



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

COMPTROLLER

The Honorable John Culberson
Chairman
Subcommittee on Military Construction,
Veterans Affairs, and Related Agencies
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

MAR 3 2012

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 justifications are enclosed.

<u>Service/Installation</u>	<u>Project</u>	<u>Program</u>	<u>Request (\$)</u>
<u>Army</u>			
Fort Benning, Georgia	Training Battalion Complex, Phase 2 (PN 72456)	2011	10,600,000
Fort Benning, Georgia	Training Battalion Complex, Phase 2 (PN 72457)	2011	10,700,000
<u>Air Force</u>			
Eielson AFB, Alaska	Repair Central Heat and Power Plant Boiler, Phase 1	-	1,266,000
Little Rock AFB, Arkansas	Pest Management Facility	-	1,400,000
<u>TMA</u>			
Royal Air Force Croughton, United Kingdom	Medical/Dental Clinic Replacement	-	13,060,000
<u>Army National Guard</u>			
Camp Dawson, West Virginia	Access Control Point	2009	2,358,000



A similar letter is being sent to the Chairman of the Senate Subcommittee on Military Construction, Veteran's Affairs, and Related Agencies. Thank you for your continued support of DoD programs.

Sincerely,

A handwritten signature in cursive script that reads "Robert F. Hale".

Robert F. Hale

Enclosure:

As stated

cc:

The Honorable Sanford D. Bishop, Jr.
Ranking Member



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

COMPTROLLER

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

MAY 3 2012

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 justifications are enclosed.

<u>Service/Installation</u>	<u>Project</u>	<u>Program</u>	<u>Request (\$)</u>
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Enclosure:

As stated

cc:

The Honorable Mark Kirk
Ranking Member

Bid Expiration Date: June 13, 2012

Military Construction, Army

Reprogramming Request

Installation: Fort Benning, Georgia

Project: Training Battalion Complex, Phase 2 (PN 72456)

Authorization: Ike Skelton National Defense Authorization Act for Fiscal Year 2011, Public Law 111-383

Estimated Cost (\$000):

Previously Appropriated*	14,571
Previously Reprogrammed	-
Requested Reprogramming	10,600
Total Estimated Cost	25,171

**The appropriated amount reflects the 0.2 percent rescission directed in Section 1119 of P.L. 112-10.*

Description: The Training Battalion Complex, Phase 2 is needed to correct and alleviate shortfalls in classroom and battalion headquarters space located within two Initial Entry Training barracks complexes. This project will convert the existing dining facilities in buildings 3210 and 3305 into organizational classrooms, storage space, expansion of the battalion headquarters, and company operations facilities. This reprogramming action is needed to award the full scope of the project.

Justification: Contract bid proposals to perform the conversion of both buildings were higher than anticipated because certain conversion requirements, and their associated costs, were unknown when the project estimate was developed. Original project estimates did not include structural, plumbing, heating, ventilation and air conditioning upgrades that are necessary to complete the conversion. Consequently, available project funding was only sufficient to award the construction for building 3210, one half of project scope. The Army notified the Congressional Committees of this scope reduction on September 14, 2011. This action funds the remaining project scope, building 3305.

Source of Funds: Bid savings from the following project will fund this reprogramming request.

(Dollars in Thousands)

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u> ^{1/}	<u>Current Estimate</u>	<u>Proposed Reprogramming</u> ^{2/}
Fort Bragg, NC Warrior in Transition Complex ^{3/} PN 69798	2009	88,000	66,700	10,600

PN = Project Number

^{1/} Funding for the Warrior in Transition Complex was appropriated in the Supplemental Appropriations Act, 2009 (P.L. 111-32) and remains available until September 30, 2013.

^{2/} The remainder of the bid savings (\$10.7 million) from the Warrior in Transition Complex will be used for another reprogramming request that is being submitted concurrently for the Training Battalion Complex, Phase 2 (PN 72457).

^{3/} The 10 USC 2853 Cost Reduction notification for the Warrior in Transition Complex (PN 69798) was sent to the Congressional Committees on August 18, 2010.

Bid Expiration Date: June 13, 2012

Military Construction, Army

Reprogramming Request

Installation: Fort Benning, Georgia

Project: Training Battalion Complex, Phase 2 (PN 72457)

Authorization: Ike Skelton National Defense Authorization Act for Fiscal Year 2011, Public Law 111-383

Estimated Cost (\$000):

Previously Appropriated*	14,571
Previously Reprogrammed	-
Requested Reprogramming	10,700
Total Estimated Cost	25,271

**The appropriated amount reflects the 0.2 percent rescission directed in Section 1119 of P.L. 112-10.*

Description: The Training Battalion Complex, Phase 2 is needed to correct and alleviate shortfalls in classroom and battalion headquarters space located within two Initial Entry Training barracks complexes. This project will convert the existing dining facilities in buildings 3105 and 3335 into organizational classrooms, storage space, expansion of the battalion headquarters, and company operations facilities. This reprogramming action is needed to award the full scope of the project.

Justification: Contractor bid proposals to perform the conversion of both buildings were higher than anticipated because certain conversion requirements, and their associated costs, were unknown when the project estimate was developed. Original project estimates did not include extensive structural, plumbing, heating, ventilation and air conditioning upgrades that are necessary to complete the conversion. Consequently, available project funding was only sufficient to award the construction for building 3105, one half of the authorized scope. The Army notified the Congressional Committees of this scope reduction on September 14, 2011. This action funds the remaining project scope, building 3335.

Source of Funds: Bid savings from the following project will fund this reprogramming request:

(Dollars in Thousands)

<u>Location/Project</u>	<u>Fiscal</u> <u>Year</u>	<u>Amount</u> <u>Appropriated</u> ^{1/}	<u>Current</u> <u>Estimate</u>	<u>Proposed</u> <u>Reprogramming</u> ^{2/}
Fort Bragg, NC Warrior in Transition Complex ^{3/} PN 69798	2009	88,000	66,700	10,700

PN = Project Number

^{1/} Funding for the Warrior in Transition Complex was appropriated in the Supplemental Appropriations Act, 2009 (P.L. 111-32) and remains available until September 30, 2013.

^{2/} The remainder of the bid savings (\$10.6 million) from the Warrior in Transition Complex will be used for another reprogramming request that is being submitted concurrently for the Training Battalion Complex, Phase 2 (PN 72456).

^{3/} The 10 USC 2853 Cost Reduction notification for the Warrior in Transition Complex (PN 69798) was sent to the Congressional Committees on August 18, 2010.

Bid Expiration Date: Not Applicable
Military Construction, Air Force
Reprogramming Request

Installation: Eielson Air Force Base, Alaska
Project: Repair Central Heat and Power Plant Boiler, Phase 1
Authorization: Title 10 USC 2803, Emergency Construction

Estimated Cost (\$000):

Previously Appropriated	-
Previous Above Threshold Reprogramming	27,000
Below Threshold Reprogramming	1,999
Requested Reprogramming	1,266
Total Estimated Cost	30,265

Description: The Eielson Air Force Base (AFB) Central Heat and Power Plant (CHPP) facility utilizes six boilers; this project replaces Boiler #6, which is 55 years old and has received no major upgrades. The project includes demolition of the existing boiler, the purchase and installation of the new boiler and auxiliary equipment to support boiler operation, as well as new environmental control elements. Reliable steam production is vital to ensure that Eielson AFB has a continuous supply of heat and electricity for base facilities.

Justification: The Eielson AFB CHPP consists of six boilers all installed in the early 1950s. These six boilers generate all of the heating and power requirements needed to operate and survive the harsh arctic winters. An independent engineering survey/testing in 2007 concluded Boilers #5 and #6 have five years before the frequency of required repairs to the steam-generating components will render the boilers useless for plant operations.

On September 4, 2009, the Deputy Assistant Secretary of the Air Force notified the committees of Congress of her decision to construct this facility using Title 10 USC §2803 *Emergency Construction* authority. By January 2010, the House and Senate approved the related reprogramming action for \$27 million. Bids exceeded the programmed amount. The Air Force processed a below threshold reprogramming action that added \$1.999 million to the project. In November 2010, a contract to expedite the emergency facility upgrade was awarded for \$28.9 million. The contract award depleted contingency fund balances.

This action reprograms \$1.266 million to the project to restore contingency fund balances. Contingency funds are required to address unforeseen mandatory change orders that arise during construction and avoid project delays that may result in a work stoppage during the summer construction season.

A delay during the summer construction season could force the base to depend on the existing boilers for another harsh arctic winter. If these boilers fail, the base will have to purchase electricity from a public utility at a rate of approximately \$400,000/month. If Eielson AFB is unable to provide a two-week advance notice to the public utility, the base will incur additional \$3.4 million in utility charges (70% of the first month's utility cost for the next twelve months).

Historically, contingency funds covered costs amounting to 4.3 percent of military construction project costs at Eielson AFB. This request provides contingency funds at 4.2 percent, a reasonable rate based on prior experience and the scope of this project. The mission at Eielson AFB will be severely impacted if facilities are without the heat and electricity required for survival.

Source of Funds: The required funds are available from the following projects:

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>(Dollars in Thousands)</u>	
			<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
Manas AB, Kyrgyzstan/ Hot Cargo Pad ²	2009	2,194 ¹	-	1,188
Lackland AFB, Texas/ BMT Recruit Dormitory ³	2009	72,980 ¹	61,107	<u>78</u>
Total				<u>1,266</u>

¹ Reflects impact of rescission (P.L 112-74).

² Project canceled, 10 USC 2853 notification submitted July 22, 2011

³ Bid savings make funding available to be reprogrammed.

Bid Expiration Date: Not Applicable
 Military Construction, Air Force
 Reprogramming Request

Installation: Little Rock Air Force Base, Arkansas
Project: Pest Management Facility
Authorization: Title 10 USC 2854, Restoration or Replacement of Damaged or Destroyed Facilities

Estimated Cost (\$000):

Previously Appropriated	-
Previously Reprogrammed	-
Requested Reprogramming	1,400
Total Estimated Cost	1,400

Description: The replacement of a Pest Management Facility is required due to tornado damage that occurred on Little Rock Air Force Base (AFB) on April 25, 2011. The facility sustained damage due to high winds.

Justification: The tornado severely damaged this 27 year old facility. Significant restrictions have been placed on the use of the facility due to safety concerns.

The current building was constructed in 1985 and was not originally designed to be a pest management facility. It is located in a highly congested area near the flight line, an area reserved only for mission-critical activities and facilities. Furthermore, the Environmental Compliance Assessment Management Program concluded that the current facility lacks adequate vehicle access (only one vehicle gate). Access changes at the current location are not feasible

This project replaces the current facility at a new location on Little Rock AFB to comply with the Flight Line Area Development Plan and demolishes the existing facility.

The Air Force submitted a Title 10 USC 2854 notification on January 9, 2012.

Source of Funds: The required funds are available from the following project:

<u>Location/Project</u>	<u>Fiscal Year</u>	(Dollars in Thousands)		
		<u>Amount Appropriated</u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
Lackland AFB, Texas BMT Recruit Dormitory ¹²	2009	72,980 ¹¹	61,107	1,400

¹¹ Reflects impact of rescission (P.L 112-74).
¹² Bid savings make funding available to be reprogrammed.

Bid Expiration Date: Not Applicable

Military Construction, Defense-Wide (TRICARE Management Activity)

Reprogramming Request

Installation: Royal Air Force Croughton, United Kingdom

Project: Medical/Dental Clinic Replacement

Authorization: Title 10 United States Code 2803, Emergency Construction

Estimated Cost (\$000):

Previously Appropriated	-
Previously Reprogrammed	-
Requested Reprogramming	13,060
Total Estimated Cost	13,060

Description: This project constructs a new Medical/Dental Clinic Replacement for the 422nd Medical Flight to provide medical, dental, ancillary services, administrative support, and facility support functions for Active Duty and Active Duty family members at Royal Air Force Croughton (422nd Air Base Group). Supporting facilities include all site work and improvements; utilities, access roads, and parking. Vacated facilities will be demolished and asbestos removal will be required during demolition.

Justification: The existing facility constructed in 1959 is located in an antiquated, non-medical, failing dormitory building that contains significant amounts of asbestos throughout its wall assembly and presents constant mold challenges due to its failing building envelope. Repairs to the facility present significant risks and high costs due to the presence of asbestos and repeated shut down of medical operations.

In addition, the existing clinic is located within a short distance of the base fence line thus severely violating European Command's and the Uniform Facilities Criteria's antiterrorism/force protection setback requirement. Because the facility is close to the base fence line, an unacceptable antiterrorism/force protection risk is imposed on its occupants.

The original electrical systems and wiring were not designed to meet modern medical demands, thereby causing frequent spikes, power failures, and recent fires. Further, this facility is a complete mismatch for its medical mission due to severe access issues (no 2nd floor accessible route to patient care); limited floor-to-ceiling height (fails to meet minimum Heating, Ventilation and Air Conditioning ventilation/infection control standards); and the facility structure is

incompatible with the medical mission (load bearing walls forces awkward sized rooms, dysfunctional layout, and privacy/security concerns).

Loss of the existing facility, without an acceptable replacement alternative, would remove all medical support capabilities to this base. Patients and staff would continue to be faced with significant asbestos, mold, and lead risks (e.g. due to building envelope failures, moisture into the building has presented mold risks with the only remedy being to build a new wall to encapsulate the mold). Sizable investments will be required to continue operations in this sub-standard, failing medical/dental facility, while a complete renovation would cost more than replacement and not mitigate the antiterrorism/force protection risk. A risk of system failures adversely impacts patient/staff safety as the facility infrastructure continues to exceed its life expectancy and maintenance/repair efforts become costly and challenging.

Based on the multitude of environmental, security, and structural problems associated with this facility, a new replacement clinic is urgently needed. Due to these current dire circumstances, this project cannot wait until the next Authorization/Appropriation cycle, and needs to be accomplished as emergency construction. If this project is not funded soon, this facility will have a severe negative and unsafe impact on the beneficiary population. The quality of care, staff efficiency, and effective resourcing will be provided at sub-optimal levels in grossly deficient spaces that will continue to face significant challenges. A new medical and dental clinic would increase overall operational efficiency; it would provide a safe, hazardous-free environment for patients and staff that would allow for quality patient care; and because of the anticipated vast reduction in maintenance and repair expenses, it would greatly reduce overall operational costs.

Source of Funds: Bid savings from the following project will fund this requirement.

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>(Dollars in Thousands)</u>		
		<u>Amount Appropriated</u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
JB San Antonio, TX/ Ambulatory Care Center, Phase 2	2011	162,175*	107,500	13,060

*reflects 0.2% rescission in P.L. 112-10

Bid Expiration Date: Not Applicable

Military Construction, Army National Guard

Reprogramming Request

Installation: Camp Dawson, West Virginia

Project: Access Control Point

Authorization: Duncan Hunter National Defense Authorization Act for Fiscal Year 2009, Public Law 110-417.

Estimated Cost (\$000):

Previously Appropriated*	1,587
Previously Reprogrammed	-
Requested Reprogramming	2,358
Total Estimated Cost	3,945

*Includes \$413 thousand rescission per PL 111-117

Description: The Access Control Point (ACP) ensures the proper level of access control for all personnel, visitors and commercial traffic to an installation protecting a population of 2,000 personnel, and facilities valued at over \$320 million. The objective is to secure the installation from unauthorized access and to intercept contraband while maximizing vehicular traffic flow.

Justification: The FY 2009 Access Control Point project at Camp Dawson is a congressional add. The amount appropriated is not sufficient, based on two bidding cycles, to fund a project that complies with Anti-Terrorism/Force Protection (AT/FP) design standards. This reprogramming action provides funds to comply with AT/FP standards and funds the full project scope, including a steel canopy, inspection booths, access lane barriers, exterior grade light emitting diode screens, and cable barrier shrubbery. A complete Access Control Point is necessary to meet AT/FP requirements and safeguard base personnel and assets.

Source of Funds: Bid savings from the following project will fund this requirement.

<u>Location & Project</u>	<u>Fiscal Year</u>	<u>Dollars in Thousands</u>		
		<u>Amount Appropriated</u>	<u>Current Estimate</u>	<u>Proposed Reprogramming</u>
Camp Williams, UT Ammunition Supply Point PN: 490101	2009	16,259	13,187	2,358