



COMPTROLLER

UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1100

OCT 18 2023

The Honorable John Carter  
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 request committee approval 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	Classified Worldwide	Forward Operating Site	2022	7,700,000
	<u>Defense Logistics Agency</u>			
2	Misawa Air Base, Japan	Additive Injection Pump and Storage System	2022	5,900,000

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

Michael McCord

Enclosures:

As stated

cc:

The Honorable Debbie Wasserman Schultz  
Ranking Member



COMPTROLLER

UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1100

OCT 18 2023

The Honorable Patty Murray  
Chair  
Subcommittee on Military Construction,  
Veterans Affairs, and Related Agencies  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Madam Chair:

The purpose of this letter is to request committee approval 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	Classified Worldwide	Forward Operating Site	2022	7,700,000
	<u>Defense Logistics Agency</u>			
2	Misawa Air Base, Japan	Additive Injection Pump and Storage System	2022	5,900,000

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

Michael McCord

Enclosures:  
As stated

cc:  
The Honorable John Boozman  
Ranking Member

Requested Date of Congressional Approval: December 1, 2023

Military Construction, Army

Reprogramming Request

Installation: Classified Worldwide

Project: Forward Operating Site

Authorization: National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2022,  
Public Law 117-81

Estimated Cost (\$000):

Previously Appropriated	35,000 <sup>1/</sup>
Previously Reprogrammed	4,000 <sup>2/</sup>
Requested Reprogramming	7,700
Total Estimated Cost	46,700

<sup>1/</sup> FY 2022 appropriation of \$31,000 and FY 2022 section 138 expenditure plan submission of \$4,000.

<sup>2/</sup> The Previously Reprogrammed amount is the result of a below threshold reprogramming.

Project Description: This project will construct life support facilities for 150 U.S. and Host Nation soldiers, civilians, and contractors. Facilities include barracks, dining facility, community activities center, ready building, communications center, vehicle storage facility, access control booth, public works maintenance facility and warehouse, substation, and hazardous material (HAZMAT) storage. Personnel will support the operations of the Army/Navy Transportable Radar Surveillance system, a component of the Ballistic Missile Defense System being deployed by the Missile Defense Agency.

Justification: An additional \$7.7 million is required due to the increased costs for skilled labor, materials, and fuel at this remote location where logistics is severely challenged. Additionally, inflationary factors from an extended delay in award contributed to increased cost. The delay was due to host nation permitting, coordination and a redesign to meet new host nation requirements and was further impacted by subcontractors and suppliers who were unwilling to hold prices for longer than 30 days.

A 10 U.S.C. §2853 cost variation notification dated August 29, 2023, was submitted to the congressional committees.

Source of Funds: Savings from the following project is cited as a source of funds for this cost increase.

(Dollars in Thousands)

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Fort Gordon, GA Cyber Instructional Facility Incr2	2022	69,000	59,401	7,700

Requested Date of Congressional Approval: December 4, 2023

Military Construction, Defense-Wide (Defense Logistics Agency)

Reprogramming Request

Installation: Misawa Air Base, Japan

Project: Additive Injection Pump and Storage System

Authorization: National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2022,  
Public Law 117-81

Estimated Cost (\$000):

Previously Appropriated	6,000
Previously Reprogrammed	0
Requested Reprogramming	5,900
Total Estimated Cost	11,900

Project Description: The project installs an above-ground additive injection system, which includes two 15,000-gallon fuel system icing inhibitor storage tanks, one 550-gallon corrosion inhibitor/lubricity improver storage tank, and one 75-gallon static dissipater additive storage tank as well as an automatic tank gauging system. In addition, the project expands and modifies an existing filter building to house the new transfer pumps, injectors, mixing tanks, and piping to complete the system. The pump and storage system project provides all supporting civil, mechanical, and electrical utilities and site improvements.

Justification: The cost increase is due to local market conditions. The area is experiencing high demand for construction and limited availability of trade labor and contractors/subcontractors with specialized welding/certification and inspection experience. These factors have resulted in limited competition and premium contractor bid pricing despite multiple rounds of industry engagement.

A 10 U.S.C. §2853 cost variation notification dated July 27, 2023, was submitted to the congressional committees.

Source of Funds: Savings from the following project is cited as a source of funds for this cost increase.

(Dollars in Thousands)

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>Current Working Estimate</u>	<u>Proposed Reprogramming</u>
Yokota, JA Bulk Storage Tanks Phase 1 //	2023	94,000	81,282	5,900
Total				5,900

// A 10 U.S.C. §2853 cost variation notification dated August 28, 2023, was submitted to the congressional committees.