



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

COMPTROLLER

MAY 3 2013

The Honorable John Culberson
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. A detailed justification is enclosed.

<u>Service/Installation</u>	<u>Project</u>	<u>Program</u>	<u>Request (\$)</u>
<u>Army</u>			
Fort Wainwright, Alaska	Aviation Complex, Phase 3A	2012	27,000,000
Fort Meade, Maryland	Brigade Complex	2012	3,500,000

A similar letter is being sent to the Chairman of the Senate Subcommittee on Military Construction, Veterans Affairs, and Related Agencies. Additional details will be provided separately. Thank you for your continued support of DoD programs.

Sincerely,

Robert F. Hale

Enclosure:
As stated

cc:
The Honorable Sanford D. Bishop, Jr.
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
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COMPTROLLER

MAY 3 2013

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

Enclosure:
As stated

cc:
The Honorable Mark Kirk
Ranking Member

Bid Expiration Date: July 15, 2013
Military Construction, Army
Reprogramming Request

Installation: Fort Wainwright, Alaska
Project: Aviation Complex, Phase 3A
Authorization: National Defense Authorization Act for Fiscal Year 2012,
Public Law 112-81

Estimated Cost (\$000):

Previously Appropriated	57,000
Previously Reprogrammed	-
Requested Reprogramming	27,000
Total Estimated Cost	84,000

Description:

This project constructs an Aircraft Maintenance Hangar with associated supporting facilities in support of the stationing of a General Support Aviation Battalion at Fort Wainwright, Alaska.

Justification:

The Army submitted this project in the FY 2012 President's Budget with a programmed amount of \$114.0 million. Congress fully authorized the project and provided incremental funding in the amount of \$57.0 million. Due to the timing of the final FY 2012 Authorization and Appropriation Acts, the Army was not able to submit a project in the FY 2013 President's Budget to fund the remaining increment.

The project was awarded on June 7, 2012, for full scope, and is currently 4 percent construction complete. Due to favorable market conditions at the time of award, the estimated cost to complete the construction was reduced to the Current Working Estimate (CWE) of \$84.0 million. A 10 U.S.C. §2853 cost variation notification was sent to the congressional committees on June 22, 2012. To maintain the construction schedule and avoid added costs due to delays, the Army plans to use bid savings to complete the Aviation Complex, Phase 3A, instead of seeking the final increment in the FY 2014 President's Budget.

Source of funds: The additional funds required will be provided from the following projects:

(Dollars in Thousands)

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
Fort Bliss, TX Barracks & Dining PN: 68962	2009	148,000	110,000 ^{1/}	26,000
Fort Eustis, VA Warrior in Transition Complex PN: 71539	2011	17,964 ^{2/}	16,283	1,000
				27,000

PN = Project Number

^{1/} A 10 U.S.C. §2853 cost reduction notification was sent to the congressional committees on March 5, 2010, for PN 68962 reflecting an award CWE of \$116 million. The current CWE reflects the actual funds expended to complete this project. The facilities have been turned over to the installation and the final contract payment for this project was made on December 26, 2012.

^{2/} The appropriated amount reflects a 0.2 percent rescission directed in Section 1119 of Public Law 112-10, the Department of Defense and Full-Year Continuing Appropriations Act, 2011. This project is currently 97 percent construction complete.

Bid Expiration Date: June 10, 2013

Military Construction, Army

Reprogramming Request

Installation: Fort Meade, Maryland

Project: Brigade Complex

Authorization: National Defense Authorization Act for Fiscal Year 2012,
Public Law 112-81

Estimated Cost (\$000):

Previously Appropriated	36,000
Previously Reprogrammed	-
Requested Reprogramming	3,500
Total Estimated Cost	39,500

Description:

This project will provide a brigade complex to support the Asymmetric Warfare Group (AWG). The complex consists of a headquarters/operations facility (brigade, battalion and company headquarters space; a sensitive compartmented information facility; and an information processing center), a vehicle maintenance facility, fabrication shop, a visitor control facility, a wash platform, a guard house, and an administrative/shop facility for a displaced installation maintenance activity.

Justification:

During the proposal evaluation process, it was determined that the best value contract proposal would not allow award of the full scope of the project. The Army awarded 81 percent of the approved scope on October 30, 2012. The contract option for the remaining scope, a 15,300 square foot administrative/shop building, expires on June 10, 2013. The construction of this building will allow for the replacement of old, substandard buildings that are in the project's footprint that are currently used by installation maintenance personnel. This reprogramming action will allow the Army to award 100 percent of the approved scope for this project.

Source of funds: The additional funds required will be provided from the following projects:

(Dollars in Thousands)

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
Fort Wainwright, AK Training Aids Support Center PN 34129	2009	12,400	12,060	300
Fort Riley, KS Battalion Complex PN 65138	2009	38,000	37,430	400
Crane Army Ammo Activity, IN Ready Service Magazine Complex PN 52856	2009	6,290 ^{/1}	5,990 ^{/2}	200
Fort Lewis, WA Brigade Complex PN 69167	2009	27,450 ^{/3}	27,020	350
Fort Benning, GA Tracked Vehicle Drivers Course PN 64797	2009	11,000 ^{/4}	9,800 ^{/5}	700
Fort Benning, GA Warrior in Transition Complex PN 69999	2010	39,454 ^{/6}	37,164 ^{/7}	550
Fort Eustis, VA Warrior in Transition Complex PN 71539	2011	17,964 ^{/8}	15,698	1,000
				3,500

PN = Project Number

^{1/} While the Ready Service Magazine Complex at Crane Army Ammunition Activity, IN, (PN 52856) was appropriated at \$8.3million, \$2.01 million was rescinded by H.R. 1586, the Jobs and Education Bill (P.L. 111-226), which rescinded a total of \$340 million of unobligated balances from prior year Army military construction accounts.

^{2/} The current estimate reflects the final cost of the project. A 10 U.S.C. §2853 cost reduction notification was not required for the Ready Service Magazine Complex, because the estimated cost savings at time of award were less than \$4 million and less than 25% of the program amount.

^{3/} While the Brigade Complex at Fort Lewis, WA, (PN 69167) was appropriated at \$30 million, \$2.55 million was rescinded as part of the \$100 million rescission to prior year unobligated balances from the Consolidated Appropriations Act, 2012 (P.L. 112-74).

^{4/} While the Tracked Vehicle Drivers Course at Fort Benning, GA, (PN 64797) was appropriated at \$16 million, the Army previously reprogrammed \$5 million to the Training Area Infrastructure-Northern Area at Fort Benning, GA. This action was approved in September 2010.

^{5/} A 10 U.S.C. §2853 cost reduction notification was sent to the congressional committees on October 6, 2009, for PN 64797, reflecting an award Current Working Estimate (CWE) of \$10 million.

^{6/} While the Warrior in Transition Complex at Fort Benning, GA, (PN 69999) was appropriated at \$53 million, \$11.851 million was rescinded by H.R. 1586, the Jobs and Education Bill (P.L. 111-226), and \$1.695 million was rescinded by Section 2010 of P.L. 112-10, the Department of Defense and Full-Year Continuing Appropriations Act, 2011, which rescinded \$263 million from P.L. 111-117, the Consolidated Appropriations Act of 2010.

^{7/} A 10 U.S.C. §2853 cost reduction notification was sent to the congressional committees on October 4, 2010, for PN 69999, reflecting an award Current Working Estimate (CWE) of \$38.3 million.

^{8/} While the Warrior in Transition Complex at Fort Eustis, VA, (PN 71539) was appropriated at \$18 million, \$36 thousand was rescinded by the 0.2 percent rescission directed in Section 1119 of Public Law 112-10, the Department of Defense and Full-Year Continuing Appropriations Act, 2011.