



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

COMPTROLLER

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

AUG 26 2016

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 the projects is enclosed.

#	<u>Service/Agency/Installation</u>	<u>Project</u>	<u>Program</u>	<u>Request (\$)</u>
	<u>Army</u>			
1	Joint Base McGuire-Dix- Lakehurst, New Jersey	Flight Equipment Complex Mission	2013	6,900,000
	<u>Department of Defense Education Activity</u>			
2	Fort Rucker, Alabama	Elementary & Primary Schools Consolidation/Replacement	2016	4,286,000

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 Defense programs.

Sincerely,

Michael McCord

Enclosures:  
As stated.

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



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AUG 26 2016

The Honorable Mark Kirk  
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 Jon Tester  
Ranking Member

Bid Expiration Date: N/A  
Military Construction, Army  
Reprogramming Request

Installation: Joint Base McGuire-Dix-Lakehurst, New Jersey

Project: Flight Equipment Complex

Authorization: National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013,  
Public Law 112-239

Estimated Cost (\$000):

Previously Appropriated	46,938*
Previously Reprogrammed	-
Requested Reprogramming	6,900
Total Estimated Cost	53,838

*\*Includes two across-the-board rescissions directed in Division G, Sections 3001 and 3004 of Public Law 113-06.*

Description: This project constructs a high bay aircraft hangar, a low bay hangar, an aircraft component maintenance shop, an administrative facility, and a Sensitive Compartmented Information Facility (SCIF). It also includes a fixed-wing taxiway, a rotary wing landing pad, landing pad lighting, and taxiway lighting.

Justification: This project was awarded in November 2013 and is 88% construction complete. An additional \$6.9 million is required for mandatory modifications identified during construction and due to unforeseen site conditions. Rainwater runoff retention basins originally constructed as part of the project do not meet the state of New Jersey environmental requirements. Due to existing soil conditions, water does not percolate into the soil as quickly as anticipated. The retention basins must be excavated several additional feet and existing soil replaced with different soil that meets state requirements for water percolation. This will also help prevent standing water which attracts birds, causing safety hazards for aircraft. Additional earthwork associated with these modifications is also required.

A 10 U.S.C §2853 cost notification dated July 19, 2016 was submitted to the Congressional committees.

Source of Funds: Bid savings from 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>
Fort Gordon, GA Modified Record Fire Range	2013	3,995 <sup>/1</sup>	3,345	650
Fort Gordon, GA Multipurpose Machine Gun Range	2013	7,091 <sup>/1</sup>	6,909	182
Fort Stewart, GA Automated Combat Pistol Qualification Course	2013	3,645 <sup>/1</sup>	2,776	417 <sup>/2</sup>
Fort Campbell, KY Battalion Headquarters Complex	2013	54,927 <sup>/1</sup>	52,855	2,072
Fort Campbell, KY Live Fire Exercise Shoothouse	2013	3,795 <sup>/1</sup>	2,835 <sup>/3</sup>	960
Fort Knox, KY Automated Infantry Squad Battle Course PN	2013	5,992 <sup>/1</sup>	4,205 <sup>/4</sup>	1,787
Fort Sill, OK Modified Record Fire Range	2013	4,893 <sup>/1</sup>	4,450	443
Fort Bliss, TX Multipurpose Machine Gun Range	2013	7,191 <sup>/1</sup>	6,802	<u>389</u>
Total:				6,900

<sup>/1</sup> The revised amounts reflect two across-the-board rescissions as directed in Division G, Sections 3001 and 3004 of Public Law 113-06.

<sup>/2</sup> Remaining bid savings on this project will be used to support future reprogramming actions.

<sup>/3</sup> At the time of award, the Current Working Estimate for this project was \$2.990 million; therefore, a 10 U.S.C §2853 cost reduction notification was not required.

<sup>/4</sup> At the time of award, the Current Working Estimate for this project was \$5.992 million; therefore, a 10 U.S.C §2853 cost reduction notification was not required.

Bid Expiration Date: October 5, 2016  
 Military Construction, Defense-Wide (DOD Education Activity)  
 Reprogramming Request

Installation: Fort Rucker, Alabama

Project: Fort Rucker Elementary and Primary Schools Consolidation/Replacement

Authorization: National Defense Authorization Act for Fiscal Year 2016, Public Law 114-92

Estimated Cost (\$000):

Previously Appropriated	46,787
Previously Reprogrammed	-
Requested Reprogramming	4,286
Total Estimated Cost	51,073

Description: This project will replace existing elementary and primary school buildings that are currently in poor condition with a consolidated elementary school. The project includes related infrastructure such as utilities, parking, and other site improvements.

Justification: Based on bids received, an additional \$4.286 million is needed to award this project and provide a complete and useable facility that meets mission requirements. Increased costs have resulted from deteriorating market conditions and the execution of the project in a rural part of the United States. Specifically, the increase in steel prices and the limited number of subcontractors bidding on the electrical and drywall in the local area has increased the cost of the project. Current offerors have agreed to extend and hold the pricing proposals until October 5, 2016. It is vital to make award by this date to accommodate the complex phasing of this project.

Source of Funds: Savings from the following cancelled project are available to fund this requirement.

(Dollars in Thousands)

<u>Project / Location</u>	<u>Fiscal Year</u>	<u>Amount Appropriated<sup>1/</sup></u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
Stearley Heights Elem. School, Kadena Air Base, Japan	2013	66,144 <sup>2/</sup>	0	4,286

<sup>1/</sup> Reflects a reduction associated with the FY 2013 sequestration order.

<sup>2/</sup> \$47.8 million of these funds have been used as a source on multiple prior approval reprogramming actions previously approved by Congress.