The Honorable Charles W. Dent
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 justification for each project is enclosed.

<table>
<thead>
<tr>
<th>#</th>
<th>Service/Agency/Installation</th>
<th>Project</th>
<th>Program</th>
<th>Request(§)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Defense Logistics Agency</td>
<td>Fueling Facility (Fac)</td>
<td>2014</td>
<td>1,900,000</td>
</tr>
<tr>
<td>2</td>
<td>Tinker AFB, Oklahoma</td>
<td>Fuel Distribution Fac</td>
<td>2014</td>
<td>5,200,000</td>
</tr>
<tr>
<td>3</td>
<td>U.S. Special Operations Command</td>
<td>Engineer Training Fac</td>
<td>2014</td>
<td>2,896,000</td>
</tr>
</tbody>
</table>

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
The Honorable Mark Kirk  
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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</table>
| 1  | Defense Logistics Agency  
Arnold AFB, Tennessee            | Fueling Facility Fac  
2014                    | 1,900,000              |
| 2  | Tinker AFB, Oklahoma            | Fuel Distribution Fac  
2014                    | 5,200,000              |
| 3  | U.S. Special Operations Command  
Fort Bragg, North Carolina      | Engineer Training Fac  
2014                    | 2,896,000              |

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 Jon Tester  
Ranking Member
Bid Expiration Date: June 1, 2015

Military Construction, Defense-Wide (Defense Logistics Agency)

Reprogramming Request

Installation: Arnold Air Force Base, Tennessee

Project: Replace Ground Vehicle Fueling Facility


Estimated Cost ($000):

<table>
<thead>
<tr>
<th>Previously Appropriated</th>
<th>2,200</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requested Reprogramming</td>
<td>1,900</td>
</tr>
<tr>
<td>Total Estimated Cost</td>
<td>4,100</td>
</tr>
</tbody>
</table>

Description: This project provides a ground fuels facility consisting of five self-contained aboveground tanks (45.4 kiloliters (kL)/12,000 gallons each) and integral receipt and dispensing stations with four outlets. Work includes an emergency shower, fuel filters, fuel piping, emergency stop switch, site work and utilities. Project includes the demolition of two existing gasoline underground fuel storage tanks (113.6 kL/30,000 gallon each), and one underground diesel tank (56.8 kL/15,000 gallon).

Justification: Congress authorized and appropriated this project in FY 2014 for $2.2 million. The current working estimate is $4.1 million. Based on two separate competitive bids received to date, an additional $1.9 million is needed to award this project. The U.S. Army Corps of Engineers (USACE) has concluded that the market conditions in obtaining qualified bidders for a project of this size and scope at Arnold AFB is the cause for the higher than expected bids. The limited pool of qualified contractors resulted in a current offer that is 187 percent above the Programmed Amount. These variations in cost were unknown when the project was originally programmed. A Title 10 Section 2853 cost increase notification, dated November 18, 2014, was sent to the congressional committees.

Source of Funds: The following completed project was awarded below the appropriated amount due to the receipt of favorable bids.

<table>
<thead>
<tr>
<th>Location/Project</th>
<th>Fiscal Year</th>
<th>Amount Appropriated (Dollars in Thousands)</th>
<th>Current Estimate</th>
<th>Proposed Reprogramming</th>
</tr>
</thead>
<tbody>
<tr>
<td>Craney Island, VA</td>
<td>2011</td>
<td>43,442</td>
<td>37,035</td>
<td>1,900</td>
</tr>
<tr>
<td>Replace Fuel Pier</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Reflects reduction associated with the FY 2013 sequestration.
Bid Expiration Date: May 5, 2015

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

**Installation:** Tinker Air Force Base, Oklahoma

**Project:** Replace Fuel Distribution Facilities


**Estimated Cost ($000):**
- Previously Appropriated: 36,000
- Requested Reprogramming: 5,200
- Total Estimated Cost: 41,200

**Description:** This project constructs a 2,400 gallon per minute pumphouse, provides 23 new aircraft hydrant fuel outlets, upgrades two 10,000 barrel aircraft fuel aboveground operating tanks and the associated pipeline. It also constructs a Military Ground Vehicle Service Station to include two covered islands, fuel dispensers, four 45.4 kiloliter (12,000 gallon) aboveground storage tanks and a controls building at Tinker Air Force Base.

**Justification:** Congress authorized and appropriated this project in FY 2014 for $36.0 million. Based on competitive bids received to date, an additional $5.2 million is needed to award this project. The higher than expected bids are driven by the general economic market conditions, higher than anticipated costs for airfield pavements work, and the phased construction necessary to accommodate aircraft operations during construction. The full extent of the cost impacts of these items was unknown when the project was originally programmed.

A Title 10 Section 2853 cost increase notification, dated December 5, 2014, was sent to the congressional committees.

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

<table>
<thead>
<tr>
<th>Location/Project</th>
<th>Fiscal Year</th>
<th>Appropriated Amount</th>
<th>Current Working Estimate</th>
<th>Proposed Reprogramming</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misawa, Japan Hydrant Fuel System</td>
<td>2011</td>
<td>30,622</td>
<td>28,021</td>
<td>2,601</td>
</tr>
</tbody>
</table>

(Dollars in Thousands)
<table>
<thead>
<tr>
<th>Location/Project</th>
<th>Fiscal Year</th>
<th>Appropriated Amount (*)</th>
<th>Current Working Estimate</th>
<th>Proposed Reprogramming</th>
</tr>
</thead>
<tbody>
<tr>
<td>Point Loma, CA Replace Fuel Storage Facilities Inc. 3</td>
<td>2011</td>
<td>18,842</td>
<td>17,457</td>
<td>1,385</td>
</tr>
<tr>
<td>Craney Island, VA Replace Fuel Pier</td>
<td>2011</td>
<td>43,442</td>
<td>37,035</td>
<td>1,214</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>5,200</td>
</tr>
</tbody>
</table>

\(*\) Reflects reduction associated with the FY 2013 sequestration order.
Bid Expiration Date: April 5, 2015

Military Construction, Defense-Wide (U.S. Special Operations Command)

Reprogramming Request

Installation: Fort Bragg, North Carolina

Project: Special Operations Force Engineer Training Facility, Project Number 68526


Estimated Cost ($000):

Previously Appropriated 10,419
Requested Reprogramming 2,896
Total Estimated Cost 13,315

Description: Construct an engineer training facility of approximately 27,200 square feet and a general purpose storage facility of approximately 17,500 square feet. The facilities will consist of administrative space, classrooms, and general purpose storage. The facility supports the U.S. Army John F. Kennedy Special Warfare Center and School and the 1st Special Warfare Training Group (Airborne) at Fort Bragg, North Carolina.

Justification: Based on competitive bids received to date, an additional $2.896 million is needed to award this project. Full consideration was given to reduce scope, value engineer, and re-solicit the project, but there are no viable options to award this project through a re-solicitation with a lesser scope. The higher than anticipated bids are the result of current market conditions. Labor and material costs have increased. These variations in cost were unknown when the project was programmed.

A Title 10 Section 2853 cost increase notification, dated December 5, 2014, was sent to the congressional committees.

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

<table>
<thead>
<tr>
<th>(Dollars in Thousands)</th>
<th>Current</th>
<th>Working</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location/ Project</td>
<td>Fiscal Year</td>
<td>Appropriated Amount</td>
<td>Estimate</td>
</tr>
<tr>
<td>Ft. Bragg, NC SOF Group Headquarters (PN 71224)</td>
<td>2012</td>
<td>25,627</td>
<td>22,013</td>
</tr>
</tbody>
</table>

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