



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1100

COMPTROLLER

JUL 16 2018

The Honorable John Carter  
Chairman  
Subcommittee on Military Construction,  
Veterans Affairs, and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20510

Dear Mr. Chairman:

The purpose of this letter is to notify the committee of the proposed reprogramming of funds for the project and amount 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 | Fort Jackson,<br>South Carolina                      | Dam   | 2018           | 19,500,000          |
|   | <u>Air Force</u>                                     |   |                |                     |
| 2 | Joint Base Andrews,<br>Maryland                      | Relocate Joint Air Defense<br>Operations Center (JADOC)<br>Satellite Site | 2017           | 3,672,000           |
|   | <u>Defense Logistics Agency</u>                      |   |                |                     |
| 3 | Joint Base Pearl Harbor-Hickam<br>(Red Hill), Hawaii | Upgrade Fire Suppression and<br>Ventilation System                        | 2015           | 5,900,000           |
|   | <u>Washington Headquarters Services</u>              |   |                |                     |
| 4 | Pentagon Reservation,<br>Virginia                    | Pentagon Force Protection Agency<br>(PFPA) – Support Operations Center    | 2014           | 4,181,000           |

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.

David L. Norquist

Enclosures:

As stated

cc:

The Honorable Debbie Wasserman Schultz  
Ranking Member



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The Honorable John Boozman  
Chairman  
Subcommittee on Military Construction,  
Veterans Affairs, and Related Agencies  
Committee on Appropriations  
U.S. Senate  
Washington, DC 20515

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Enclosures:  
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cc:  
The Honorable Brian Schatz  
Ranking Member

Bid Expiration Date: September 10, 2018

Military Construction, Army

Reprogramming Request

Installation: Fort Jackson, South Carolina

Project: Dam

Authorization: Title 10, United States Code, Section 2854, Restoration or Replacement of Damaged or Destroyed Facilities

Estimated Cost (\$000):

|                         |        |
|-------------------------|--------|
| Previously Appropriated | 0      |
| Previously Reprogrammed | 0      |
| Requested Reprogramming | 19,500 |
| Total Estimated Cost    | 19,500 |

Description: This 2018 project constructs a new earthen dam to replace the existing earthen dam on Fort Jackson, South Carolina that was extensively damaged by flooding from severe rainfall. The project includes staged labyrinth weir with slide gate, weir headwalls, spillways, sluice gate, seismic control features and will repair Semmes Road. Support facilities include utilities (including connection to privatized water and sanitary sewer systems), paving, sited development, demolition, erosion control, building information systems duct bank, sidewalks, landscaping, and signage.

Justification: In October 2015, a severe rainstorm caused flood waters that overtopped the dam. The existing earthen dam was built in 1940 and is 970 feet long and 24 feet deep. During the rainfall, the dam failed resulting in a breach measuring 130 feet wide and over 20 feet high. As a result of the dynamic erosion following the breach of the dam and loss of the pool, the existing dam foundation and embankment are unsuitable for reuse. Additionally, a section of Semmes Road was washed away making the road impassable.

Hydrology and hydraulics studies prepared by United States Army Corps of Engineers (USACE), Wilmington District, stated that without the dam in place, the downstream flood elevation for a 100-storm event is 2.1 higher than with the dam. Executive Order 11988 -- Floodplain Management requires that there be no net change floodplain from pre-flood conditions. USACE Dam engineers determined that repair of the earthen dam is not feasible and a full replacement is required. If the 2018 project is not provided, downstream landowners will be subjected to flooding that could risk human life. Additionally, tenants of the installation will

be able to use Semmes Road. Furthermore, Fort Jackson will not be in compliance with State and Federal storm water management regulations.

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

| <u>Location/Project</u>              | <u>Fiscal Year</u> | <u>(Dollars in Thousands)</u> |                                 |                               |
|--------------------------------------|--------------------|-------------------------------|---------------------------------|-------------------------------|
|                                      |                    | <u>Amount Appropriated</u>    | <u>Current Working Estimate</u> | <u>Proposed Reprogramming</u> |
| Worldwide Various Minor Construction | 2016               | 25,000                        | 23,000                          | 2,000                         |
| Worldwide Various Minor Construction | 2017               | 35,000                        | 30,000                          | 5,000                         |
| Worldwide Various Minor Construction | 2018               | 41,500                        | 29,000                          | 12,500                        |
| Total                                |                    |                               |                                 | 19,500                        |

Bid Expiration Date: September 4, 2018

Military Construction, Air Force

Reprogramming Request

Installation: Joint Base Andrews, Maryland

Project: Relocate Joint Air Defense Operations Center (JADOC) Satellite Site

Authorization: National Defense Authorization Act for Fiscal Year 2017,  
Public Law 114-328

Estimated Cost (\$000):

|                         |       |
|-------------------------|-------|
| Previously Appropriated | 3,500 |
| Previously Reprogrammed | 0     |
| Requested Reprogramming | 3,672 |
| Total Estimated Cost    | 7,172 |

Description: The project will construct a new operations facility for the Joint Air Defense Operations Center (JADOC) Satellite Site at Joint Base Andrews. The facility includes a secure launch area, a security/support facility, appropriate parking areas, and an access road. The launch area includes a concrete pad and a flat clear zone. The pad will have road access from the security/support facility. A security fence will encompass the support facility, clear zone, and launch pad. Ground work will be required to significantly raise the existing grade and level out the ground for the platform, and a berm will be required to prevent slumping and erosion from the nearby stream. Trees and standing objects will be removed to allow for 30 degree vertical clearance for the launch pad. Power, water, sewer, communication and any other necessary utilities will be provided to the site and all other necessary work to provide a complete and usable product. After construction of the new JADOC satellite site is complete, the existing JADOC site will be demolished.

Justification:

Based on the competitive range average, the current working estimate of \$7.172M exceeds the authorized and appropriated amount by \$3.672M. The requirement for additional funds is attributed to the following:

- Due to the dollar value of the project, the solicitation was deemed eligible for a Small Business solicitation. The Request for Proposal (RFP) was issued full and open to the small business industry only. Based on this acquisition strategy, it is believed the

proposals received included a premium due to the small businesses subcontracting the majority of the work resulting in additional overhead and profit.

- The project site is a heavily wooded valley that requires the importation of 10,000 CY of soil material to the site. In order for this large amount of soil to settle in a timely manner so as not to impact the FY 2018 PAR Recapitalization Complex MILCON project schedule, the Designer of Record proposed the use of wick drains, which will reduce the settlement time from 6 months to 3 months.
- The Air Force’s initial cost estimate assumed the fill material would come from an on-base borrow site. Even though Air Force testing indicated the soil was suitable for the project, offerors indicated that there may be risk in using the on-base soil that could result in change orders or a delay in the project schedule if the test results were inaccurate.

Source of Funds: Savings from the following projects will fund this requirement.

| <u>Location/Project</u>                            | <u>Fiscal Year</u> | <u>(Dollars in Thousands)</u> |                                 | <u>Proposed Reprogramming</u> |
|--|--------------------|-------------------------------|---------------------------------|-------------------------------|
|  |                    | <u>Amount Appropriated</u>    | <u>Current Working Estimate</u> |                               |
| Eglin AFB, FL<br>F-35A Consolidated HQ<br>Facility | 2016               | 8,700                         | 0                               | 3,672                         |
| Total  |                    |                               |                                 | 3,672                         |

Bid Expiration Date: September 21, 2018

Military Construction, Defense-Wide (Defense Logistics Agency)

Reprogramming Request

Installation: Joint Base Pearl Harbor-Hickam (Red Hill), Hawaii

Project: Upgrade Fire Suppression and Ventilation System

Authorization: National Defense Authorization Act for Fiscal Year (FY) 2015,  
Public Law 113-291

Estimated Cost (\$000):

|                         |        |
|-------------------------|--------|
| Previously Appropriated | 49,900 |
| Previously Reprogrammed | 0      |
| Requested Reprogramming | 5,900  |
| Total Estimated Cost    | 55,800 |

Description: This project will enhance fire protection and life safety for the Red Hill Underground Fuel Facility by replacing the existing undersized manual hose firefighting system with an automatic sprinkler system, upgrading the water supply, adding new fire pumps, constructing containment and drainage for waste firefighting effluent within the tunnel, compartmentalizing the tunnel with fire and oil tight doors, upgrading the tunnel ventilation fans with electrical hazard rated motors and remote controls, and upgrading the entire fire alarm system with early warning advance fire detection systems.

Justification: An additional \$5.9 million is needed to cover contract modifications and changes required during construction in order to provide complete and useable facilities that meet mission requirements. Specifically, additional funds are needed for:

1. Unforeseen conditions (\$1.4 million): The new waterline for fire protection needed to be realigned due to rock obstructions identified along the original underground waterline route.
2. Fire suppression system changes (\$3.5 million): Multiple changes were required due to environmental compliance requirements and mitigating conflicts between operational and contract requirements to ensure the system provided adequate fire protection for mission essential systems. Required changes include changes to piping material to better withstand fire, additional resilience at critical sump pump locations, and modifications to existing fire rated doors and life safety systems.

3. Electrical power modifications (\$1.0 million): The existing power to the tunnel lacks reliability and the capacity to support the electrical load imposed by the new system and operations. Required changes include power upgrades, electrical modifications, and additional explosion proof enclosed circuit breakers and panel boards.

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

| <u>Location/Project</u>   | <u>Fiscal Year</u> | <u>(Dollars in Thousands)</u>           |                         |                               |
|---|--------------------|---|-------------------------|-------------------------------|
|   |                    | <u>Amount Appropriated<sup>1/</sup></u> | <u>Current Estimate</u> | <u>Proposed Reprogramming</u> |
| Charleston, SC/Construct Hydrant Fuel System                      | 2017               | 17,000                                  | 9,862 <sup>2/</sup>     | 3,870                         |
| Craney Island, VA/ Replace and Alter Fuel Distribution Facilities | 2015               | 32,487                                  | 28,260                  | 2,030                         |
| Total   |                    |   |                         | 5,900                         |

<sup>1/</sup>Reflects applicable reductions and rescissions.

<sup>2/</sup>A 10 USC §2853 cost variation notification was sent to Congress on September 13, 2017.

Bid Expiration Date: September 30, 2018

Military Construction, Defense-Wide (Washington Headquarters Services)

Reprogramming Request

Installation: Pentagon Reservation, Virginia  
Project Title: PFPA Support Operations Center  
Authorization: National Defense Authorization Act for Fiscal Year (FY) 2014,  
P.L. 113-66

Estimated Cost (\$000):

|                               |        |
|-------------------------------|--------|
| Previously Appropriated       | 14,800 |
| Below Threshold Reprogramming | 1,999  |
| Requested Reprogramming       | 4,181  |
| Total Estimated Cost          | 20,980 |

Description: This project constructs a support facility on the Pentagon Reservation that houses a 12-point 50-meter firing range, canine operations facility, and court liaison and evidence storage functions for the Pentagon Force Protection Agency to include heating, ventilation, and air conditioning throughout, fire protection, site and building utilities, uninterruptible power supply system with generator, and security measures.

Justification: An additional \$4.2 million is required to construct the full scope needed to meet mission requirements. The cost increase is attributable to the following:

1. Market Conditions (\$0.6 million): Unexpected improvements in the national economy and increases in local construction contracting opportunities have resulted in less than favorable market conditions and higher pricing than budgeted.
2. Underestimated Security and Site Access Cost (\$0.7 million): Siting of the facilities was not finalized until after the budget submission resulting in increased anti-terrorism/force protection costs.
3. Underestimated Court Liaison and Evidence Criteria Cost (\$0.5 million): The requirements for Commission on Accreditation for Law Enforcement Agencies (CALEA) standards requires Sensitive Compartmented Information Facility (SCIF) compliance, which was not included in the original cost estimate.
4. Construction Type Emergent Requirements (\$1.5 million): Unexpected roof and wall construction requirements from the National Capital Planning Commission, updated energy standards, and fire/security requirements resulted in the requirement for vegetative roof

systems and concrete wall construction. Pre-engineered solutions and standard drywall construction that was priced for this project were no longer an adequate construction solution.

5. Underestimated Site Preparation and Disposal of Contaminated Soil (\$0.5 million): Field investigations were performed after the budget submission resulting in higher excavation and disposal costs. Disposal of contaminated soil was not included in the original cost estimate.
6. Increased Cost of Demolition (\$0.2 million): Demolition of the concrete foundation of the former Pentagon Wastewater Treatment Plant was not included in the budget estimate.
7. Increase in Contingency, Post Construction Award Services, and Supervision, Inspection & Overhead Costs proportionate to the increased construction cost (\$0.2 million).

A 10 USC §2853 notification was submitted to Congress on June 4, 2018.

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

| <u>Location &amp; Project</u>   | <u>Fiscal Year</u> | (Dollars in Thousands)     |                         |                               |
|---|--------------------|----------------------------|-------------------------|-------------------------------|
|   |                    | <u>Amount Appropriated</u> | <u>Current Estimate</u> | <u>Proposed Reprogramming</u> |
| Worldwide Unspecified /<br>Planning and Design  | 2014               | 6,931                      | 3,919                   | 3,012                         |
| Raven Rock Mountain<br>Complex-Pentagon, VA/<br>Raven Rock Administrative<br>Facility Upgrade | 2014               | 32,000                     | 28,542                  | 663                           |
| Worldwide Unspecified /<br>Planning and Design  | 2015               | 1,183                      | 0                       | 506                           |
| Total   |                    |                            |                         | 4,181                         |