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.

<table>
<thead>
<tr>
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<th>Service/Installation</th>
<th>Project</th>
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<tbody>
<tr>
<td>1</td>
<td>Army McAlester Army Ammunition Plant, Oklahoma</td>
<td>General Purpose Storage Building</td>
<td>2010</td>
<td>3,720,000</td>
</tr>
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<td>2</td>
<td>Defense Logistics Agency Defense Distribution Depot, New Cumberland, Pennsylvania</td>
<td>Replace Sewage Treatment Plant</td>
<td>2013</td>
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</tbody>
</table>

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
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,

[Signature]
Robert F. Hale

Enclosure:
As stated

cc:
The Honorable Mark Kirk  
Ranking Member
Bid Expiration Date: July 11, 2014

Military Construction, Army
Reprogramming Request

Installation: McAlester Army Ammunition Plant, Oklahoma
Project: General Purpose Storage Building

Estimated Cost ($000):
Previously Appropriated 11,200
Previously Reprogrammed (Prior Approval) -
Requested Reprogramming 3,720
Total Estimated Cost 14,920

Description: This project will provide a demilitarization processing center, including a demilitarization processing facility, a warehouse, an open storage area, and a working pad. The facility will allow for the demilitarization of materials prior to the sale of the materials by the Defense Reutilization Marketing Service.

Justification: This reprogramming request is required to correct exhaust system deficiencies in order to have a complete and usable facility. The contract for this project was awarded on September 22, 2010. Construction was completed and the facility turned over to the McAlester Army Ammunition Plant on June 1, 2012. Once the customer began cutting operations in the new facility, the exhaust system installed for the cutting booths clogged very rapidly. Without a fully functional exhaust system, materials cannot be demilitarized efficiently, causing backlogs and delays. Various system configurations were tested to resolve the exhaust issue with no success.

It became apparent that there was a design deficiency and that redesign of the system was necessary. Architectural/Engineering (A/E) liability was reviewed, and the designer agreed to correct the design of the exhaust system. A/E liability will cover the redesign and some tear out costs but does not cover the cost of construction to revise or replace components of the exhaust system needed to make it operate correctly. The designer is only responsible for the design work, not the follow-on construction that was based on the design. The additional construction cost is the responsibility of the Army and is based on a new contract that will rectify the deficiencies in the exhaust system to make the facility complete and usable. The 10 U.S.C. § 2853 cost increase notification was sent to the congressional committees on December 30, 2013, reflecting a Current Working Estimate (CWE) of $14.92 million.
**Source of funds:** The additional funds required will be provided from the following projects:

<table>
<thead>
<tr>
<th>Location/Project</th>
<th>Fiscal Year</th>
<th>Amount Appropriated</th>
<th>Current Working Estimate</th>
<th>Proposed Reprogramming</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fort Bragg, NC Vehicle Maintenance Shop PN 16992</td>
<td>2010</td>
<td>16,500$^{1}$</td>
<td>16,000</td>
<td>500</td>
</tr>
<tr>
<td>Fort Leonard Wood, MO Trainee Barracks Complex 3, Ph 1 PN 51857</td>
<td>2010</td>
<td>39,489$^{2}$</td>
<td>39,139</td>
<td>350</td>
</tr>
<tr>
<td>Fort Sill, OK Barracks PN 69330</td>
<td>2010</td>
<td>54,304$^{3}$</td>
<td>53,744</td>
<td>560</td>
</tr>
<tr>
<td>Fort Polk, LA Warrior in Transition (WT) Complex PN 70128</td>
<td>2010</td>
<td>27,770$^{4}$</td>
<td>27,335</td>
<td>435</td>
</tr>
<tr>
<td>Okinawa, JA Training Aids Center PN 71118</td>
<td>2010</td>
<td>4,930$^{5}$</td>
<td>4,890</td>
<td>40</td>
</tr>
<tr>
<td>Fort Leonard Wood, MO Warrior in Transition (WT) Complex PN 71543</td>
<td>2010</td>
<td>19,500</td>
<td>18,250</td>
<td>1,250</td>
</tr>
<tr>
<td>Fort Leonard Wood, MO Transient Advanced Trainee Barracks, Ph 1 PN 72523</td>
<td>2010</td>
<td>70,000$^{6}$</td>
<td>69,415</td>
<td>585</td>
</tr>
</tbody>
</table>

**Total**

<p>| | | | | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
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<td></td>
<td></td>
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<td>3,720</td>
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</table>

PN = Project Number

$^{1}$ While the Vehicle Maintenance Shop at Fort Bragg, NC (PN 16992) was appropriated at $19.5 million, the revised amount reflects a rescission of $3.0 million as part of the FY 2010 Brigade Combat Team General Reduction in P.L. 111-117, Section 2104c.

$^{2}$ While the Trainee Barracks Complex 3, Phase 1 at Fort Leonard Wood, MO (PN 51857) was appropriated at $50.0 million, the revised amount reflects a rescission of $10.511 million as part of the $263 million rescission reflected in P.L. 112-10, Section 2010.
3/ While the Barracks at Fort Sill, OK (PN 69330) was appropriated at $65.0 million, the revised amount reflects a rescission of $9.5 million as part of the FY 2010 General Reduction in P.L. 111-117, $0.696 million as part of the $263 million rescission reflected in P.L. 112-10, Section 2010, and $0.5 million as part of the $340 million rescission in H.R. 1586, Jobs and Education Bill.

4/ While the Warrior in Transition Complex at Fort Polk, LA (PN 70128) was appropriated at $32.0 million, the revised amount reflects a rescission of $4.23 million as part of the H.R. 1586, Jobs and Education Bill rescission.

5/ While the Training Aids Center at Okinawa, JA (PN 71118) was appropriated at $6.0 million, the revised amount reflects a rescission of $1.07 million as part of the $263 million rescission reflected in P.L. 112-10, Section 2010.

6/ While the Transient Advanced Trainee Barracks, Phase 1 at Fort Leonard Wood, MO (PN 72523) was appropriated at $99.0 million; the revised amount reflects a rescission of $29.0 million as part of the FY10 General Reduction ($230 million), P.L. 111-117, Section 129.
Bid Expiration Date: April 28, 2014

Military Construction, Defense-Wide (Defense Logistics Agency)
Reprogramming Request

Installation: Defense Distribution Depot, New Cumberland, Pennsylvania

Project: Replace Sewage Treatment Plant


Estimated Cost ($000):

Previously Appropriated* 6,292
Sequestration Reduction -486
Revised Appropriated Amount 5,806
Previously Reprogrammed (Prior Approval) -
Requested Reprogramming 5,000
Total Estimated Cost 10,806

*Reflects section 3001 and 3004 rescissions in P.L. 113-6

Description: This project constructs a 320,000 gallon per day wastewater treatment facility to replace an existing deficient facility that is incapable of meeting Pennsylvania Department of Environmental Protection water discharge requirements into the Chesapeake Bay watershed.

Justification: Congress authorized and appropriated this project in FY 2013. The Army Corps of Engineers opened bids for a construction contract on August 1, 2013. The current working estimate is $10,806,000, which includes the result from a competitive best value source selection. The full extent of the cost impacts associated with meeting the wastewater discharge criteria was unknown when the project was originally programmed. An additional $5.0 million is necessary due to higher than expected bids, driven by increased costs for the components of the sewage treatment plant. A Title 10 USC §2853 notification was submitted to Congress on December 30, 2013.

Source of Funds: Bid savings from the following projects are available to fund this requirement.

<table>
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<tr>
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<th>Current Working Estimate</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Pt. Loma, CA Replace Fuel Storage Facility Ph. 2</td>
<td>2010</td>
<td>90,046</td>
<td>87,947</td>
<td>2,000</td>
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<tr>
<td>Location/Project</td>
<td>Fiscal Year</td>
<td>Amount Appropriated</td>
<td>Location/Project</td>
<td>Fiscal Year</td>
</tr>
<tr>
<td>----------------------------------</td>
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</tr>
<tr>
<td>NS Guantanamo Bay, Cuba Replace Fuel Storage Tanks</td>
<td>2010</td>
<td>10,143</td>
<td>9,143</td>
<td>1,000</td>
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<tr>
<td>Souda Bay, Greece Replace Fuel Storage Facility Ph. 3</td>
<td>2010</td>
<td>15,592</td>
<td>14,592</td>
<td>1,000</td>
</tr>
<tr>
<td>Pt. Loma, CA Replace Fuel Storage Facility Ph. 3</td>
<td>2011</td>
<td>19,842</td>
<td>18,842</td>
<td>1,000</td>
</tr>
</tbody>
</table>

Total

(Dollars in Thousands)

| Fiscal Year | 5,000 |