



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

COMPTROLLER

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

OCT 31 2014

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 justification for each project is enclosed.

#	<u>Service/Agency/Installation</u>	<u>Project</u>	<u>Program</u>	<u>Request(\$)</u>
	<u>Army</u>			
1	Fort Wainwright, Alaska	Aviation Battalion Cplx	2014	3,850,000
	<u>Air Force</u>			
2	McConnell Air Force Base, Kansas	KC-46A Flight Sim	2014	1,175,000

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

Sincerely,

Michael McCord

Enclosure:  
As stated

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



UNDER SECRETARY OF DEFENSE  
1100 DEFENSE PENTAGON  
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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

OCT 31 2014

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cc:  
The Honorable Mark Kirk  
Ranking Member

Bid Expiration Date: January 15, 2015

Military Construction, Army

Reprogramming Request

Installation: Fort Wainwright, Alaska

Project: Aviation Battalion Complex

Authorization: National Defense Authorization Act for Fiscal Year (FY) 2014,  
Public Law 113-66

Estimated Cost (\$000):

Previously Appropriated	45,000
Previously Reprogrammed	-
Requested Reprogramming	3,850
Total Estimated Cost	48,850

Description: This project will construct a standard design Aviation Battalion Complex and supporting facilities. The primary facilities will include a battalion headquarters with organizational classrooms, consisting of two buildings that are 20,400 square feet each, and a Company Operations Facility (COF) with enclosed hardstand. The current battalion headquarters is located in substandard facilities that are approximately 50 percent of the required size, and as a result, efficiency and productivity of the units have been significantly reduced.

Justification: This reprogramming action is required to award the remaining scope of this project, a battalion headquarters building. Previously, the Army awarded two of the three contracts for this project on April 14, 2014, and May 7, 2014, for the COF and one of the battalion headquarters buildings, respectively. The cost increase is attributable to the need to bring in skilled laborers from areas outside of the immediate vicinity of the installation because local contractor and subcontractor labor pools are currently stretched due to the other ongoing military construction efforts at Fort Wainwright.

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

Location/Project	Fiscal Year	(Dollars in Thousands)		
		Amount Appropriated	Current Estimate	Proposed Reprogramming
Vehicle Maintenance Shop Fort Benning, GA PN 63799	2011	39,294 <sup>1</sup>	35,083 <sup>2</sup>	3,850

PN = Project Number

<sup>1</sup> The revised amount reflects a rescission of \$0.106 million as part of the 0.2 percent across-the-board rescission as directed in Section 1119 of Public Law 112-10, and \$13.6 million as part of the \$200 million unobligated balances rescission as directed in Section 130 of Public Law 113-70, Division J.

<sup>2</sup> A 10 U.S.C. §2853 cost reduction notification, dated September 26, 2011, was sent to the congressional committees, reflecting an award CWE of \$37.681 million.

Bid Expiration Date: November 30, 2014

Military Construction, Air Force

Reprogramming Request

**Installation:** McConnell Air Force Base, Kansas

**Project:** KC-46A ADAL Flight Simulator Buildings

**Authorization:** National Defense Authorization Act for Fiscal Year 2014 (P.L. 113-66)

**Estimated Cost (\$000):**

Previously Appropriated	2,150
Previously Reprogrammed	0
Requested Reprogramming	1,175
Total Estimated Costs	3,325

**Description:** This project provides a flight simulator facility that supports the operation of weapon system trainers, boom operator training devices, and associated functions for aircrew training for the new KC-46A aircraft.

**Justification:** Programmed costs were underestimated given the current market conditions in the McConnell Air Force Base vicinity. The local construction market is saturated due to demands related to numerous ongoing KC-46A bed-down and other regional construction projects. Requesting new bids at a future date would not result in significant bid price reductions. Delaying construction contract award would only postpone simulator installation and defer weapons system training facility delivery.

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

<u>Location &amp; Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated (\$000)</u>	<u>Current Working Estimate (\$000)</u>	<u>Proposed Reprogramming (\$000)</u>
McConnell AFB, KS KC-46A Alter Aircraft Parking Apron	2014	2,200	1,162	600
Luke AFB, AZ F-35 Academic Training Center	2011	53,541*	49,388	<u>575</u>
Total				<u>1,175</u>

\* Department of Defense, FY 2011 Military Construction Spending Plan, June 2011, submitted in accordance with Section 2001 of the Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10, Division B); includes year-long CR reduction \$502 million and 0.2% CR rescission.