  
Ranking Member

Bid Expiration Date: May 1, 2010

Military Construction, Army

Reprogramming Request

Installation: Fort Carson, Colorado

Project: Physical Fitness Facility, Project Number 71165

Authorization: Duncan Hunter National Defense Authorization Act for FY 2009,  
Public Law 111-417.

Estimated Cost (\$000):

Previously Appropriated	28,000
Previously Reprogrammed	-
Requested Reprogramming	7,800
Total Estimated Cost	35,800

Description: This project provides a standard-design Physical Fitness Facility with natatorium and special foundations at Fort Carson. The project includes a fitness area, exercise area, gymnasium, structured activity area, locker rooms, control desk, administrative area, storage, laundry area, and natatorium.

Justification: This reprogramming action provides additional funds to construct the Physical Fitness Facility on the main post at Fort Carson. This project is currently programmed for construction three miles from main post and the nearest Soldier and Family living areas.

The Physical Fitness Facility was programmed to support the Brigade Combat Team (BCT) complex to be constructed in the Wilderness Road area of Fort Carson. Due to cancellation of one Army growth BCT at Fort Carson, the barracks associated with the BCT complex are no longer required. The physical fitness facility requirement still exists based on overall installation requirements; however, cancellation of the Wilderness Road barracks makes relocation of the physical fitness facility to the main post area advisable since the main post is more accessible to Soldiers and Family members.

A contract to design and construct 100% of the authorized scope at the Wilderness Road site was awarded on May 15, 2009. Changing the site of the Physical Fitness Facility to the main post will require a contract modification that is within the scope of the existing congressional authorization and the contract. Soil conditions at the main post are substantially different than at the Wilderness Road site and require a substantially different foundation. Main post construction requires deeper excavation and additional

concrete, which adds substantially to the cost of the project. There is no other suitable site on the main post that does not require a more costly special foundation. If additional funds are not provided, the physical fitness facility cannot be relocated to an appropriate site on main post.

Source of Funds: The following project will fund this requirement:

(Dollars in Thousands)				
<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
Bagram Air Base, Afghanistan Bulk Fuel Storage & Supply, Phase 8 PN: 70023 <sup>11</sup>	2009	26,000	9,989	7,800

<sup>11</sup> Bulk Fuel Storage and Supply, Phase 8 project savings are attributable to a reduction in scope and favorable bid climate as notified in the Title 10 USC § 2853, Authorized Cost/Scope Variations Notification, dated June 1, 2009

Bid Expiration Date: June 29, 2010

Military Construction, Army

Reprogramming Request

Installation: Fort Sam Houston, Texas

Project: Unit Operations Facilities (Grow the Force), Project Number 68782

Authorization: National Defense Authorization Act for Fiscal Year 2008,  
Public Law 110-181

Estimated Cost (\$000):

Previously Appropriated	10,600
Previously Reprogrammed	0
Requested Reprogramming	5,400
Total Estimated Costs	16,000

Description: The Unit Operations Facilities project includes a Tactical Equipment Maintenance Facility (TEMF) and two standard-design small Company Operations Facilities (COFs), covered hardstand, a small vehicle maintenance shop, organizational vehicle parking, and deployment equipment storage. This reprogramming provides funds for one Company Operations Facility.

Justification: This FY 2008 project was programmed and appropriated for \$10.6 million. Unfortunately, the original program amount was underestimated. The Army has awarded the TEMF and would like to construct one of the required COFs using a new contract. The remaining COF will be funded in a future year reprogramming action. A Congressional Notification of Scope Reduction was transmitted to the four Military Construction Committees in April 2009 identifying that 59 per cent of the approved scope was awarded. Construction of this COF will achieve 75% of the approved scope to meet the minimum infrastructure requirements of the Medical Logistics mission, which this project supports.

Source of funds: Funds for this increased cost will be provided from the following project:

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Dollars in Thousands</u>		
		<u>Amount Appropriated</u>	<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Fort Sam Houston, Texas, Barracks PN: 68784 *	2008	6,600	-	5,400

\* The Army submitted a congressional notification canceling this project on December 11, 2009.

Bid Expiration Date: June 10, 2010

Military Construction, Army

Reprogramming Request

Installation: Fort Leavenworth, Kansas

Project: Lewis & Clark Instructional Facility

Authorization: National Defense Authorization Act for Fiscal Year 2004, P.L. 108-354, as amended by the Ronald W. Reagan National Defense Authorization Act for FY 2005, P.L. 108-375 and the National Defense Authorization Act for FY 2006, P.L. 109-163

Estimated Cost (\$000):

Previously Appropriated	114,216 <sup>1</sup>
Below Threshold Reprogramming	1,844
Requested Reprogramming	2,150
Total Estimated Cost	118,210

Description: The Lewis and Clark Instructional Facility was authorized in FY 2004 for \$115 million and incrementally funded over three fiscal years, FY 2004 (PN 51174), FY 2005 (PN 56449), and FY 2006 (PN59010). The Lewis and Clark Instructional Facility project constructs a Command and General Staff College (CGSC) instructional facility with modern classrooms modeled on the Classroom XXI and "Army After-Next" initiatives that accommodate the instruction of the most current training and doctrine at Fort Leavenworth, Kansas and demolishes Bell Hall, a severely deteriorated substandard academic facility. This instruction facility provides administrative and support space for approximately 548 staff and faculty, classroom and seminar support facilities for 1,600 students, includes distance learning capabilities, and provides for Joint Accreditation as required by the Goldwater-Nichols Act and the North Central Association of Schools and Colleges for the Masters of Military Arts and Science degree. Funds reprogrammed in this action will correct latent heating, ventilation and air conditioning (HVAC) design deficiencies discovered shortly after beneficial occupancy. The Lewis and Clark Instructional Facility is not considered complete.

Justification: The Lewis and Clark Instructional Facility was turned over to the garrison in January 2007. During the first summer of use, Fort Leavenworth notified the U.S.

Army Corps of Engineers (USACE), Kansas City District of complaints regarding high interior humidity. An investigation initiated in the fall of 2007 resulted in air filter replacements, air handling unit and air speed adjustments, and a sheave and belt installation to increase air intake capacity. These efforts had minimal impact and did not resolve the problem. Further investigation and a design review revealed that the supplied air is colder and wetter than in the air in the space being supplied and that space heat pumps were not removing moisture in several building sectors. The USACE conducted a Quality Assurance Review of the Architect Engineer (AE) design firm's original HVAC design and notified the AE firm that they were concerned about the adequacy of the design, but, under the terms of the contract, could not force the AE firm to perform a redesign. The Government is protected if the design does not work under the AE liability clause of the contract and the USACE is currently negotiating an AE liability claim for the HVAC design defects and omission. Any recovered funds will be sent to the United States Treasury.

The corrective action plan increases makeup air supply capacity by adding heat pumps in each sector, equalizing air flow in each pump, and adding an expansion tank, controls and re-piping. The plan has been peer reviewed and the proof-of-concept demonstrated favorable results. The proposed corrective actions will address makeup air flow distribution, capacity and interior humidity issues that, if left unresolved, would result in high levels of mold and mildew in occupied spaces.

The project's construction contract is still open and the contractor is still onsite performing demolition of Bell Hall. This additional work is within scope of the existing contract and the additional funds required for the contract modification are considered an upward adjustment to the existing obligation.

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

<u>Location /Project</u>	<u>Fiscal Year</u>	<u>(Dollars in Thousands)</u>		
		<u>Amount Appropriated</u>	<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Ft Wainwright, Alaska Barracks Complex PN 46790	2006	33,224 <sup>1</sup>	29,011	2,150

<sup>1</sup> Reflects the 1% general rescission required by the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act., 2006, P.L. 109-148, Section 3801.



Bid Expiration Date: Not Applicable  
Military Construction, Air Force  
Reprogramming Request

Installation: Unspecified Worldwide

Project: Unspecified Minor Construction

Authorization: National Defense Authorization Act for FY 2010, P.L. 111-84

Estimated Cost (\$000):

Previously Appropriated	-
Previously Reprogrammed	-
Requested Reprogramming	18,980
Total Estimated Cost	18,980

Description: This action reprograms \$18.98 million of Title IV Overseas Contingency Operations funding from major construction to minor construction within the Military Construction, Air Force appropriation. Minor construction funds are required to support the USCENTCOM's frequently shifting mission sets, adapt to counter insurgent activity, and enable the expansion of forces within Afghanistan.

Justification: This reprogramming action will enable the Air Force to fully utilize Title 10, Section 2805 Authority to best support the Combatant Commander's requirements in theater. Further, this discretionary authority significantly increases the warfighters' response capability and improves adaptability to the dynamic nature of the combat environment. The FY 2010 Quadrennial Defense Review states that we must continue to fight "*alongside allied and partner forces to deny Al Qaeda safe haven and reverse the Taliban's momentum.*" This request provides the needed flexibility to extend our influence into the small locales in support of a hub and spoke approach that is needed to both establish operational capacities at key locations and continue to support the major hubs that support future transition. By reprogramming these funds, we further improve our ability to make tactical level modifications in support of the accomplishment of the Combatant Commander's operational objectives; particularly the establishment of a capable Afghan security forces and the needed support at major theater hubs which are the aerial ports of debarkation supporting force rotations, continued sustainment activities, and the redeployment of forces as required. Congressional notification will be provided in accordance with Title 10 USC §2805.

Source of Funds: The following projects will fund this requirement:

(Dollars in Thousands)				
<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
Kandahar, AF RSOI Facility <sup>11</sup>	2010	9,700	-	9,700
Kandahar, AF Tactical Airlift Apron <sup>12</sup>	2010	29,000	19,720	9,280

<sup>11</sup> RSOI Facility canceled per Title 10, United States Code, § 2853, Authorized Cost Variations Notification dated January 2010. Subsequent to submission of the FY 2010 Overseas Contingency Construction request, NATO approved and funded the RSOI facility.

<sup>12</sup> Tactical Airlift Apron scope was reduced per Title 10, United States Code, § 2853, Authorized Cost/Scope Variations Notification dated January 2010. The original project scope included connecting taxiways and shoulders for the ramp totaling 22,000 square meters of pavement. Subsequent to submission of the FY 2010 Overseas Contingency Construction request, the NATO International Security Assistance Force (ISAF) obtained funding approval for the taxiways and shoulders encompassed within the Tactical Airlift Apron project resulting in a 31% reduction in scope.

Bid Expiration Date: June 1, 2010  
Military Construction, Army National Guard  
Reprogramming Request

Installation: Camp Dawson, West Virginia

Project: Joint Interagency Training Education Center, Project Number 540105

Authorization: Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009, Sec. 132, Public Law 110-329

Estimated Cost (\$000):

Previously Appropriated	65,000
Previously Reprogrammed	2,000
Requested Reprogramming	12,500
Total Estimated Cost	79,500

Description: This project entails the construction of a new Joint Interagency Training Education Center (JITEC) and will provide approximately 297,260 square feet for an Operation Center, administration offices, educational classrooms, billets, restrooms, telecommunications room, parking area and other support facilities as necessary to train DoD and other government and non-government entities on domestic emergencies and homeland security. Once completed, this site will serve as an Emergency Operations Center for National Guard Bureau. The State of West Virginia contributed \$3,400,000 to construct a Post Exchange, Snack Bar, and upgrade interior finishes.

Justification: Bids for the original project scope exceeded available funds. Therefore, project scope was reduced and \$2,000,000 was added to the original program amount using below threshold authority in order to award the project to the low bidder at \$67,000,000. The current favorable bid climate has resulted in savings within the Military Construction, Army National Guard appropriation. This reprogramming buys back scope, which includes kitchen/dining area expansion, billeting, vehicle bay, storage, classroom space, landscaping, parking, and exterior lighting. This reprogramming request complies with the intent of Congress to fully fund this FY 2009 Military Construction project.

Source of Funds: Bid savings will fund this reprogramming action.

<u>Location/Project</u>	<u>Fiscal Year</u>	(Dollars in Thousands)		
		<u>Amount Appropriated</u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
Dobbins ARB, GA Readiness Center PN 130109 <sup>VI</sup>	2009	45,000	32,500	12,500

<sup>VI</sup> The Army submitted a Title 10, United States Code, 2853, Authorized Cost Variation Notification on September 16, 2009.

Bid Expiration Date: Not Applicable

Military Construction, Defense-Wide (NSA)

Reprogramming Request

Installation: Fort Meade, Maryland

Project: NSAW Campus Chilled Water Backup

Authorization: National Defense Authorization Act for Fiscal Year 2010  
(P.L. 111-84)

Estimated Cost (\$000):

Previously Appropriated	-
Previously Reprogrammed	-
Requested Reprogramming	19,100
Total Estimated Cost	19,100

Description: This project provides new chilled water storage capacity in NSAW building to provide a backup supply of chilled water to mission equipment in the event of a disruption to the primary chilled water system. Due to the sensitive and continuous nature of NSA operations, this mission cannot continue without 100 percent reliable support systems. The facility requires uninterruptible chilled water atmosphere control to support sensitive equipment and the large population.

Justification: The existing NSA campus has a chilled water system but currently lacks any backup capability. Equipment located therein is reliant on controlled temperatures, and due to the high population of this facility, it cannot operate without conditioned air. The NSA Campus has support systems that are aging and reliability cannot be guaranteed. The demand for reliable backup chilled water must be met to continue critical NSA operations without interruption. Operators and maintainers face greater challenges as replacement parts become scarce, therefore the aging primary system must have backup.

The \$19.1 million NSAW Campus Chilled Water Backup project was included in the FY 2010 Military Construction, Defense-Wide budget justification book along with a separate \$175.9 million South Campus Utility Plant Phase 2 project. The National

Defense Authorization Act, FY 2010 authorized these as two separate projects. Unaware that an errata sheet to the Department's FY 2010 C-1 Construction Annex had been submitted, the FY 2010 Military Construction Appropriations Act appropriated the total \$195.0 million associated with these projects to just the South Campus Utility Plant Phase 2 project. This reprogramming action realigns \$19.1 million from the South Campus Utility Plant Phase 2 project to the Campus Chilled Water Backup project consistent with the FY 2010 Authorization Act and the FY 2010 budget justification materials submitted to Congress.

Source of Funds:

<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>
Ft. Meade, Maryland, South Campus Utility Plant Phase 2	2010	195,000	175,900	19,100