



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

COMPTROLLER

MAR 03 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>
	<u>Army</u>			
1	Fort Gordon, Georgia	Cyber Instructional Facility and Network Center	2019	12,300,000
2	Fort Hood, Texas	Vehicle Maintenance Shop	2018	6,550,000

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 Carter
Ranking Member





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MAR 03 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>
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Sincerely,

Elaine McCusker
Acting

Enclosures:
As stated

cc:
The Honorable Brian Schatz
Ranking Member



Bid Expiration Date: June 1, 2020

Military Construction, Army

Reprogramming Request

Installation: Fort Gordon, GA

Project: Cyber Instructional Facility and Network Center

Authorization: National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2019,
Public Law 115-232

Estimated Cost (\$000):

Previously Appropriated	99,000
Previously Reprogrammed	0
Requested Reprogramming	12,300
Total Estimated Cost	111,300

Project Description: Construct a standard design Top Secret / Sensitive Compartmented Information (TS/SCI) automation-aided instruction building to accommodate the US Army Cyber Center of Excellence (CCoE) training and education requirements. The facility is to be constructed to Sensitive Compartmented Information Facility (SCIF) standards. It will provide workspace to support preparation of doctrine and training support publications.

Justification: An additional \$12.3 million is required to award this project based on the accepted bid. All bids received exceeded the funded amount. As a result, the Army investigated and determined the cost increase is due primarily to robust construction market conditions. Additionally, the cost increase is driven by higher structural concrete cost and a close proximity to a restrictive site resulting in required high levels of security labor. After discovering these additional cost drivers, the Army re-issued and amended the solicitation with sixteen additional options. Once proposals were received, the Army accepted five of the sixteen options that provide minimally acceptable scope.

During the design process, the Army performed a value engineering study and found a scope change was needed as a result of the removal of the redundant power line item on the DD1391. The redundant power requirement was eliminated during design when the Network Enterprise Center (NEC) was removed from the Special Purpose Processing Node.

A Scope and Cost Variation notification dated December 6, 2019 was provided to Committee Members as required by Title 10 U.S.C. 2853.

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>
Pohakuloa Training Area, HI Operational Readiness Training Complex (Barracks), Phase 1	2018	25,000	15,944 ^{1/}	8,500
US Military Academy, NY Cemetery	2018	22,000	18,463	1,300
Fort Bliss, TX Supply Support Activity	2019	24,000	24,000	2,500 ^{2/}
Total				12,300

^{1/} A 10 U.S.C. 2853 cost reduction notification dated October 4, 2019 was sent to the congressional committees reflecting a current working estimate of \$16 million.

^{2/} Sufficient funds are available to source this requirement. The Supply Support Activity, Fort Bliss was awarded using \$2.5 million of various FY 2015 projects.

Bid Expiration Date: September 4, 2020

Military Construction, Army

Reprogramming Request

Installation: Fort Hood, TX

Project: Vehicle Maintenance Shop

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

Estimated Cost (\$000):

Previously Appropriated	33,000
Previously Reprogrammed	0
Requested Reprogramming	6,550
Total Estimated Cost	39,550

Project Description: Construct a standard design Large Vehicle Maintenance Shop. The project includes tactical organizational equipment parking with organizational storage, and various storage facilities. The project is required to meet current and future installation level maintenance requirements.

Justification: An additional \$6.6 million is required to award the remaining scope options to meet mission requirements and provide full scope of the project. All contractor proposals received for the initial project solicitation exceeded the funded amount, due to the rise of construction costs stemming from a shortage of materials and skilled labor in the area. Due to the importance of this project, the Army decided to initiate a partial redesign of the original solicitation in order to craft a base bid package that would be awarded within the funded amount, with the remaining scope provided as bid options. New proposals were received that resulted in the award of the base bid with a cost of work estimated of \$34 million at 80% of scope.

A 10 USC §2853 notification dated December 11, 2019 was submitted to Congress.

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>
Camp Arifjan, KU Vehicle Maintenance Shop	2019	44,000	28,527 ^{1/}	6,550
Total				6,550

^{1/} A 10 U.S.C. §2853 scope and cost reduction notification dated November 4, 2019 was sent to the congressional committees, reflecting an award current working estimate of \$28.527 million.