



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

COMPTROLLER

JAN 27 2020

The Honorable Debbie Wasserman Schultz  
Chairwoman  
Subcommittee on Military Construction,  
Veterans Affairs, and Related Agencies  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

Dear Madam Chairwoman:

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>
1	<u>Air Force</u> Dover Air Force Base, Delaware	Aircraft Maintenance Hangar	2017	8,042,000
2	<u>Washington Headquarters Service</u> Pentagon, Virginia	Pentagon Corridor 8 Pedestrian Access Control Point	2018	3,211,000

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,

Elaine McCusker  
Acting

Enclosures:  
As stated

cc:  
The Honorable John R. Carter  
Ranking Member





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JAN 27 2020

The Honorable John Boozman  
Chairman  
Subcommittee on Military Construction,  
Veterans Affairs, and Related Agencies  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

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>Air Force</u>			
1	Dover Air Force Base, Delaware	Aircraft Maintenance Hangar	2017	8,042,000
	<u>Washington Headquarters Service</u>			
2	Pentagon, Virginia	Pentagon Corridor 8 Pedestrian Access Control Point	2018	3,211,000

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

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Elaine McCusker  
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The Honorable Brian Schatz  
Ranking Member



Bid Expiration Date: April 12, 2020

Military Construction, Air Force

Reprogramming Request

Installation: Dover Air Force Base (AFB), DE

Project: Aircraft Maintenance Hangar

Authorization: National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2017,  
Public Law 114-328

Estimated Cost (\$000):

Previously Appropriated	39,000
Previously Reprogrammed	0
Requested Reprogramming	8,042
Total Estimated Cost	47,042

Project Description: Construct a single bay, full-in, fuel cell capable maintenance hangar for maintaining C-5 and C-17 aircraft utilizing conventional design and construction methods to accommodate the mission of the facility.

Justification: The bidding climate in Dover has become more competitive with a high volume of construction projects in the area. The high demand of skilled and unskilled labor has reduced the unemployment in construction to 2.7%. Lower than the national average of 3.2%. Additionally, supplies and raw materials, like steel and aluminum, have increased in cost.

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

(Dollars in Thousands)

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Luke AFB, AZ F-35A Squad Ops #6	2019	17,000	0 <sup>1/</sup>	8,042
Total				8,042

<sup>1/</sup> A 10 U.S.C. §2853 cancellation notification letter dated July 24, 2019 was sent to Congress.

Bid Expiration Date: March 31, 2020

Military Construction, Defense-Wide (Washington Headquarters Services)

Reprogramming Request

Installation: Pentagon, VA

Project: Pentagon Corridor 8 Pedestrian Access Control Point

Authorization: National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2018,  
Public Law 115-91

Estimated Cost (\$000):

Previously Appropriated	8,140
Previously Reprogrammed	0
Requested Reprogramming	3,211
Total Estimated Cost	11,351

Project Description: Construct a permanent pedestrian access control point for entry into the Pentagon at Corridor 8, including all security equipment and systems, and structural enhancements to the pedestrian bridge. This new facility will replace the temporary solution installed to meet increased security requirements post September 11, 2001.

Justification: An additional \$3.211 million is needed to complete this project. The cost increase is due to increased structural support requirements, construction market conditions, and work site conditions and security.

1. **Structural Support Requirements (\$1.776 million):** The structural solution for the project moved the Access Control Point off the existing bridge structure when it was determined the existing bridge was in a poorer condition than anticipated. While this increased the cost of the project, it also reduced the risk of potential failure to the existing bridge and limited additional unforeseen conditions related to the bridge during construction.
2. **Construction Market Conditions (\$0.963 million):** Market conditions in the Washington, D.C. metro area have markedly changed, resulting in a limited number of sub-contractors willing to perform construction work for the Department of Defense. Reduced competition, increased demand for skilled labor, and increased material costs have resulted from these changes.
3. **Work Site Conditions and Security (\$0.472 million):** Access to Corridor 8 and the Pentagon Conference Center must be maintained during construction. The contractor is responsible for the safe movement of pedestrians during construction. In order to improve operational access to the Pentagon Conference Center, work conditions at the project site were changed to require off-site

storage of materials due to reduced on-site laydown areas. Less efficient construction activities resulting from the off-site storage increased the cost of the project. The impact of this was not fully considered when the project was programmed.

A 10 USC §2853 notification dated November 14, 2019 was submitted to Congress.

Source of Funds: 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 Working Estimate</u>	<u>Proposed Reprogramming</u>
Unspecified Worldwide Planning and Design (WHS)	2016	3,041	1,231	1,810
Unspecified Worldwide Planning and Design (WHS)	2017	3,427	2,026	1,401
Total				3,211