DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
2000 NAVY PENTAGON
WASHINGTON, DC 20350-2000

IN REPLY REFER TO

OPNAVINST 11010.20G CH-1
N46
2 Sep 2010

OPNAV INSTRUCTION 11010.20G CHANGE TRANSMITTAL 1

From: Chief of Naval Operations

Subj: FACILITIES PROJECT INSTRUCTION

Encl: (1) Revised Page vi of Table of Contents of Enclosure (1)
(2) New Appendix E

1. Purpose. To implement policy for exceptions to the Department of Defense Minimum Antiterrorism Standards for Buildings (Unified Facilities Criteria (UFC) 4-010-01) as part of the project planning and approval process.

2. Action

a. Remove page vi of the table of contents of enclosure (1) of the basic instruction and replace with enclosure (1) of this change transmittal.

b. Add enclosure (1) of this change transmittal to the end of enclosure (1) of the basic instruction.

D. M. BOONE
Captain, U.S. Navy
Director, Shore Readiness Division

Distribution:
Electronic only via Department of the Navy Issuances Web site
http://doni.daps.dla.mil

DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
2000 NAVY PENTAGON
WASHINGTON, D.C. 20350-2000

IN REPLY REFER TO:

OPNAVINST 11010.20G
N46

OCT 14 2005

OPNAV INSTRUCTION 11010.20G

From: Chief of Naval Operations

Subj: FACILITIES PROJECT INSTRUCTION

Ref: (a) SECNAVINST 11010.5F

Encl: (1) Facilities Projects Manual

1. Purpose. To provide detailed guidance for the administration of facilities projects at Navy shore installations. This instruction has been completely revised and should be reviewed in its entirety.

2. Cancellation. OPNAVINST 11010.20F.

3. Discussion. This instruction implements reference (a) for the four classifications of work (repair, construction, maintenance, and equipment installation) of real property at all Navy shore installations. Compliance with the laws and regulations related to facilities projects has been the subject of detailed review by Congress. This instruction will:

a. Incorporate changes in laws and regulations and to provide a clear statement of the authorities delegated to Installation Commanding Officers and Regional Commanders.

b. Include the requirement for Assistant Secretary of the Navy (Installations and Environment) approval for repair projects over $5 million and Congressional Notification for repair projects over $7.5 million.

c. Provide guidance on Military Construction (MILCON) and Non-appropriated Fund (NAF) projects.

4. Scope. This instruction applies to all facilities projects, regardless of cost or method of accomplishment financed from:

a. Operations and Maintenance, Navy

b. Operations and Maintenance, Navy Reserve

c. Research, Development, Test and Evaluation, Navy

d. MILCON, Navy

e. MILCON, Navy Reserve

f. NAF

g. Other Procurement, Navy

h. Navy Working Capital Fund

This instruction does not apply to facility projects financed from:

a. Family Housing, Navy

b. Base Realignment and Closure

c. MILCON projects solely for the acquisition of real estate (Class 1 real property)

d. Funds from governments other than the United States of America

e. Private funds

This instruction does not apply to projects financed from:

a. Environmental Restoration

b. Navy appropriation or projects financed by the Defense Commissary Agency, except in cases where the new Class 2 real property would be added to the Navy's plant account.

c. Projects funded solely from appropriations for procurement that do not include work classified as construction or equipment installation.

5. Action. All Navy commands and personnel involved with facilities projects shall comply with the provisions of this instruction and enclosure (1).

C. E. WEAVER
Rear Admiral, U.S. Navy
Director, Ashore Readiness Division

Distribution:
Electronic only, via Navy Directive Website
http://neds.daps.dla.mil

OPNAVINST 11010.20G

FACILITIES

PROJECTS

INSTRUCTION

TABLE OF CONTENTS

1 INTRODUCTION

1.1 PURPOSE

Facilities projects are prepared and executed in order to support the installation's mission and to meet the Navy's goals. This instruction provides policy and guidance for the classification, preparation, submission, review, approval, and reporting of facilities projects at Navy shore installations.

1.2 POLICY

1.2.1 Guidelines

Construction, operation, maintenance, and repair of Navy real property facilities shall be:

a. Consistent with laws, Congressional guidance, Department of Defense (DoD) policy, and Navy guidance;

b. In direct support of mission requirements;

c. Performed with full consideration for total life-cycle costs; and

d. Accomplished through the most economic means.

1.2.2 Governing Laws

Congress established restrictions on the use of appropriated funds in the following laws:

a. 31 U.S.C. Section 1301(A) requires that appropriated funds be used only for the programs and purposes for which the appropriation is approved.

b. 31 U.S.C. Section 1517 prohibits authorizing an obligation that exceeds the amount available in an appropriation or permitted by agency regulations.

c. 10 U.S.C. SUBTITLE A, PART 4, CHAPTER 169, SUBCHAPTER I Sections 2801-2815 governs execution of military construction projects.

d. 10 U.S.C. SUBTITLE A, PART 4, CHAPTER 169, SUBCHAPTER III Sections 2851-2859 governs administration of military construction projects.

1.2.3 References

a. The Department of Defense (DoD) Directives System was established to provide a single, uniform system of DoD issuances and directive-type memorandums used to convey DoD policies, responsibilities, and procedures. The DoD Directives System also includes the Office of the Secretary of Defense (OSD) Federal Register System. DoD Issuances and

OSD Administrative Instructions can be searched at http://www.dtic.mil/whs/directives/.

b. The DoD 7000.14-R, Financial Management Regulation (FMR), shall be used by all DoD Components for accounting, budgeting, finance, and financial management education and training. Information can be found by searching the FMR at http://www.defenselink.mil/comptroller/fmr/search/.

c. The Navy Electronic Directives System (NEDS) is the online source for all unclassified directives and forms issued by the Secretary of the Navy and the Office of the Chief of Naval Operations. All of the OPNAV and SECNAV documents can be accessed by searching the indexed tables at http://neds.daps.dla.mil/.

d. The Office of the Law Revision Counsel prepares and publishes the United States Code (U.S.C), which is a consolidation and codification by subject matter of the general and permanent laws of the United States. The website is http://uscode.house.gov/lawrevisioncounsel.php.

1.3 CONTENT

1.3.1 Contents

Facilities projects involve work on Class 2 real property. This manual addresses the four Classifications of Work, the four Special Interest Codes (SICs), and the associated documentation and processing requirements in Chapter 2. Classification of Work determination is required by statutory and regulatory requirements. SIC identification is a managerial and budgetary tool. Classifications of Work and identification of proper SIC are mutually exclusive.

a. Classification of Work

The Classifications of Work definitions, policy, and examples are discussed in Chapters 3, 4, 5, and 6. The Classifications of Work are:

(1) Repair
(2) Construction
(3) Maintenance
(4) Equipment Installation

b. Special Interest Codes

SIC definitions, policy, and examples are discussed in Chapters 7, 8, 9, and 10. The Special Interest Codes under Facility Investment are:

(1) Sustainment, ST
(2) Restoration and Modernization, RM
(3) New Footprint, NF
(4) Demolition, DE

c. Facility Investment SIC Structure

(1) ST, RM, NF, and DE are included under Facility Investment in the Installation Management Accounting Project (IMAP) Core Business Model (CBM), as shown in Appendix C. Cost Account Codes (CACs) are subordinate to SICs and are used to track how funds within each of the SICs are spent.

(2) The Facility Investment SICs replace the old Real Property Maintenance (RPM) SICs PM (Real Property Maintenance less Bachelor Quarters), QM (Real Property Maintenance for Bachelor Quarters), and DE (Demolition). The new SIC structure and CACs for Facility Investment align the process of planning, programming, budgeting, and execution.

1.3.2 Exclusions

Excluded from the provisions of this manual are:

a. Projects funded solely from appropriations for procurement that do not include work classified as construction or equipment installation. See FMR Volume 2b, Chapter 4.

b. Projects funded from appropriations for family housing construction and maintenance (FHN).

c. Projects authorized by 10 U.S.C. Section 2353 and funded from Research, Development, Test and Evaluation (RDT&E) appropriations for facilities and equipment.

d. Projects authorized by 10 U.S.C. Section 2865 (Utility Energy Saving Contract (UESC)) or 42 U.S.C. Section 8587 (Energy Savings Performance Contract (ESPC)).

e. Projects developed solely for the acquisition of real estate (Class 1 property). See Naval Facilities Engineering Command (NAVFAC) Publication P-73.

f. Projects funded with appropriations for Base Realignment and Closure (BRAC).

g. Projects funded with appropriations from governments or governmental agencies (i.e. NATO) other than the United States of America.

h. Projects funded with private funds or grants (ex: credit unions). See DODINST 7700.18.

i. Projects funded from the Environmental Restoration, Navy (ERN) program.

j. Projects funded by the Defense Commissary Agency (DeCA), except in cases where new Class 2 real property would be added to the Navy's plant account.

1.4 SUMMARY OF CHANGES TO MANUAL

A summary of changes and a history of revisions to this instruction are provided as Appendix B.

2 PROCEDURES FOR FACILITIES PROJECTS

2.1 GENERAL INFORMATION

2.1.1 Definitions

a. Contract Administration

Contract Administration is a service performed by COMNAVFACENGCOM as identified in NAVFACINST 7820.1J or other source, for example Defense Logistics Agency (DLA) or Fleet Industrial Supply Center (FISC), in administering and executing maintenance, repair, minor construction, and service contracts.

b. Funded Project Costs

Funded project costs are costs used to determine who holds approval authority for a facilities project. (See FMR Volume 3, Chapter 17, paragraph 170203.) Funded project costs for facilities projects include the following:

(1) Construction Equipment

Costs applicable to maintenance and operation of government-owned equipment used in the execution of a project or costs applicable to construction equipment rentals at contractor or government expense.

(2) Equipment

The cost of all built-in equipment (government or contractor furnished).

(3) Labor

Labor costs for in-house civilian employees are calculated based upon guidance in the FMR. When the work is accomplished by contract, include the labor component of all contract costs, except architectural and engineering (A&E) fees. Military labor is not a funded cost. See paragraph 2.1.1.k(2).

(4) Land

The cost of land for the proposed project is a funded cost only if acquired under the authority of 10 U.S.C. Section 2673.

(5) Material

The cost of direct material (government or contractor furnished) used in accomplishing the project.

(6) Overhead

That portion of installation operations or support that represents additional overhead costs and would not have been incurred were it not for the project. Contractor overhead and profit is a funded cost. Government Supervision, Inspection, and Overhead (SIOH) and contract administration as identified in NAVFACINST 7820.1J are

funded costs. SIOH for O&MN and O&MNR projects is transferred from NAVCOMPT to COMNAVFACENGCOM for those projects. SIOH for MILCON projects is funded with each project.

(7) Project Design

Design/Build costs can include design, post construction award of A&E service (PCAS) and Operation and Maintenance, Support Information (OMSI) work.

(8) Surplus Stock

Cost of materials, supplies, and items of installed equipment obtained from surplus stocks within the Navy or Marine Corps. Pricing of the property must be equal to that charged by the surplus stock manager or at the estimated fair market value.

(9) Transportation

The costs applicable to transportation of materials, supplies, Class 2 equipment (see paragraphs 2.1.4 and 4.1.1.h) and government-owned material and equipment. Projects accomplished by Naval Construction Forces (NCF) shall include these costs only when a deployment is intended for the sole purpose of accomplishing that particular project. The cost of transportation of materials transferred between supply offices is not included as a funded project cost.

(10) Travel

The cost of travel and per diem applicable to Seabee labor is a funded project cost only when a deployment is intended for the sole purpose of accomplishing that particular project.

c. Military Construction Project

Military Construction, as defined in 10 U.S.C. Section 2801, includes any construction, development, conversion, or extension of any kind carried out with respect to a military installation. MILCON includes construction projects for all types of buildings, roads, airfield pavements, and utility systems with a funded project cost greater than $750,000. Planning, programming, and documentation requirements for MILCON projects are explained in Chapters 2 and 4.

d. Navy Working Capital Fund (NWCF)

NWCF is a revolving fund established to finance a cycle of operations to which reimbursements and collections are returned for reuse in such a manner as to maintain the principal of the fund. It is established to finance inventories of supplies or to provide working capital for industrial type installations.

e. Plant Replacement Value (PRV)

The Plant Replacement Value is the cost to construct a replacement facility to current building codes, design criteria, and materials. PRV is calculated using the size of the current facility, published DoD unit costs for that type of

facility, the local area cost factor, design, contingency, SIOH, and historic adjustment factor. Project documentation shall reflect the "PRV (at EOY)" field from the internet Navy Facility Assets Data Store (iNFADS). See DoD Facilities Pricing Guide, UFC 3-701-*FY* and FMR Volume 3, Chapter 17, Appendix C, Attachment 2.

f. Project

A single planned undertaking of construction, repair, maintenance, or equipment installation, performed either separately or in combination, to satisfy a finite requirement of work.

g. Real Property Facility

A real property facility is a separate and individual building, structure, or other real property improvement assigned a 5-digit category code (DODINST 4165.3 and NAVFAC P-72). The 5-digit category code making up the largest floor area in the building is used as the category code for a multiple-use facility. All Real Property Facilities shall have a property record card in the Real Property Inventory (RPI) of the internet Navy Facility Assets Data Store (iNFADS).

h. Real Property Requirements Generators

After the stand-up of CNI, the eight former Installation Major Claimants (IMCs) became known as "Enterprise Claimants". ASN(FM&C) has eliminated the use of the term Claimant. In this OPNAVINST, these commands will be referred to as Real Property Requirements Generators (RPRG). They are Commander, U.S. Atlantic Fleet (now Commander, Fleet Forces Command); Commander, U.S. Pacific Fleet; Commander, U.S. Naval Forces Europe; Commander, Naval Reserve Forces; Director, Field Support Activity; Commander, Naval Education and Training Command; Commander, Naval Sea Systems Command; and Commander, Naval Air Systems Command.

i. Special Project

A project whose funded cost exceeds the Regional Commander's approval limits as specified in Appendix C, and in the case of construction projects, is below the Military Construction (MILCON) threshold for cost. Regional Commanders may set the approval limits of their installations at levels below those contained in this instruction.

j. Supervision, Inspection, and Overhead (SIOH)

These are funded costs charged by Naval Facilities Engineering Command (COMNAVFACENGCOM) for support associated with the administration of contracts for facilities projects. See NAVFACINST 7820.1J.

k. Unfunded Project Costs

Costs excluded when determining who holds approval authority for a facilities project. See FMR Volume 3, Chapter 17 for additional information. Unfunded project costs for facilities projects include the following:

(1) Depreciation

Costs applicable to the depreciation of government-owned equipment.

(2) Military labor

All costs financed from Military Personnel Appropriations. See also FMR Volume 11A, Chapter 1, paragraph 010203.B.1.

(3) Personal property

Items bought from appropriated funds (OPN, APN, O&MN, O&MNR, RDT&E), revolving funds (NWCF), or nonappropriated funds (NAF) for procurement. Class 3 and Class 4 plant property are defined in paragraph 2.1.4.

(4) Professional services

Cost associated with engineering services, (ex: soil boring, surveys, inspections, and various types of testing and analyses, and post-construction award services (PCAS)).

(5) Project design

Costs associated with preparation of design plans and specifications (Architect and Engineering (A&E) contracts and in-house design and review costs) and costs to develop Operation and Maintenance Support Information (OMSI) products for specific projects. However, in design/build contracts, the cost of design is part of the project funded cost. The cost of preparing the design/build request for proposal (RFP) is an unfunded design cost. Costs to develop OMSI and electronic as-built deliverables after award of construction shall be project funded. For MILCON projects, the design does not pay for OMSI. OMSI is covered within the project construction cost.

(6) Surplus stock from outside the Navy or Marine Corps

Cost of materials, supplies, and items of installed equipment obtained for a project from sources outside the Navy or Marine Corps (ex: excess distributions from other government agencies).

2.1.2 Limits of Authority

Approval authority limits for facilities projects are listed in Appendix C. The dollar amounts listed are total funded project cost as discussed in paragraph 2.1.1.b.

2.1.3 Fund Sources

Facilities projects are financed from one of three broad categories of funding sources.

a. Appropriated Funds

Appropriated Funds are funds provided by Congress through specific legislation. Examples include MILCON appropriations, operations and maintenance (O&M) appropriations, and appropriations for procurement such as Other Procurement, Navy (OPN) or Weapons Procurement, Navy (WPN).

b. Nonappropriated Funds (NAF)

NAF consist of cash, investment income, and/or other assets received from sources other than that appropriated by Congress. Examples include revenues generated from retail sales, services, or private funds received from non-government entities, and public funds from governments other than the United States of America.

c. Working Capital Funds

Working capital funds are generated locally through the sale of products and services (generally industrial). The predominant working capital fund in the Navy is the Navy Working Capital Fund (NWCF).

2.1.4 Classification of Government Property

When a facility requirement is identified, the government property must first be classified according to the classification of Government property. Government property includes all physical assets owned by the government. The Navy Comptroller (NAVCOMPT) Manual, which has been superceded by the DoD Financial Management Regulation (FMR), introduced the definitions of the four classes of plant property in Volume 3, Chapter 6. While the FMR Volume 4, Chapter 6 does not reference these definitions, they are still in use. The four classes of plant property (Navy-owned real property and personal property of a capital nature) are:

a. Class 1

Land is Class 1 property.

b. Class 2

Real property improvements to land are Class 2 property. Class 2 property can include improvements such as buildings, structures, ground improvement structures, and utilities located within a building or structure. Class 2 property also includes installed or “built-in” equipment (see paragraph 4.1.1.h).

c. Class 3

Personal property of a capital nature, other than industrial plant equipment, having an estimated fair market value or initial acquisition cost that meets or exceed the DoD capitalization threshold of $100,000 is Class 3 property. (See FMR Volume 4, Chapter 6, paragraph 060103.)

d. Class 4

Industrial plant equipment (personal property) having an estimated fair market value or initial acquisition cost that meets or exceed the DoD capitalization threshold or $100,000 is Class 4 property. This equipment is generally used for cutting, abrading, grinding, shaping, forming, joining, testing, measuring, heating, treating, or otherwise altering the physical, electrical or chemical properties of materials.

SECNAVINST 7320.10 establishes policies and procedures for personal property management that meet accounting and accountability requirements for personal property.

2.1.5 Classification of Work

The work associated with satisfying that requirements must be classified according to the four Classifications of Work. Once the classification of work is determined, the appropriate funding source for the requirement can be determined. The four Classifications of Work are:

a. Repair

Work to restore a real property facility, system, or component to such a condition that it may be effectively used for its designated functional purpose. (Reference 10 U.S.C. Section 2811) For additional information on Repair, see Chapter 3.

b. Construction

Work to build or expand a new facility, add to an existing facility, or alter an existing facility. For additional information on Construction, see Chapter 4.

c. Maintenance

Work to maintain an existing facility and existing facility components in their customary state of operating efficiency. For additional information on Maintenance, see Chapter 5.

d. Equipment Installation

Work to support the installation of an item of personal property in an other-than-new real property facility. For additional information on Equipment Installation, see Chapter 6.

2.2 SPECIAL PROJECT DOCUMENTATION

Special Project documentation is a critical first step in the planning process with three principal objectives. First, documentation provides a clear methodology for addressing all aspects of the facilities requirement including operational, technical, financial, legal, environmental, and social. Second, documentation provides a vehicle for obtaining, when required, approval and/or funding. Third, documentation provides a record of what actions were taken to address a particular facilities

requirement and how those actions were funded. Detailed procedures for project documentation are discussed in the following sections.

2.2.1 Special Project Planning, Programming, and Budgeting

Planning and programming are administrative steps involving projecting requirements into the future and allocating resources to the highest priority needs. These actions are generally carried out at the local level for NWCF funded commands, and at the installation, Region, and CNI levels for mission funded commands. The purpose for these steps is to provide a mechanism for making investment decisions concerning real property assets.

2.2.2 Special Project Documentation Requirements

Documentation is required for all projects over $500,000 (see Tables of Authorities in Appendix C). Dollar amounts are total funded project costs as discussed in paragraph 2.1.1.b. CNI or Regional Commanders may set lower cost thresholds to correspond to approval authority delegated to Installations. The project documentation needs to include discussion of the Classification of Work, Facility Investment SIC, and appropriation(s) or funding source. Note, the documentation requirements listed below do not apply to MILCON projects. Planning, programming, and documentation requirements for MILCON projects are discussed at the end of this Chapter and also in Chapter 4.

2.2.3 Special Project Documentation

a. The DD1391 is the primary format to document facilities projects. This form may also be used for those projects for which specific documentation requirements do not apply. Appendix D contains a sample DD1391 for a Special Project.

b. Supporting documentation in the form of attachments are required to the extent necessary to fully communicate the location, scope, complexity, cost, and urgency of the project. Common attachments include (but are not limited to) the following:
   (1) Brief Sheet
   (2) Vicinity Plan
   (3) Site Plan
   (4) Photographs
   (5) Detailed Cost Estimate
   (6) Economic Analysis
   (7) National Environmental Protection Act (NEPA) Documents
   (8) Basic Facility Requirements (BFR), Facility Planning Document (FPD)
   (9) Facility Data from Facility Readiness Evaluation System (FRES) and internet Navy Facility Assets Data Store (iNFADS)
   (10) Engineering Evaluation

2.2.4 Electronic Project Generator (EPG)

Special Project documentation will be submitted using the Electronic Project Generator (EPG) online at: https://jersey-3.navfac.navy.mil/prd/epg.htm. See Appendix D for a sample DD1391 and additional information on EPG.

2.2.5 Special Project Numbering and Project Titles

Each Special Project must be assigned an identification number. Each project identification number shall consist of a two-letter prefix followed by a five-digit number. These identification numbers are recorded on the DD 1391 and are used throughout the project's life. Project numbers are also used for updating key components of CNI's Facilities Investment Model (FIM), shown in Appendix C. Components of the FIM include the Facility Condition Assessment Program (FCAP), Facility Readiness Evaluation System (FRES), and the internet Navy Facility Assets Data Store (iNFADS).

a. Regions shall assign project numbers and maintain an ongoing annual list to ensure that no two projects from each Region have the same five-digit project number, regardless of program year, Special Interest Code (SIC) or Classification of Work.

b. The two-letter prefix of the project identification number shall represent the Special Interest Code (SIC) indicating the project investment account as follows below. The two-letter prefix for projects with a combination of more than one investment type of work shall reflect the predominant type of investment work in the project, calculated by cost.

(1) "ST" for Sustainment

(2) "RM" for Restoration and Modernization (Recapitalization)

(3) "NF" for New Footprint

(4) "DE" for Demolition

c. Follow the two-letter prefix with a five-digit number. The first three digits of this number shall be assigned in numerical sequence, running consecutively as projects are identified within a fiscal year, regardless of the SIC or Classification of Work involved. The last two digits of the project identification number shall represent the fiscal year the project was identified. A dash ("-") shall separate the first three digits from the last two digits.

d. Project identification numbers shall not be used to indicate project priority.

e. The project identification number will not change when the work is accomplished in phases. The project documentation must include the cost of each phase. The phase of the project should be reflected in the project title as "Phase I", "Phase II", etc.

f. Project titles must be specific; a vague or misleading title for a project may confuse reviewers. The title should specifically identify the facility function, building number, and the type of work to be done.
   (1) Construction project titles shall include the terms addition, extension, alteration, restoration, replacement, and expansion, as appropriate.
   (2) Titles for equipment installation projects shall use wording that indicates the work applies to installation of personal property, (ex: "Installation of Computer System, Building 43" or "Alterations and Equipment Installation of UPS, Building 21").
   (3) Repair project titles shall include the terms “repair” or “replace” as appropriate; avoid less specific terms such as “rehabilitation” or “renovation”.
   (4) Demolition and Consolidation project titles shall include the terms “demolish” or “consolidate” as appropriate.

g. Combination projects shall include in the title terms that highlight the major types of work being accomplished

h. Examples of project identification numbers are listed below:
   (1) ST101-04, Repair Roof, Administration Building 162.
   (2) NF102-04, Construct Addition to Warehouse Building 64.
   (3) RM103-04, Replace HVAC, Administration Building 261
   (4) DE104-04, Demolish 22 Buildings at NAVSTA
   (5) DE105-04, Consolidate FISC to Building 44.

2.2.6 Special Project Scope

a. The Special Project scope is developed from the requirement to satisfy a facility deficiency or deficiencies. The project scope must include all work necessary to produce a complete and usable facility, or a complete and usable portion of a facility. Complete and usable is defined as having all necessary or normal parts, components, or steps, as well as being fit for the intended purpose of the facility or project.

b. Facilities Special Projects generally encompass a single real property facility. All work associated with meeting a requirement in a particular facility must be incorporated into the project scope.
   (1) Where multiple projects are contemplated in a single real property facility, see paragraphs 3.2.2, 3.2.3, and 4.2.3.
   (2) Where a requirement may involve work in more than one real property facility, see paragraphs 3.2.2 and 4.2.1.

c. Projects that repair or construct facilities that also require extensions to utility systems to be complete and usable must include these utility extensions as part of the project scope and cost.

d. Properly identifying the project scope is independent of the selected method(s) of accomplishing the work. If the selected method of accomplishment is a construction contract, then appropriate consideration should be given to the proper scope of the contract. There is, however, no direct relationship between contract scope and project scope. Additional guidance on project scope can be found in paragraphs 3.2.2, 4.2, and Appendix D.

2.2.7 Special Project Justification

The project justification must clearly describe the requirement for the project in terms of impact to mission, life-cycle economics, health and safety situation, environmental compliance aspect, quality of life improvement, or some combination of the above. The project must include a verifiable cost estimate that correlates to the project description and scope. Project requirements for repair and maintenance should also list the Facility Readiness Evaluation System (FRES) Quality (Q) rating for the associated Facility Analysis Category (FAC). Projects with any minor construction work should state the FRES Quantity (N) rating.

2.2.8 Special Project Technical Solution

The proposed solution to a facilities requirement must withstand critical review by competent technical experts. Technical solutions should be responsive to all performance criteria and should address concerns for reliability, maintainability, constructability, and safety. When applicable, technical solutions must also address concerns for legal compliance, energy conservation, environmental compliance, and the use of unproven technologies. In all cases, the benefits resulting from the technical solution must be weighed against the cost through a formal or informal cost/benefit analysis.

2.2.9 Economic Analysis

a. A formal net present value life-cycle economic analysis is required for:
   (1) All maintenance and repair projects with an estimated cost that is greater than $500,000 and more than 50 percent of the facility plant replacement value (PRV).
   (2) All repair projects with an estimated cost greater than $2,000,000.

b. Maintenance dredging does not require an economic analysis.

c. If an economic analysis is required for your project, the Net Present Value (NPV) of each alternative considered must be included in Block 11 of the

DD1391. The Office of Management and Budget (OMB) publishes discount rates annually at www.whitehouse.gov/omb/circulars/index.html.

d. Guidelines and formats for preparing economic analyses are contained in the NAVFAC P-442. Results of analyses are to be summarized and listed on the DD 1391. Economic Analysis should be prepared using Army Corps of Engineers Econpack software.

2.2.10 Special Project Detailed Cost Estimate

a. Detailed cost estimates shall be accurately reflected in Block 9 of the DD1391. For combination projects, the cost estimate must identify the Classification of Work (repair, construction, maintenance, or equipment installation) and respective Special Interest Code (sustainment, restoration and modernization, new footprint, or demolition) for each line item or group of line items in the cost estimate.

b. The project cost estimate shall include separate line items for SIOH, contingency, and the design cost of a design/build project. Funded and unfunded project costs are discussed in paragraphs 2.1.1.b and 2.1.1.k.

c. Itemize specific quantities and unit costs for each item whenever possible, instead of using lump sum costs.

d. Identify separately all government furnished or installed equipment and materials that are funded costs.

e. Identify non-additive costs for design (Special Projects only, not MILCON) and equipment furnished by others.

f. Estimated costs must be based on current prices and escalated to the year proposed for project execution. The year should be clearly indicated on the DD1391.

g. When a project is phased, a cost estimate must be prepared for each phase. Combination projects that include minor construction must show the construction cost (including SIOH and contingency) in each phase to assure the $750,000 minor construction threshold is not exceeded. This minor construction threshold applies to the project as a whole, the sum of all phases. See paragraph 2.5.4.

h. For real property projects outside the United States, the international balance of payment evaluation process required by DODINST 7060.1 must be included in the cost estimate at the 35 percent design stage.

2.3 SPECIAL PROJECT SUBMISSION

2.3.1 Special Project Submission Process

Figure 2.1 illustrates the typical process flow for facilities Special Projects. This process balances the Navy's decentralized operation and maintenance of physical plant assets with appropriate Region and CNI oversight to ensure consistency and integrity. Figure 2.1 does not attempt to address the process flow for all projects under all circumstances, but rather provides a general framework for satisfying a facilities requirement from project documentation to execution. Regions can request the servicing Facilities Engineering Command (FEC) to conduct an independent technical review and endorsement of Special Projects. Regions should consult with CNI for specific submission requirements. Key steps in the process are discussed in the following paragraphs.

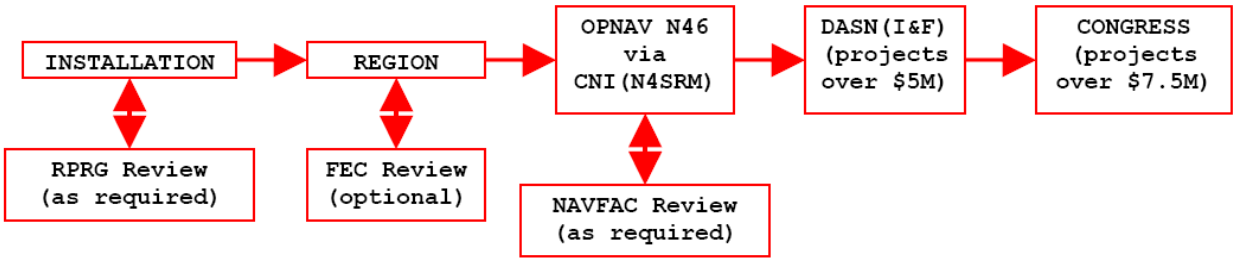


Figure 2.1: Special Project Process Flow

2.4 SPECIAL PROJECT VALIDATION

2.4.1 Special Project Regional Validation

a. The Regional Commander is responsible for the validity and accuracy of facilities Special Projects prepared for his or her plant account, including satisfying requirements for site approval such as explosive or airfield safety and seismic safety investigation. When required, the Regional Commander will forward project documentation to CNI for review and approval. The Regional Commander may delegate these responsibilities to the Regional Engineer. See the Tables of Authorities in Appendix C. Lower installation authority thresholds may be established at the discretion of the Regional Commander.

b. The Regional Commander will validate all Special Projects that meet the criteria listed below; dollar amounts are total funded project costs as discussed in paragraph 2.1.1.b.:

(1) Minor construction projects over $500,000.

(2) Repair or specific maintenance projects over $500,000 for O&MN or O&MNR funded work.

(3) Repair or specific maintenance projects over $3,000,000 for NWCF or RDT&E funded work.

(4) Equipment installation projects over $500,000.

(5) Combination projects (more than one Classification of Work) over $500,000.

(6) Repair projects over $500,000 and in excess of 50 percent of plant replacement value (PRV).

c. Prior to submitting projects to CNI, the Regional Commander should ensure the following:

(1) Proper classification of government property.

(2) Proper Classification of Work (i.e. maintenance, repair, construction, or equipment installation).

(3) Proper classification of Special Interest Code (SIC).

(4) Proper source of funds.

(5) Adequacy of technical solution.

(6) Completeness of scope and cost estimate.

(7) Adequacy of economic analysis (when required).

(8) Compliance with the Shore Facilities Planning System.

(9) Environmental compliance, environmental review (see OPNAVINST 5090.1), cultural resources compliance, and safety compliance.

(10) Proper site approval (as required).

d. For projects requiring additional approvals, the Regional Commander will prepare an endorsement and forward the project to the appropriate approval authority. Such endorsement can either be in the form of the Regional Engineer's signature on the DD1391 or an electronic signature in EPG. The Regional Commander shall approve valid projects requiring no further approvals, either by letter of approval to the submitting installation or by directly authorizing design and/or construction of the project. Alternatively, the project may be returned to the installation disapproved, or with comments and desired actions. The Regional Engineer shall retain a copy of installation project documentation, correspondence, and project validations, approvals, and authorizations in the Region's project files for a minimum of 5 years.

e. Although project validation by NAVFAC Facilities Engineering Command (FEC) is not required, the Region may request the FEC to provide technical review of Special Projects. At the request of the respective Region or installation, the servicing FEC will assist the Regional Engineer and make recommendations concerning Special Projects with emphasis on the technical review. The FEC will forward their recommendations to the Regional Engineer or preparing installation as appropriate.

f. Projects involving restricted facilities, as discussed in paragraph 11.6, should be forwarded by the Region to the appropriate approval authority.

g. Projects involving work classified as construction exceeding $750,000 (including SIOH and contingency) follow a different process (see paragraph 2.10) since they are MILCON scope.

2.4.2 Commander, Navy Installations (CNI) Approval for Special Projects

a. Special Projects Exceeding Regional Engineer's Authority

Special Projects above the Regional Engineer's authority must receive approval by CNI N4 (SRM) or higher authority. The approval levels for approval of facilities projects are shown in the Table of Authorities in Appendix C.

b. Special Project Notifications

Projects will be documented, validated, and approved in accordance with paragraphs 2.2 and 2.4 of this instruction. An endorsement by CNI indicates the project has been validated and approved for funding at a specific funded cost level.

c. Special Project Cost Increases and Approvals

Cost increases due to changes at any time during execution are funded at the installation or regional level even if the project was originally centrally funded by CNI. If the increase in the construction portion of the Special Project cost is within 10 percent of the construction threshold (i.e. over $675,000 including SIOH), then the project shall be submitted to CNI N4 (SRM) or higher authority for approval and should address any changes in scope, the reason for cost increase, and include an updated cost estimate in as much detail as required.

d. CNI Special Project Documentation Requirements

The CNI Special Project Checklist is included Appendix D for reference. This checklist is used by the CNI Program Manager to ensure all required documents have been submitted for each project.

2.4.3 Assistant Secretary of Navy (I&E) Approval for Special Projects

a. Delegation of Approval Authority

ASN(I&E) delegated approval authority to DASN(I&F) by Memorandum in May 1995.

b. Special Projects Exceeding $5,000,000

In addition to the project validation discussed in the preceding paragraphs, repair projects exceeding $5,000,000 must receive an additional review by OPNAV N46 via CNI N4 (SRM) and must be approved by DASN(I&F). Any

repair project originally having a current working estimate (CWE) greater than $4,900,000 or that may exceed $5,000,000 (due to changes during execution) shall be submitted to OPNAV N46 via CNI N4 (SRM) and approved by DASN(I&F) prior to being granted authority to advertise (ATA) by CNI.

c. Special Project Notifications

Projects should be forwarded to OPNAV N46 with CNI endorsement. The project documentation and endorsement should indicate the fiscal year (or years in the case of "swing" or phased projects) in which the project will be funded.

d. Special Project Cost Increases over 25 Percent

Once approved by DASN(I&F) at a specific cost level, that amount may not be exceeded by more than 25 percent during execution without additional approval. CNI may approve within-scope cost increases if the project cost exceeds the original DASN(I&F) approved amount by up to 25 percent. Requests for increased authority over 25 percent must be submitted to DASN(I&F) via CNI. Installations, in coordination with the contracting office handling the construction contract, must advise the Region and CNI of pending changes which will result in exceeding the prior approved amount. The following supporting documents will expedite the process:

(1) Endorsement letter from the Regional Engineer or electronic signature in EPG

(2) Revised DD1391 showing new funded cost and indicating the original approved amount, identifying work classifications, and including endorsement from NAVFAC

(3) Description and detailed estimate if necessary of new work items and justification for the increase

(4) New economic analysis using current discount rate

(5) Regions in coordination with the contracting agent handling the construction contract must advise OPNAV N46 via CNI N4 (SRM) of pending changes that will result in exceeding the prior approved amount.

e. Special Projects Cost Increases Exceeding $7,500,000

Projects with a current working estimate (CWE) cost greater than $7,000,000 or that may exceed $7,500,000 (due to changes during execution) shall be submitted to OPNAV N46 via CNI N4 (SRM) for Congressional notification to the Appropriations and Authorization Committees of Congress. The Congressional notification process must be completed before issuing the contract change order.

f. CNI Special Project Documentation Requirements

The CNI Special Project Checklist is included Appendix D for reference. This checklist is used by the CNI N4 (SRM) Program Manager to ensure all required documents have been submitted for each project.

g. End of Year (EOY)

Regions requesting DASN(I&F) project approval should submit completed documentation to OPNAV N46 via CNI N4 (SRM) no later than 15 July of each fiscal year to ensure sufficient review and approval time.

h. Appropriated and Nonappropriated Funded Minor Construction Projects

Projects that include minor construction and combine appropriated and nonappropriated funds (NAF) in a single undertaking must also be approved by ASN(I&E) and are discussed further in Chapter 12. These projects shall be submitted by OPNAV N46 via CNI N4 (SRM).

2.4.4 Congressional Notification for Special Projects

a. Background

Congressional Notification is a period of 21 calendar days in which Congress is given an opportunity to comment on the project. This is not an approval or disapproval, simply a notification. Installations and Regions must verify with CNI that the ASN(I&E) approval has been granted and the congressional notification phase is completed. No project shall be awarded until the ASN(I&E) approval and Congressional notification process is complete and the 21-day notification period has expired. (Reference: 10 U.S.C. Section 2811).

b. Special Project Notifications

In addition to the project validation discussed in the preceding paragraphs, DASN(I&F) shall submit a 21-day notification for any project estimate over $7,500,000. Notifications will be made to the Appropriations and Authorization Committees.

c. Phased Special Projects

Phased projects shall consider the sum of all phases for Congressional notification threshold.

d. Special Projects Cost Increases Exceeding $10,000,000

Special Projects awarded after the Congressional notification process has been completed with a total project cost greater than $7,500,000 that may exceed $10,000,000 (due to changes during execution) do not require additional notification to Congress. However, additional notifications will be made to Appropriations and Authorization Committees to advise them that the project cost will exceed $10,000,000 and will reference the original

Congressional notification. DASN(I&F) may require additional notifications as deemed appropriate. The installation shall forward a memo through the Region to CNI N4 (SRM) stating the current situation for this purpose.

e. Procedures

Projects that require Congressional notification will be forwarded to the Authorization and Appropriations Committees after DASN(I&F) approval.

f. Pre-Award Considerations

The contracting officer must have a commitment of funds prior to issuing a Request for Proposal (RFP). The contract cannot be awarded until after the 21-day Congressional notification period has expired.

2.5 SPECIAL PROJECT EXECUTION

2.5.1 Special Project Execution Options

Once approved and programmed for funding, a facilities Special Project may be executed. The execution agent may be the installation, the Region, the servicing FEC, or a special program sponsor. Options for accomplishing the work include using in-house shop forces, a construction contract, tasking a Base Operating Support (BOS) contractor, utilizing a turnkey contract, employing the Naval Construction Forces (NCF), applying self-help labor, or a combination of the above. Whichever option is selected, installations and Regions must continually balance workload, resources, and readiness to optimize the condition of their real property assets.

2.5.2 Execution Packaging for Special Projects

a. Installations and Regions are afforded maximum flexibility in packaging work for execution as necessary to enhance readiness and to take advantage of economies of scale. Work planned for execution by contract may, for example, be packaged in any of the following ways:

(1) A single project accomplished with a single contract.

(2) A single project accomplished with multiple contracts.

(3) Multiple projects accomplished with a single contract.

(4) Multiple projects accomplished with multiple contracts.

b. Decisions regarding execution packaging must be based on an understanding of the distinction between project scope and contract scope. Project scope is addressed in this instruction. Contract scope is addressed in the Federal Acquisition Regulation (FAR) and implementing directives.

2.5.3 Combination Special Projects

Combination projects consist of more than one Classification of Work or more than one Special Interest Code. They generally require special handling during execution because of funding concerns.

a. Classification of Work and Special Interest Code

Classification of Work and SIC shall be clearly delineated in Cost Estimate (Block 9 of DD1391), Description of Proposed Construction (Block 10 of DD1391), Scope (Block 11 of DD1391), and Detailed Cost Estimate (attached electronically in EPG) at a minimum.

b. Special Project Numbers

Project numbering will reflect the predominant Special Interest Code, calculated by majority of cost.

c. Execution Agents

Execution agent(s) shall be familiar with Classifications of Work as they pertain to the scope of work to be accomplished.

d. Split Funded Special Projects

Appropriations from more than one source, such as for equipment procurement and installation, shall follow applicable instructions.

e. Minor Construction Changes

CNI shall be notified of any increases in minor construction throughout the construction contract from any type of appropriation.

f. Minor Construction Threshold

CNI N4 (SRM) shall be notified when the statutory limitation of minor construction is exceeded or is imminent. (See paragraph 2.4.2.c). Work on the Special Project shall cease.

2.5.4 Special Project Phasing

Large projects may be phased to ensure efficient use of available resources. Phasing is also possible in combination projects (i.e. projects with more than one Classification of Work). Regions and installations shall determine whether phasing is advantageous and cost effective. Projects shall not be phased for purposes of incrementation. See paragraphs 2.2.6, 2.2.10(g), and 3.2.3. Phasing requires approval of the entire project scope at a total cost for all phases of the project in advance. Incrementation is sub-dividing a project into smaller projects to avoid higher approval thresholds.

a. Phased Special Project Documentation

Phased projects shall be documented per paragraph 2.2. In addition, phased projects that include minor construction must show the construction

cost in each phase and sum of construction costs to ensure that the $750,000 minor construction threshold is not exceeded. Supporting documentation shall represent how phases are to be accomplished.

b. Special Project Scope

The entire project scope must be submitted for approval prior to funding of any individual phases. Each phase must be a complete and useable portion of the entire approved project. "Complete" means having all necessary or normal parts, components, or steps. "Useable" means fit for use, convenient to use, or that which can be used.

c. Phased Special Project Validation

Phased projects shall be considered in their entirety with respect to project validation.

2.5.5 Self-Help

Department of Defense policy requires that real property projects must be accomplished through the most economic means available, consistent with military and statutory requirements. To support the morale and retention of Navy personnel, there is a continuing need to enhance the habitability of Bachelor Quarters and improve personnel support, welfare, and recreational facilities. A Self-Help Program can make such improvements using military personnel for maintenance, repair, alterations, and new construction. Additional guidance and responsibilities have been provided to all Navy commands for the development and use of local Self-Help Programs (see OPNAVINST 11000.8H).

2.6 MILITARY CONSTRUCTION PROJECTS

Military Construction (MILCON), as defined in 10 U.S.C. Section 2801, includes any construction, development, conversion, or extension of any kind carried out with respect to a military installation. MILCON includes construction projects for all types of buildings, facilities, roads, airfield pavements, and utility systems costing more than $750,000. The Navy MILCON program objective is to provide quality facilities to support the Navy mission. A MILCON project includes all construction work necessary to produce a complete and usable facility or complete and usable improvement to an existing facility. Additionally, instances may occur when maintenance and repair work will be accomplished as MILCON as part of a large project.

2.6.1 MILCON Project Authority

Authority to carry out a MILCON project includes authority for surveys and site preparation, acquisition, conversion, rehabilitation, or installation of facilities; acquisition and installation of equipment and appurtenances integral to the project; acquisition and installation of supporting facilities (including utilities) and

appurtenances incident to the project; and planning, supervision, administration, inspection, and overhead incident to the project.

2.6.2 Project Limitations

Each MILCON shall result in a complete and usable facility or improvement to a facility. Combining multiple facilities of different types into a single MILCON project is not recommended, except when each project is in the same Facility Class (FC) and the required completion date of each facility necessitates programming all of the facilities in the same fiscal year.

2.7 MILCON PROGRAMMING

Programming is the process of developing and obtaining approval and funding for Military Construction (MILCON) Projects. The programming process for Military Construction Projects, Navy (MILCON) from the shore installation level to Navy Comptroller (FMB) is illustrated in Figure 2.2, MILCON Programming Process.

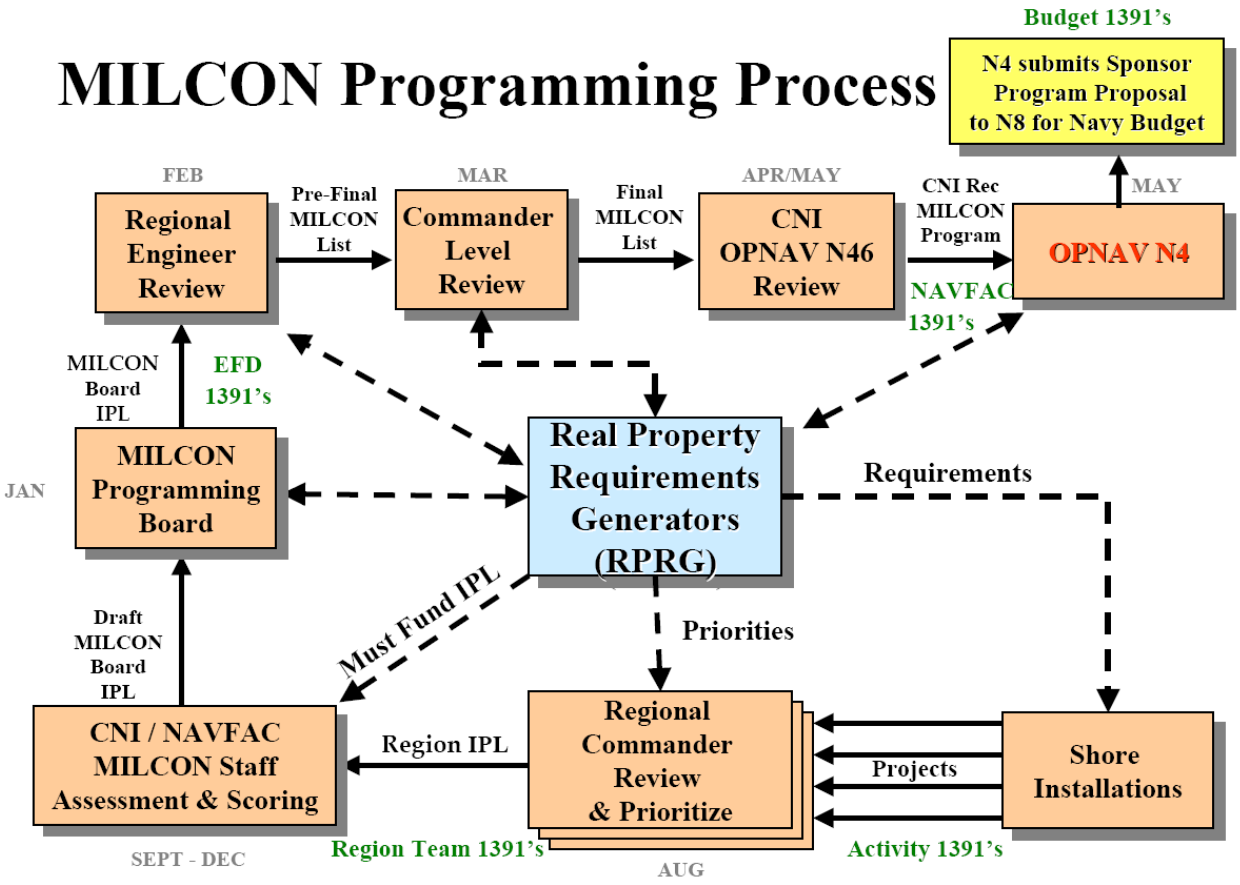


Figure 2.2: MILCON Programming Process

2.7.1 Shore Installation to Navy Comptroller

Shore installations identify, develop, and validate MILCON projects and submit their projects to their respective Regions. Each Region will prioritize their projects

and submit to OPNAV N46/CNI N4 (MILCON) in an Integrated Priority List (IPL). After OPNAV N46/CNI N4 (MILCON) and NAVFAC staffs assess and score each project, a Draft MILCON Programming Board IPL is sent out to the Regions and Real Property Requirements Generators (RPRG) in preparation for the OPNAV N46/CNI MILCON Programming Board. Each region presents their respective projects (program year and program year +1) at the OPNAV N46/CNI MILCON Programming Board. A Programming Board IPL is developed and sent to the Regional Engineers and RPRG Engineers for review. After obtaining feedback from Regional Engineers, a Pre-Final IPL is sent out to the Regional Commanders and Real Property Requirements Generators (RPRG) for review. Following their review, OPNAV N46/CNI N4 (MILCON) will provide the OPNAV N46/CNI MILCON IPL to OPNAV N4 who then submits the program to N8 then to the Navy Comptroller.

2.8 MILCON BUDGETING

The Budgeting process starts with the submission of the CNO program to the Navy Comptroller (FMB). FMB submits the Navy's Budget to OSD.

2.8.1 MILCON and Program Objective Memorandum Schedules

The Navy Comptroller (FMB) submits a biennial MILCON budget (two fiscal years at one time) to OSD and Congress each even numbered fiscal year. OSD reviews both years in detail and issues decisions on each. Congress, however, does not normally review the second year program, and therefore, that program is resubmitted by the Navy to OSD the next year as an amended program. OSD reviews the amended program, and after approval, it is submitted to Congress as part of the President's Budget (PB) for that respective year. Additionally, each even numbered year, a six-year MILCON program or Future Year Defense Program (FYDP) is developed for the Program Objective Memorandum (POM), which outlines the forces and resources proposed for the next six years. Scheduling of these submittals is subject to change and guidance is provided annually by CNI.

2.8.2 Office of the Secretary of Defense Budget Review

The Navy submits the MILCON budget to OSD by facility category (such as operations and training facilities, maintenance and production facilities, research and development facilities, etc.). OSD reviews every project submitted and issues Program Budget Decisions (PBDs) that transmit their proposed decision on every project (approve, disapprove, revise, or defer to a future year). OSD provides reasons for their decisions. If the Navy is not satisfied with these decisions and a strong case can be made to rebut the proposed decision, a reclama is developed and submitted. OSD review and consideration of these reclamas, along with senior level negotiations, determine the final PBD decision and ultimately the content and size of the MILCON program to be included in the President's Budget. The total Navy budget goes through a similar process. After approval by OMB and the President, the budget is submitted to Congress.

2.8.3 MILCON Congressional Review

The Secretary of Defense submits the MILCON portion (for all services and DoD Agencies) of the President's Budget to Congress in listings aggregated by country and state. The Secretary of Defense requests both authorization and appropriation from Congress.

2.8.4 MILCON Congressional Authorization

Authorization of MILCON projects is provided by the National Defense Authorization Act that includes authorization requests for other Defense accounts such as Procurement; Research, Development, Test and Evaluation; Operations and Maintenance; and Military Personnel. Normally, all projects that comprise the MILCON total obligation authority are included in the authorization request. However, items authorized in a prior year for which only appropriation is being requested are not included in the authorization request. They are included in the appropriation request only.

2.8.5 Armed Services Committees

The House and Senate Armed Services Committees review the MILCON authorization request and hold hearings attended by witnesses from each service. These two committees then issue reports detailing their recommendations. The full House and Senate then act on the committees' recommendations and each pass its own version of the authorization program (referred to as committee marks).

2.8.6 Congressional Authorization Conference Actions

Differences between the House and Senate versions are resolved by a conference of the Armed Services Conference Committee that also issues a report that shows how the differences were resolved. Congress then passes the authorization program approved by the conference that becomes the authorization act. After the President signs the act, it becomes law (National Defense Authorization Act).

2.8.7 MILCON Authorization Expirations

If no obligation is made for a project within three years after an authorization act becomes law, the authorization for that project will expire, unless an authorization extension is included in the authorization act passed before the end of the third year. Navy Regions shall submit requests for extensions to OPNAV N46/CNI N4 (MILCON) via NAVFAC describing the circumstances that prevented obligation. OPNAV N46/CNI N4 (MILCON) will validate the request and ask OSD, through FMB, to include requests for the extension in the authorization bill submitted to Congress.

2.8.8 MILCON Congressional Appropriation

The Secretary of Defense requests, for all services, appropriations for all items in the MILCON total obligation authority. The MILCON appropriation is a separate bill from all other DoD appropriations. The House and Senate Appropriations Committees follow the same procedure outlined for the Armed Services

Committees in reviewing the appropriation request. After the President signs the Appropriations Bill, which includes Military Construction, it becomes law. MILCON funds are normally available for obligation for five years. At the end of the five years, the MILCON appropriations expire. From time to time, general reductions and rescissions reduce funds available in prior years.

Supplemental Appropriations are discussed in Section 4.4.

2.8.9 MILCON Incremental Appropriations

Generally MILCON projects greater than $50,000,000 will be programmed for incremented appropriation amounts. The project will receive full authorization during the programmed year and will be appropriated for the amount of expected expenditure in the program year (typically no more than $50,000,000 per year) and outyears. The project will keep the same P number coded alpha-numerically (A,B,C) for the follow-on increments in the program years +1, +2 , +3. The project title will include Project Description and INC I of XX (# of increments). Individually, incremented MILCON appropriations do not produce complete and useable facilities, but rather in aggregate produce a complete and useable facility.

2.9 MILCON PROJECT DEVELOPMENT

2.9.1 Advanced Planning for Military Construction Projects

The Military Construction Codification Act, Report of the Committee on Armed Services, dated 17 June 1982, addresses Architectural and Engineering Services and Construction Design. The Act authorizes the Navy to carry out architectural and engineering services and construction design for any military construction project or land acquisition project using appropriated military construction funds. It permits the use also of such appropriations for construction management of projects that are funded by foreign governments for which funds would not be available for the normal United States oversight functions of design review and supervision and inspection of construction including associated overhead costs.

It is not intended that functions related to the planning process be performed under the authority of this section. Advance planning functions are: (1) developing the requirement for a military construction project, (2) developing a master plan for an installation, (3) alternative site studies, (4) developing and validating military construction project documentation prior to commencing project design, (5) preparing engineering analyses and studies to develop technical design parameters, and (6) preparing environmental impact assessments and statements. Planning should be funded from funds available in the operations and maintenance (O&MN, O&MNR, NWCF, RDT&E) accounts.

2.9.2 MILCON Team Planning and Programming Process (MTP^3)

The project development process for Military Construction Projects (MILCON) is called the MILCON Team Planning and Programming Process (MTP^3). Project development is one of the most important actions in MILCON programming and is

documented using a DD Form 1391. The MTP[3] guidance provides specific details of DD1391 preparations with respect to the submission timeline and level of review. The DD Form 1391, by itself, shall explain and justify the project to all levels of the Navy, OSD, OMB and Congress. Justification data shall clearly describe the impact on mission, people, productivity, life-cycle cost, etc., if the project is not accomplished. This process is explained in detail in the paper "MILCON Team Planning and Programming (MTP[3]) Guidance which is available at the website, http://navfacilitator.navfac.navy.mil/mcn/progdir.htm. Also available at this website is a MILCON checklist and a DD1391 example developed for the use of MILCON teams in the MTP[3] process.

2.9.3 Electronic Project Generator (EPG)

The Electronic Project Generator (EPG) will be used for all DD1391 preparation, routing, and review by Navy and Marine Corps installations worldwide, Real Property Requirements Generators (RPRG), the Marine Corps, Regional Commands, OPNAV, CNI, and Naval Facilities Engineering Command (NAVFAC). EPG is available for registered users at https://jersey-3.navfac.navy.mil/prd/epg.htm.

2.9.4 Integrated Priority List (IPL)

Each installation will submit DD1391's to their respective regions. Regions are required to submit their Integrated Priority List (IPL) and Requirements List (RL) via the web-based application internet Navy Facility Assets Data Store (iNFADS), located at website https://jersey-3.navfac.navy.mil/prd/nfa.htm. A user manual is available in the IPL/RL guide at the website http://navfacilitator.navfac.navy.mil/mcn/progdir.htm.

2.10 MILCON PROJECT VALIDATION

Each project is reviewed and validated at each tier as indicated in Section 2.7. Prior to release of construction funds, the cognizant NAVFAC office is responsible for obtaining a certification from the Installation Commander that the project is still a valid requirement.

2.10.1 Installation Validation of MILCON Projects

The installation Commanding Officer and Real Property Requirements Generators (RPRG) (if applicable) are responsible for the validity and accuracy of facilities projects prepared for his or her plant account, including satisfying requirements for site approval such as explosive or airfield safety and seismic safety investigation (see NAVFACINST 11012.145). At the request of the installation or region, the servicing FEC will provide assistance in preparation of 1391 documentation. The Installation Commander will forward project documentation to the Regional Commander for review and approval. The Regional Commander may delegate his/her responsibilities to the Regional Engineer. Submission of the Activity 1391 to the Region via EPG is considered the Installation's validation of the requirement.

2.10.2 Regional Validation of MILCON Projects

a. The Regional Commander will validate all MILCON projects by verifying the requirements that create the need for the proposed projects and confirming that proposed projects are the most cost effective means of satisfying the requirements. Regions will ensure that all alternatives have been exhausted prior to submission of a MILCON project. Regional Commanders shall prioritize their installations' MILCON facility requirements. Regional Commanders shall also take into consideration Real Property Requirements Generators' (RPRG) priorities in development of their region's MILCON priorities (Integrated Priority List). Submission of Region's Integrated Priority List to OPNAV N46/CNI N4 (MILCON) through the internet Navy Facilities Data Store (iNFADS) is the Regional Commanders' requirement validation. NAVFAC FEC's will validate technical requirements of projects through submission of EFD 1391 to NAVFAC HQ and OPNAV N46/CNI N4 (MILCON) through Electronic Project Generator (EPG).

2.11 MILCON PROJECT EXECUTION

After the President signs the Appropriations Act which includes Military Construction, the funding is made available for execution. Naval Facilities Engineering Command will coordinate the execution of most Navy Military Construction Projects. NAVFAC will develop and execute an Acquisition Strategy for each project. In certain cases, the U.S. Army Corps of Engineers may be the construction agent for Navy Military Construction projects. See DoD Directive 4270.5 for additional information.

2.12 SCOPE CHANGES ON PROJECTS AUTHORIZED BY CONGRESS

2.12.1 Definition of MILCON Project Scope:

a. The scope of an individual project is defined by the following, in order of precedence:
   (1) Public Law
   (2) Comments contained in committee reports
   (3) Military Construction Project Data, DD Form 1391, certified "as enacted" by NAVFAC MILCON
   (4) Military Construction Project Data, DD Form 1391, presented to Congress as justification for each project
   (5) Testimony before the Congressional committees
   (6) Witness data, if applicable, prepared for use during Congressional hearings, or
   (7) Documents contained in NAVFACENGCOM files which describe the content, intent, and cost estimate for the project at the time of submission to Congress.

b. For the purposes of “Scope Variation” the term “scope” designates the major quantitative unit of measure of the primary facility of a project, such as 10,000 SF administrative building. While major emphasis must be placed on monitoring the scope of the primary facility, it is also necessary to maintain control of the supporting facilities since they often contribute significantly to the total cost of a project.

2.12.2 General Principle

The general principle for evaluating requests for project scope changes is based the Navy’s intent at the time the project was presented to Congress. Although project scope changes may be necessary and desirable on occasion, these changes can only be accommodated when consistent with the original intent of Navy, Office of the Secretary of Defense (OSD), and Congress.

2.12.3 MILCON Project Scope Changes

All changes to the scope of a MILCON project must first be approved by OPNAV N46, CNI N4 (MILCON), and NAVFAC MILCON.

a. MILCON Project Scope Decreases

(1) A reduction in the Congressionally approved scope of a project may be necessitated by funding limitations or may be desired due to a change in requirements or mission. However, before any scope reduction can be approved, two basic requirements must be met. First, the reduced scope must still provide a functionally complete and usable facility. If a proposed scope reduction will require follow-on authorization to provide a complete and usable facility, it will not normally be approved. Secondly, it is mandatory that the reduced scope still meet the original intent of the project as approved by Congress. A facility that will not perform the basic function that Congress approved shall not be constructed.

(2) A report of the facts relating to the scope reduction must be submitted to Congress prior to award if the proposed change will reduce the approved scope of the project by more than 25 percent, or Congress has otherwise mandated the scope.

(3) Proposed scope changes that meet the above criteria must be submitted to the Congress per the requirements of 10 U.S.C. Section 2853 (10 U.S.C. Section 18233a for MCNR) regardless of the reason for the scope reduction. The 21-day notification period is still required before construction at this reduced scope may proceed.

(4) Scope reduction on projects for which the primary facility scope is defined as “lump sum” or for which the primary facility scope is otherwise difficult to quantify shall be submitted to NAVFAC MILCON for review and approval.

(5) To ensure a construction contract award within the dollar availability, NAVFAC FEC’s may adjust the scope of a contract to provide for a

base bid item and one or more additive bid items. The base bid item must provide a complete and usable facility within the original intent of the project, should have user concurrence, and the scope must not be reduced in excess of 25 percent. The FEC is authorized to proceed with scope reductions that are consistent with this policy.

b. MILCON Project Scope Increase

(1) The Navy has no authority under law to increase the scope of a project after enactment. However, modification or "redefinition" of scope may be considered under the following circumstances provided it is considered within the intent of the enacted scope:

(a) Planning, design, or construction deficiencies uncovered after the project was approved by Congress require corrective action in order to provide a complete and useable facility

(b) Changes are necessary to conform to a revised external requirement, (ex: laws, environmental permit requirements, building codes, or criteria revisions related to safety and adequacy), or

(c) Changes in methods or technology disclose a superior means of accomplishment that logic or economics indicate should be adopted.

(2) OPNAV N46/CNI N4 (MILCON) and NAVFAC MILCON must approve redefinition of primary facility scope. Changes to supporting utilities and roads may be made by the FEC within budgetary limits, providing there is no change in the basic concept of the supporting utilities and roads and there is no change in scope or concept of the primary facility. Any other changes to supporting facilities must be submitted to OPNAV N46/CNI N4 (MILCON) and NAVFAC MILCON for approval.

c. A request must be submitted to OPNAV N46/CNI N4 (MILCON) and NAVFAC MILCON whenever a scope decrease in excess of 25 percent or any scope redefinition is recognized except as previously noted with regard to supporting facilities.

d. When the redefinition of scope causes an increase in the project cost by 25 percent, reprogramming and cost variation procedures must be followed.

2.13 MILCON REPROGRAMMING AND COST VARIATION PROVISIONS

2.13.1 MILCON Project Reprogramming

The Services are require to obtain Congressional House and Senate Appropriations Committees (HAC & SAC) approval prior to exceeding the project's appropriated amount (reprogramming base) by more than the lesser of 25 percent or $2,000,000 based on the total funding requirements. Approval is obtained through a formal reprogramming request to the HAC and SAC that requires processing through NAVFAC, OPNAV N46/CNI N4 (MILCON), NAVCOMPT, and OSD (COMPT). This reprogramming procedure is in addition to the Cost Variation procedure that is required by 10 U.S.C Section 2853 if the cost increase exceeds the lesser of 25 percent or $3,000,000, and may be in addition to a Scope Variation procedure. See FMR Volume 3, Chapter 7.

Reprogramming approval requires a written response by the Appropriation Committees, not just expiration of a waiting period. Courtesy notifications to the HASC and SASC are also required for any reprogramming request for which a Cost Variation is not required (i.e. below cost variation threshold).

A description of the cost problem should be forwarded to NAVFAC MILCON for a case-specific reprogramming determination. Reprogramming may not be required in the following instances:

a. Completing a project in its entirety with expired funds may not require reprogramming. Project cost increases are only allowable for valid upward price adjustments which exclude any work not in the scope of the original contract.

b. Cost increase above threshold is due solely to the final resolution of a contractor claim.

c. Cost increase above threshold is due solely to the excess cost attributable to a reprocurement contract. The basis for not reprogramming is based upon ultimate anticipated recovery from surety.

The reprogramming process is not available to initiate a new project or to fund a project that was denied appropriation in the Congressional budget cycle. The only exception is for projects qualifying under authority for Exceptional Construction, including Unspecified Minor Construction (UMC), Emergency Construction and Restoration of Damage or Destroyed Facilities projects, and Contingency Construction projects. Other exceptions are made for urgent land acquisition per 10 U.S.C. Section 2672a or for new Reserve component projects when the requirement was not known in time to be included in the annual budget submission.

2.13.2 MILCON Project Escalation (below threshold reprogramming)

When projects are increased above the appropriated amount but less than the reprogramming threshold, the action is referred to as a below threshold reprogramming or “escalation”. The authority to approve below threshold escalations is given to SECNAV per 10 U.S.C. Section 2852 (10 U.S.C. Section 18233a for MCNR) and further delegated to NAVFAC.

2.13.3 MILCON Project Cost Variation

10 U.S.C. Section 2853 (10 U.S.C. Section 18233a for MCNR) requires approval in writing from the Service Secretary and notification to the Congressional Committees when increasing a MILCON project funding amount above the appropriated amount by more than the lesser of 25 percent or $3,000,000 based on the total funding requirement. The Congressional criteria for evaluating the need to increase a project funding amount above this limitation are: (1) it must be required for the sole purpose of meeting unusual variation in cost, and (2) it could not have been reasonably anticipated at the time the project was originally approved by Congress. Cost Variations for the purpose of accommodating scope increases will not be approved.

a. MILCON Project Cost Variation

Project cost increases exceeding the lesser of 25 percent above the appropriated amount or $3,000,000 (for other than within-scope change orders to a contract or final settlement of a contractor claim) require NAVFAC, OPNAV N46/CNI N4 (MILCON), and SECNAV approval, Congressional notification, and expiration of a 21-day waiting period.

b. MILCON Project Cost Notification

NAVFAC approval, OPNAV N46/CNI N4 (MILCON) approval, and Congressional notification (no waiting period) are required in the following instances after a contract for a project has been awarded:

(1) Project cost increases exceeding the lesser of 25 percent above the appropriated amount or $3,000,000 for within-scope change orders to a contract

(2) Final settlement of a contractor claim

(3) Reprocurement

(4) Project completed in its entirety with expired funds.

Cost Notification procedures do not apply to MCNR projects. MCNR is not appropriated by individual project. Therefore, the cost variation provisions apply to the appropriation in its entirety and not to an individual project. Reprogramming limits do apply to individual MNCR projects in the same manner as MILCON.

c. Subsequent MILCON Project Cost Increases

Once a project has been given Congressional approval to exceed the cost increase limits in 10 U.S.C., additional Cost Variation/Notification requests may or may not be required for further increases. All such cases must be directed to NAVFAC MILCON who will make the final determination and seek appropriate approvals.

3 CLASSIFICATION OF WORK – REPAIR

3.1 GENERAL INFORMATION

3.1.1 Definition

Repair means to restore a real property facility, system or component to such a condition that it may effectively be used for its designated functional purpose. (Reference 10 U.S.C. Section 2811).

a. Deteriorated facility components may be repaired by replacement, and the replacement can be up to current standards or codes. For example, heating, ventilating, and air conditioning (HVAC) equipment can be repaired by replacement with equipment updated to current design standards and provide for more capacity than the original unit due to current standards. Interior rearrangements (except for load-bearing walls) and restoration of an existing facility to allow for effective use of existing space or to meet current building code requirements (for example, accessibility, health, safety, or environmental) may be included as repair.

b. Additions to existing facilities, new facilities, functional conversions (change in category code) of existing facilities, and total replacement (including foundation and/or structural members) of existing real property facilities must be done as construction as discussed in Chapter 4. Construction projects may be done concurrent with repair projects as long as the projects are complete and usable. For example, a project that converts existing space to a new category code may involve replacement of the HVAC system. If the new HVAC system increases current capacity and the requirement for increased capacity is driven by the category code change, then the HVAC replacement is considered construction.

c. Restoration or sustainment has the effect of merely keeping the facility in its customary state of operating efficiency without adding increased capability for the facility. Restoration and sustainment of a real property facility is classified as repair. This includes the replacement of facility components, including that equipment which is installed or built-in as an integral part of the facility (included within Class 2 property).

d. Incrementation is prohibited. Incrementation of repair is:
   (1) splitting a project scope solely for the purpose of circumventing programming and approval requirements (ex: splitting the replacement of the air conditioning requirement of a building into two or more smaller projects to avoid the need for approval at a higher level),
   (2) splitting a requirement and sacrificing economies of scale resulting in a higher project cost (ex: two separate projects to repair 2 non-contiguous portions of a deteriorated roof, instead of a single, more economical project to repair the roof sections), or

(3) concurrent work funded by an appropriation other than MILCON on an active military construction project to avoid reprogramming procedures or both reprogramming and cost variation notification procedures (ex: using O&MN funds to augment a project to prevent MILCON expenditures from exceeding the lower of an additional $2,000,000 or 125 percent of the originally appropriated amount).

3.1.2 General Policy for Repair Projects

a. When repair projects involve replacement of constituent parts, the item(s) installed shall serve the same purpose.

b. Repairs may include replacement of the current materials with substitute materials.

c. Incident to a facility repair, the following work may be classified within the scope of repair:

(1) Relocation of and minor additions to components in an existing facility to return it to its customary state of operating efficiency (ex: additional partitions installed during repair of deteriorated interior partitions).

(2) Replacement of facility components, built-in equipment, or systems with items of higher quality or more durable materials to conform to current design criteria or design standards. The replacement items will not substantially increase the capacity or change the function of the components, equipment, or systems, unless there is no alternative to such replacements.

d. Energy Efficient Systems

Energy efficient maintenance permits the repair by replacement of fully functioning energy consuming equipment or systems with more efficient equipment when:

(1) The cost of replacing the energy consuming equipment or system can be recovered through cost savings or cost avoidance within 10 years,

(2) The replacement does not substantially increase the capacity of the equipment or systems, but can allow for state of the art equipment having higher capacity or to meet current design criteria or demand, except as noted in paragraph 3.1.1.a.

(3) The new equipment or system provides the same end product (ex: cooling, heat, lighting), even though the equipment is not replaced in kind. For example, a leaking steam line serving a small, remote load may be "repaired" at the lowest life-cycle cost by installing a local boiler or heat pump at the load and by decommissioning the steam line. Repair projects for energy efficient maintenance must include all work necessary to make the new, more efficient equipment or system complete and operational.

e. Demolition

Demolition of a facility or a portion of a facility because the extent of deterioration is such that it can no longer be economically maintained, or because the facility is a hazard to the health and safety of personnel is classified as repair. Demolition of an excess facility is always classified as repair. When demolition is done to clear the footprint for a new facility, the demolition should be included as part of the scope of the construction project and paid for from the same fund source as the construction project fund source. (For nonappropriated fund (NAF) projects, see paragraph 12.1.5). Costs to close openings and cut off utilities are within the scope of repair. See Special Interest Code DE in Chapter 10 for further demolition project information. See also paragraph 4.1.1(d) for demolition incident to new construction. Follow-on construction required by demolition cannot be classified as repair and is subject to the construction threshold.

f. Utility Systems & Components

For facilities projects purposes, a utility system is a single real property facility which may include generation plant equipment, distribution lines and associated distribution equipment, and the building(s) or structure(s) which house these equipment components. Buildings that house utility systems or their components are considered components of the utility system real property facility for facility project purposes. For example, a building that houses only the generator (and serves no other purpose) for an electrical distribution line is not a separate facility for project classification purpose. Repair by replacement of the building in this example is not replacement of the entire facility (the entire facility being the entire electrical distribution line).

g. Pavement Repairs

Pavement Condition Index (PCI) measurements performed on existing pavements should be shown on repair project documentation.

h. Facility Condition Index (FCI)

The Facility Condition Index (FCI) is used as a rating factor in the programming of Special Projects and MILCON Projects. The FCI is calculated and displayed in decimal format based on a ratio of facility Sustainment (ST) and Restoration and Modernization (RM) deficiencies to the facility Plant Replacement Value (PRV). The Regions, CNI Housing, and BUMED annually identify facility deficiencies to CNI as the Facilities Condition Assessment Program (FCAP). The FCI is calculated and available within the software application Facility Readiness Evaluation System (FRES, see https://fres.rkeng.com/). For ease of access, the FCI value is also available in the software application Electronic Project Generator (EPG, see https://jersey-3.navfac.navy.mil/prd/epg.htm).

i. Piping Systems

For repair of piping systems that have deteriorated, cathodic protection may be incorporated as a repair cost.

3.1.3 Examples of Repair

a. Replacement of all deteriorated interior partitions (non load bearing) with some additional partitions added to accommodate a new interior layout.

b. Repair by replacement of a deteriorated fence, provided the new fence is similar in type to the existing fence and meets current AntiTerrorism/Force Protection (AT/FP) standards per the applicable Unified Facilities Criteria (UFC). Replacing a deteriorated 6' chain link fence with an 8' brick wall (when a chain link fence meets the current standards) is construction. The deteriorated fence may be partially relocated as part of the repair project as real property relocation coincident with repair work. Moving an existing fence or a section of an existing fence to a new location (relocation without repairs or repair by replacement to a new location) is construction.

c. Replacement of a deteriorated roof, correction of seismic deficiencies in the roof structure, and installation of new or additional roof insulation.

d. Paving unpaved shoulders (damaged by erosion or aircraft engine exhaust) with a thin layer of concrete or asphalt so as not to change the "mission" or capacity of the existing shoulders.

e. Replacing deteriorated mechanical equipment and providing new automatic controls.

f. Modifying window and door openings during the replacement of deteriorated windows or doors to take advantage of available manufactured sizes and to preclude special fabrication costs.

g. Paving existing eroded earth ditches with a thin layer of concrete or asphalt solely for the purpose of stabilization so as not to change the "mission" or capacity of the existing earth ditch.

h. Replacement of a deteriorated and obsolete aboveground utility distribution system with a more economical underground system or vice versa.

i. Replacement of an existing deteriorated pipe, conduit, or duct with components larger than the original size to meet current design criteria.

j. Overlay, resurfacing, and restoration of existing deteriorated pavement to make it serviceable to accommodate current missions. Adding new curbing where none previously existed is construction. Widening pavement or surfaces to meet increased capacity requirements due to new mission is

construction. Widening pavement or surfaces to meet increased capacity requirements due to changes in standards or codes is repair.

k. Installation of cathodic protection on an existing facility to prevent corrosion damage is classified as repair, provided the requirement for cathodic protection developed after the facility begins operation. The installation of cathodic protection incident to the repair of a real property facility is classified as repair. The installation of cathodic protection in a new facility is classified construction.

l. Repair by replacement of a central heating system with individual boiler(s) that are more economical to operate and maintain. Replacing existing window air conditioning units with a new centralized HVAC system is construction.

m. Replacement of a deteriorated facility on an existing foundation provided there is no change in category code. Complete replacement including foundation or structural members is construction. Replacement of a deteriorated facility on an existing foundation that results in a change in category code would also be construction.

n. Extensions and additions to systems or facilities to correct life, safety, and health code deficiencies are considered repair. (Example: adding an exterior exit stairwell to satisfy a safety code requirement).

o. Replacing existing broken windows in a historic facility with new historically compliant windows.

3.2 REPAIR PROGRAMMING

3.2.1 Funding of Repair

Repair projects shall be financed from appropriations available for operations and maintenance (O&MN, O&MNR, RDT&E, etc.) or from internally generated funds at Navy Working Capital Fund (NWCF) commands. Repair, major restoration, or replacement of facilities which suffer extensive damage from catastrophes or acts of God may be accomplished under the authority of 10 U.S.C. Section 2854 (see paragraph 4.4.3) and financed from appropriate appropriations (see DODINST 7045.7). Projects for out-granted facilities will be funded by the Agency to whom the out-grant is issued.

3.2.2 Scope of Repair Projects

a. A project is defined as a single undertaking necessary to satisfy a finite requirement. A "finite requirement" of repair is considered to be all the work necessary to maintain serviceability or to prevent significant deterioration of a real property facility or a component of the facility. Normally, major repairs for a single requirement will be included in a single project. Multiple

projects may be undertaken for independent repair requirements. A repair project may be phased over more than 1 fiscal year when phasing is determined to be the most efficient use of available resources. Each phase must result in a complete and usable facility. See paragraphs 2.2.6 and 3.2.3.

b. Deficiencies in an individual real property facility are normally detected as a part of the control inspection or the specialized inspection program, Facilities Condition Assessment Program (FCAP). When prudent management dictates that such work of Special Project scope be scheduled and accomplished with local funds, it may be accomplished with the approval of CNI or higher authority by means of a “One Time Authority” (OTA) request. Requirements for documentation and technical validation still apply. Generally, real property facilities that are not required to satisfy the approved Facilities Requirements Plan (FRP) should not be repaired.

3.2.3 Incrementation of Repair

a. The scope of a repair project, or phase of a repair project, should result in a complete and usable facility or a “complete and usable” component of an existing facility. Complete means having all necessary or normal parts, components, or steps. Useable means fit for use, convenient to use, or that which can be used. This does not include the outfitting of the facility with furniture or other collateral equipment items.

b. Repairs shall not be subdivided into multiple projects for the purpose of avoiding approval by higher authority. Separate projects for the same real property facility are allowed only if independent of each other.

c. Repair projects that are phased shall be reviewed and approved based on the total cost of all phases.

d. Incrementation prohibits:
   (1) A project to be subdivided to reduce the cost for reasons of circumventing programming and approval requirements, or
   (2) Any project that results in an incomplete or unusable real property facility or improvement to a real property facility.

e. Incrementation of work following MILCON:
   (1) Work identified after appropriation of the MILCON or known deficiencies removed from the scope of the MILCON project and needed for a complete and usable facility must be funded by seeking additional MILCON funds or by a later MILCON project.
   (2) Known work not required to make the facility complete and usable that is removed from the MILCON scope and deferred for later accomplishment with an O&M project may only proceed after BOD of

the original project and expiration of the original MILCON appropriation (5 years). See Appendix C for the Table of Appropriations. Unknown new requirements that are identified after BOD are allowed and would not be considered Incrementation to the MILCON. CNI N4 (SRM or MILCON) oversight is required in such instances.

(3) Work identified after completion of the MILCON but before the original MILCON appropriation expiration may be completed only if the work is a new requirement and was not known during the planning or execution process. The work should be completed using the appropriate funding source (other than MILCON funds) with respect to applicable funding thresholds and approval levels. CNI N4 (SRM or MILCON) oversight is required in such instances.

4 CLASSIFICATION OF WORK - CONSTRUCTION

4.1 GENERAL INFORMATION

4.1.1 Definitions

a. Construction

Construction is the erection, installation, or assembly of a new real property facility; or the addition, expansion, extension, alteration, conversion, or replacement of an existing real property facility; or the relocation of a real property facility. (Reference 10 U.S.C. Section 2801). Construction projects can include the demolition of facilities to be replaced, supporting utilities, roads, parking lots, equipment installed in and made a part of such facilities (built-in equipment), related site preparation, excavation, filling and landscaping, or other land improvements incident to the project. See Chapter 12 for policy on nonappropriated fund (NAF) projects. The provisions of this manual also apply to non-capitalized undertakings at NWCF installations or commands. Non-capitalized undertakings are expenditures for alterations (construction) that do not enhance the plant value of the real property facility. The installation of cathodic protection during the construction of a new real property facility, or during the conversion, addition, expansion, or complete replacement of a real property facility shall be accomplished as construction (see also paragraph 3.1.3.k).

b. Conversion

A conversion changes the original functional purpose of a real property facility that may or may not include a major structural revision.

If a facility has more than one category code and the minor category code is converted without any alteration of load bearing walls and the conversion cost does not exceed the construction threshold, this change will not be considered conversion, provided the prime use of the facility does not change. For example, conversion of a storage room in an applied instruction facility to a classroom would change the minor category code of the storage room but would not change the overall category code of the facility. The work in this example is repair.

Repair or maintenance may be funded as a non-construction cost when included in a conversion project.

c. Addition, Expansion, and Extension

Addition, expansion, and extension each constitute a physical increase to a real property facility. As a general rule, if the dimensions used to record the facility in the real property inventory are increased, then an addition, expansion, or extension has occurred. Modernization that increases

production capability; enlarges, extends, or expands primary distribution systems; or provides services for a new purpose is construction. See also paragraph 3.1.2.

d. Replacement

Replacement is a complete reconstruction including foundation of an existing real property facility. The work classification of a replacement project is construction. A replacement project must include the cost of demolition of the replaced facility as discussed in paragraph 3.1.2.e. Major restoration or replacement of a real property facility damaged or destroyed beyond economical repair is also classified as construction, except for utility plant buildings that are considered part of the utility system (see paragraph 3.1.2.f). Major restoration to rectify deteriorated condition is repair. Replacement is still construction if a new facility is built on a different footprint.

e. Alteration

An alteration is the work required to adjust the load bearing walls of an existing real property facility so that it can be more effectively adapted to or utilized for its designated purpose. Alteration is classified as construction. “Load bearing walls” includes structural members of real property facilities.

f. Minor Construction Project

(1) CNI, Region, or Installation funded

A minor construction appropriated fund (APF) project is a single undertaking with a funded cost of $750,000 or less (including contract administration, SIOH, and contingency) at a military installation. The project shall include all work necessary to produce a complete and usable facility, or a complete and usable improvement to an existing facility. All minor construction projects for an addition, expansion, extension or alteration must be supported by the facility planning documents, Regional Shore Infrastructure Plans (RSIPs), or applicable design criteria.

(2) Unspecified Minor Construction (UMC)

An unspecified minor construction project is defined as a single undertaking in excess of $750,000 at a military installation that includes all urgent construction necessary to produce a complete and usable facility, or a complete and usable improvement to an existing facility. The maximum approved amount specified by law for an unspecified minor military construction project is $1,500,000, (including contract administration, SIOH, and contingency) and such projects are funded from the military construction appropriation. See paragraph 4.4.4.

(3) Life, Safety, and Health Minor Construction

A minor construction APF project that corrects a life, safety, or health deficiency has a construction threshold of $1,500,000 (including contract administration, SIOH, and contingency).

(4) Life, Safety, and Health Unspecified Minor Construction (UMC)

The maximum amount specified by law for an unspecified minor construction project that corrects a life, safety, or health deficiency is $3,000,000 (including contract administration, SIOH, and contingency) and is funded from the military construction appropriation. Projects that protect individuals or projects to support physical security forces do not qualify under this category (ex: small arms ranges, gatehouses, installation perimeter projects). Project scope must be limited to the correction of the deficiency and not increasing capacity.

g. Exceptional Construction Authorities

The Exceptional Construction Authorities (discussed in paragraph 4.4) are those authorities which are available to obtain authorization and funding outside the normal annual MILCON programming and budgeting process for construction projects. The authorities include (1) Unspecified Minor Construction costing more than $750,000 (2) Emergency Construction, (3) Major Restoration or Replacement of Damaged Facilities, and (4) Contingency Construction.

h. Installed Equipment

(1) Installed equipment, sometimes called "built-in equipment," is accessory equipment and furnishings that are not intended to be movable, are required for operation, and are permanently affixed as a part of the real property facility. The equipment is engineered and built into the facility as an integral part of the final design. Equipment of this nature is considered part of the Class 2 real property facility, and is funded as construction. Examples of installed equipment include:

(a) Built-in furniture, cabinets, and shelving.

(b) Window screens and screen doors.

(c) Venetian blinds and shades.

(d) Elevators and escalators.

(e) Hard-wired systems for fire alarms, mass notification systems for individual facilities, public address systems, and intercommunication systems and equipment (built-in). See paragraph 11.4.

(f) Infrastructure that supports Electronic Security Systems (ESS). See paragraph 11.4.

(g) Inside Plane (ISP) and Outside Plant (OSP) infrastructure that supports telephones. See paragraph 11.2.

(h) Raised flooring.

(i) Pneumatic tube systems.

(j) Heating, ventilating, and air conditioning systems (except when provided solely to support a piece of personal property.) Excludes window air conditioning units.

(k) Electric generators and auxiliary gear, including uninterruptible power supply (UPS), in support of a real property facility electrical system.

(l) Waste disposers, such as incinerators.

(m) Built-in food preparation and serving equipment.

(n) Dishwashers (built-in).

(o) Hoods and vents.

(p) Refrigerators (built-in).

(q) Laboratory furniture (built-in).

(r) Cranes and hoists (fixed, built-in, not movable). Built-in rails for any movable crane (i.e. in support of bridge/gantry/portal cranes).

(s) Chapel pews and pulpits.

(t) Theater seats.

(u) Automated storage/retrieval systems (including wire guided fork lifts).

(v) Bleachers, lockers, and basket ball goals.

(2) Equipment Excluded from Real Property Costs

The costs of all items of equipment (personal property or collateral equipment), including furniture and furnishings which are loose, portable, or can be easily detached from the structure, are normally excluded from the real property costs. In addition, the costs of

permanently attached equipment such as technical, medical, scientific, production, and processing equipment that is usually procured as personal property, are also normally excluded from the real property costs. Production and other movable equipment funded from other appropriations should be included as additional information in presenting construction projects. Project funds can provide the infrastructure (power connects, grounding systems, HVAC equipment, voice and data cabling, conduit, etc.) to support the equipment and would be classified as construction in new construction projects. In projects for existing facilities, these items would be classified as equipment installation as they are dedicated to the support of personal property equipment. Examples of personal property or collateral equipment include the following:

(a) Loose furniture and modular furniture, including partitions, desktops, and cabinets.

(b) Loose furnishings, including rugs.

(c) Filing cabinets and portable safes.

(d) Portable office machines.

(e) Plug-in wall clocks.

(f) Portable food preparation and serving equipment, including appliances.

(g) Telecommunications equipment. See paragraph 11.2.

(h) Training aids and equipment, including some simulators.

(i) Shop equipment.

(j) Automatic data processing equipment.

(k) Portable photographic equipment.

(l) Electronic Security Systems (ESS) to include Intrusion Detection Systems (IDS), Automated Access Controls Systems, and Closed Circuit Televisions systems (CCTV) (funded by PSE/OPN). See paragraph 11.4.

(m) Community Antenna Television (CATV) headend equipment

(n) Electric generators and UPS in support of personal property equipment.

(o) Movable cranes and hoists excluding built-in rails. (Movable cranes in new facilities are not funded from MILCON.) All portions of all crane systems shall be considered personal property to be funded from other appropriations (non-MILCON funds) with the exception of (1) rails/tracks for any crane or (2) Davit or jib cranes that are secured to the structure via bolts, mounting sleeves, or other fastening systems built into the structure.

(p) Telephones.

(q) Televisions, monitors, and projectors.

(r) Any operational equipment for which installation mounting and connections are provided in building design and which are easily detachable without damage to the building or equipment.

4.2 CONSTRUCTION PROJECT SCOPE

4.2.1 Construction Incrementation

a. No project may be subdivided for reasons of circumventing programming and approval requirements. Each project must result in a complete and usable real property facility, or complete and usable improvement to an existing facility. The planned (foreseeable) acquisition of, or improvement to a real property facility through a series of minor construction projects is prohibited. Minor construction work which will involve multiple facilities in support of the same mission change, or in support of a single new mission element, must be treated as follows:

(1) Multiple facilities, same category code

When multiple facilities with the same category code support a new or existing mission requirement, the construction work must be incorporated into a single scope. For example, if 24 magazines at an installation must undergo alterations in connection with a new ordnance-handling mission, this work would be accomplished as a single project.

(2) Multiple facilities, different category code

When multiple facilities with different category codes support a new or existing mission requirement, the construction work will generally be incorporated into a single facility project, unless it can be demonstrated that the work in each facility:

(a) Is for unrelated and dissimilar mission purposes (i.e. does not support a new mission requirement),

(b) Is not dependent on each other, and

(c) Will result in each being a complete and usable facility or a complete and usable improvement to a facility.

b. Minor construction projects with major construction project

Incrementation constraints have been modified by Congress to permit using minor construction projects to precede or follow a major construction project. Use of Unspecified Minor Construction, Local, or CNI funded minor construction to satisfy urgent requirements preceding a MILCON project is permitted when such minor construction would provide a complete and usable facility during a specific time frame. Use of a minor construction project following a MILCON project is permitted when a new mission requirement develops after the Beneficial Occupancy Date (BOD) of the MILCON project. (See Table of Appropriations in Appendix C.) In either case, OPNAV N46/CNI N4 (MILCON) approval is required and the normal UMC approval process is required if follow-on projects are greater than $750,000.

c. Additional MILCON Work

Work identified during the execution of a MILCON project (i.e. before BOD), and needed for a complete and usable facility, or desired for supporting the same mission as intended in the MILCON project, must be funded by seeking additional MILCON funds or inclusion in a later MILCON project.

d. MILCON and Minor Construction

Work removed from the originally approved MILCON scope that is not required for the facility to be complete and useable and is deferred for later accomplishment with a minor construction project may only proceed after BOD of the original project and expiration of the original MILCON appropriation. See Table of Appropriations in Appendix C.

e. MILCON and Utilities

A complete and usable facility may require extensions or improvements to other supporting facilities, such as exterior electrical, water, and sewage distribution systems, parking lots, and fencing. Extensions or improvements to supporting facilities must be included in the construction project scope, except in cases where central utility modifications are required to support several new facilities or upgrades in more than one facility, base mission realignment/expansion that requires significant modification to the utility infrastructure of the base, or the phasing of other projects results in a sequencing of projects which will eventually meet the overall requirements.

f. Actions that are prohibited

(1) Splitting a project scope solely to avoid an approval requirement, or to circumvent the statutory limitation on funding minor construction with an appropriation other than MILCON appropriation (ex: splitting the air

conditioning of a building into increments, each costing less than $750,000).

(2) Splitting a requirement and sacrificing of economies of scale, resulting in a higher cost of construction. For example, constructing multiple small buildings, each under $750,000, instead of a single, more economical building.

(3) Concurrent work on an active military construction project to avoid MILCON reprogramming approval procedures. For example, using O&MN funds to augment a project to prevent MILCON expenditures from exceeding either 125 percent of the originally appropriated amount, or exceeding the originally appropriated amount by more than $2,000,000.

g. In the event a project is composed of work that is so integrated as to preclude separation of construction and repair costs, and the total funded cost of construction and repair exceeds $750,000, the combined construction and repair project shall be accomplished as a MILCON project.

4.2.2 Combining Appropriated, Private, or Nonappropriated Funds

a. Appropriated funds should not be combined with private or nonappropriated funds (NAF) for the same minor construction project. This practice may be considered incrementation and subdivision to circumvent statutory limitations. Exceptions to this policy must be approved in advance by the Secretary of the Navy or his/her designee. Request for exception to this policy shall be submitted to CNO(N46), via CNI and the chain of command, for processing to ASN(I&E) for approval.

b. Appropriated funds, normally not allowed for construction of revenue generating facilities, may be used only in those instances authorized by the funding policy outlined in FMR Volume 13, Chapter 3. Exceptions to this policy are approved by ASN(I&E) in coordination with the Assistant Secretary of the Navy (Manpower & Reserve Affairs) (ASN(M&RA)). Request for approval should be submitted to the Commander, Navy Installations (N2/N4) when related to Morale, Welfare, and Recreation (MWR) projects or the Navy Exchange Service Command (NEXCOM), via CNI for processing to ASN(I&E) (see SECNAVINST 7000.23).

c. Private or nonappropriated funds may be used to purchase and install furnishings, equipment, and interior finishes for private and nonappropriated fund facilities.

d. NAF facilities, or portions thereof, may be eligible for appropriated funding when the project requirement or site is driven primarily by an RSIP or other facilities issues that are otherwise not related to the NAF facilities. Eligibility for appropriated fund support for such circumstances associated with NAF

undertakings is outlined in the FMR Volume 13, Chapter 3, DODINST 1015.10, and DODINST 1015.15.

e. Mixing of appropriated with private or nonappropriated funds for repair or maintenance projects is allowed. (See SECNAVINST 7043.5B for execution guidelines pertaining to NAF projects and SECNAVINST 4001.2G for guidelines pertaining to private funds and gifts).

f. Additional information on nonappropriated fund projects is provided in Chapter 12**.**

4.2.3 Multiple Minor Construction Projects in one Real Property Facility

Multiple minor construction projects in an existing single facility may be allowed when they meet all of the following conditions:

a. for unrelated and dissimilar purposes (mission or functional use),

b. not dependent on each other,

c. not contiguous (not touching), and

d. each one will result in a complete and usable improvement to the facility. See paragraph 4.2.1.

4.3 CONSTRUCTION IN OTHER THAN NAVY-OWNED FACILITIES

4.3.1 Construction in General Services Administration Facilities

Under the general provisions in the annual appropriations for the General Services Administration (GSA), Navy appropriations available for operations and maintenance may be used for reimbursement to the GSA for the expenses of renovation and alteration of buildings and facilities. Therefore, projects involving alterations to Navy-occupied, GSA-owned, managed, or controlled facilities shall be authorized and funded by the Region/CNI or the Navy installation requiring the work. The GSA is responsible for work that a tenant can normally expect from a landlord. The Navy is responsible for work which cannot be normally expected from a landlord and which is strictly peculiar to the needs of the Navy. When Navy appropriations are used to fund construction (including alterations) or repair of GSA-owned, managed, or controlled facilities, the provisions of this manual apply. Operation and maintenance funds shall not be used for work in GSA-owned, managed, or controlled facilities that would otherwise require Military Construction appropriation funding. For the purposes of these provisions, industrial funds are considered similar to appropriations available for operations and maintenance. The above policy is also applicable to non-GSA administered facilities leased by the Navy that are subject to the provisions of NAVFAC P-73, "Real Estate Procedural Manual."

4.4 CONSTRUCTION PROGRAMMING

4.4.1 Annual Military Construction Program

a. The Annual National Defense Authorization Act and annual Appropriations Act that includes Military Construction (MILCON) Appropriation provide authorization and funds for individual construction projects developed under the Naval Shore Facilities Planning System (SFPS), and supported by an installation Facilities Requirements Plan (FRP). This annual program is normally restricted to construction projects exceeding $750,000 in funded construction costs, and to projects for acquisition of real estate (Class 1, property) with individual project costs exceeding $500,000 (Reference 10 U.S.C. Section 2672). Real property facilities will not be maintained, repaired, or constructed with procurement appropriations unless specifically approved by Congress in the program appropriation language.

b. Construction projects with funded costs exceeding $750,000 must be included in the annual MILCON program. Exceptions are those projects which qualify under one of the following exceptional construction authorities:
   (1) Emergency Construction. See paragraph 4.4.2.
   (2) Major Restoration or Replacement of Damaged Facilities. See paragraph 4.4.3.
   (3) Unspecified Minor Construction (UMC). See paragraph 4.4.4.
   (4) Secretary of Defense MILCON Contingency Authority. See paragraph 4.4.5.

c. See paragraphs 2.6 through 2.12 for Navy Military Construction programming, budgeting, development, validation, and execution procedures. See paragraph 2.13 for details on MILCON Reprogramming and Cost Variation Provisions.

4.4.2 Emergency Construction

a. Emergency Construction Project Authority

   Title 10 U.S.C. Section 2803 provides emergency authority for accomplishing military construction projects outside of those line items included in the annual Defense Authorization Act. Normally, use of this authority is restricted to projects costing more than $1,500,000. The total authorization available to the Navy for this purpose in any fiscal year is $30,000,000. For each project, the Secretary of the Navy must determine that the requirement is: (1) vital to the national security or to the protection of health, safety, or the quality of the environment, and (2) so urgent that deferring authorization for construction to the next Defense Authorization Act would be inconsistent with national security or the protection of life, health, safety, or environmental quality.

b. Emergency Construction Project Funding

Annual MILCON Appropriation Acts do not provide funds for projects approved under the authority of 10 U.S.C. Section 2803. Projects must be financed by reprogramming military construction fund savings resulting from favorable contract awards, or by deferral or cancellation of other projects that have been authorized and funded in a MILCON program.

c. Emergency Construction Project Submission Procedures

Project documentation should be prepared on DD 1391, and submitted to the ASN(I&E) via the Region, the servicing FEC, and CNI/CNO(N46). An advance copy should be provided to COMNAVFACENGCOM. Each project approved by ASN(I&E) then requires a 7-day electronic congressional notification period.

4.4.3 Major Restoration or Replacement of Damaged Facilities

a. Major Restoration or Replacement of Damaged Facilities Project Authority

Under the authority of 10 U.S.C. Section 2854, certain facilities that have been damaged or destroyed by natural causes (not by neglect) may be restored or replaced using military construction appropriations funds when the funded project cost (including SIOH and contingency) exceeds $1,500,000. This authority is only necessary if there is no supplemental funding to support the requirement. The Secretary of Defense has restricted use of this authority to complete replacement or "major restoration" of a facility that is urgently required. Major restoration of damaged facilities is defined by the Navy as a restoration costing in excess of 50 percent of the plant replacement value (PRV). In those cases where the timing is such that restoration or replacement will not unduly impair mission, or when urgency cannot be otherwise justified, projects should be included in the annual budget program. A major restoration or complete replacement of a damaged facility that is supported as a “must-fund” requirement can be funded as Unspecified Minor Construction under 10 U.S.C. Section 2805 when the funded project cost is between $750,000 and $1,500,000, provided it meets the requirements of paragraph 4.4.4. “Must fund” projects with a funded cost of $750,000 or less may be undertaken and funded by the Region or installation.

b. Major Restoration or Replacement of Damaged Facilities Project Funding

Military construction funds are not provided by this authority. Reprogramming similar to the procedures outlined for emergency construction is required.

c. Major Restoration or Replacement of Damaged Facilities Project Submission Procedures

Project documentation is prepared on DD 1391 and submitted to ASN(I&E) via the servicing FEC, Region, COMNAVFACENGCOM, CNI, and CNO(N46). Each project approved by ASN(I&E) requires a 7-day electronic congressional notification time period.

4.4.4 Unspecified Minor Construction (UMC)

a. UMC Project Authority

Title 10 U.S.C. Section 2805 contains the authority for construction projects not otherwise authorized by law with a funded project cost less than $1,500,000 as discussed in paragraph 4.1.1.f. Projects solely for the acquisition of real estate (Class 1 real property) do not qualify under this authority (see NAVFAC P-73, Real Estate Procedural Manual). Unspecified Minor Construction includes projects costing more than $750,000 and less than $1,500,000 which are identified too late to be included in the current budget submission, and which can not be deferred to the next regular MILCON program because there is no interim feasible alternate or other permanent method of satisfying the facilities requirements. Accurate and supportable cost estimates and certifications are required to preserve the credibility of the Navy's Unspecified Minor Construction (UMC) program with DoD and the Congress.

b. UMC Project Funding

Annual MILCON legislation provides lump-sum authorizations and appropriations for UMC, which are managed by CNI and NAVFAC. Assignment of MILCON funds for minor construction projects is under the control of the Chief of Naval Operations. Minor construction projects with a cost greater than $750,000 and affecting Facility Class 5, medical facilities, are funded by the Defense Medical Facilities Office (DMFO).

c. UMC Project Eligibility Criteria

As there are many more projects proposed than are possible to fund, the following criteria are used to screen projects:

(1) A new primary mission assignment cannot be carried out without the requested construction.

(2) Unexpected growth in existing primary missions cannot be accommodated without the requested construction.

(3) Unexpectedly rapid progress in a high priority research and development effort cannot be exploited without the requested construction.

(4) A hazard to life and property meeting the Occupational Safety and Health Act, Category IA, cannot be corrected without the requested construction.

(5) The requested construction is necessary to conform to regulatory or statutory requirements to continue performing primary missions.

(6) Unexpected new items of major equipment, which are necessary for the performance of a primary mission, cannot be put into operation without the requested construction.

(7) The security of nuclear or other classified special weapons or materials would be jeopardized without the requested construction.

(8) Unexpected loss or severe reduction in supporting utility sources or systems will jeopardize the ability to continue to perform primary missions without the requested construction.

(9) The requested construction is a self-amortizing minor construction project, provided the construction will within 3 years following completion of the project result in savings in maintenance and operating costs in excess of the cost of the project. The computation of savings must compare present and proposed total systems investment cost, and not just the cost of the added facilities. Current instructions on 3-year payback projects should be used as guidelines in preparing payback analysis for projects submitted under this criteria (see DODINST 7041.3 and NAVFAC P-442).

d. UMC Project Submission Procedures

(1) Installation submits requirement to Region.

(2) Region (MILCON Rep) validates the requirement and submits UMC Project Request Sheet (two-page 1391) to CNI and NAVFAC HQ.

(3) CNI determines project priority with other potential UMC projects, then informs Region to submit formal UMC request package, and NAVFAC HQ authorizes the design.

(4) Region prepares DD1391 in EPG and submits Region Endorsement Letter to CNI.

(5) NAVFAC validates DD 1391 and CNI prepares the UMC submission package for Deputy Assistant Secretary of the Navy for Installations and Facilities (DASN(I&F)).

(6) DASN(I&F) forwards the package over to Financial Management and Budget (FMB). Once FMB approves it DASN(I&F) sends notification letters to Congress that the Navy intends to do the project.

(7) If Congress does not voice an objection within 21 days (14 days for electronic submission), the project is approved for award/execution.

4.4.5 Contingency Construction

a. Contingency Construction Project Authority

DoD Directive 4270.36 implements 10 U.S.C. Section 2804 and Section 2808, which provides the Secretary of Defense with authority to establish or develop installations or facilities which he determines to be critical to the security of the United States. This authority encompasses a situation in which a declaration of war or national emergency (hostile situation) exists,

or the need for construction of military facilities is critical to the security of the United States and cannot await inclusion in a later annual MILCON Authorization Act.

b. Contingency Construction Project Funding

This authority differs from Emergency Construction in that Congress appropriates, in advance, a lump sum amount of MILCON funds for a known contingency, such as the establishment of new bases in support of rapid deployment forces.

c. Contingency Construction Project Submission Procedures

Project documentation should be prepared on DD 1391 and submitted to the CNO(N46) via CNI, the Region, the servicing FEC, and COMNAVFACENGCOM. CNO(N46) will seek the required approvals by ASN(I&E) and DoD. Each project requires Secretary of Defense approval. This provision requires a Congressional after-the-fact notification 7 days after funds are obligated.

4.4.6 Non-MILCON Funded Minor Construction

a. Minor Construction Project Authority

The maximum specific approval authority limits for active shore installations, NWCF installations, and reserve installations are listed in Appendix C. This authority may be reduced by CNI.

b. Minor Construction Project Funding

Funds for Region or locally funded minor construction projects are budgeted in the operations and maintenance appropriations, or from self-generated funds at NWCF installations.

c. Minor Construction Project Submission Procedures

Detailed project documentation, submission, and review requirements are contained in Chapter 2.

4.5 SPECIAL MILITARY CONSTRUCTION AUTHORITIES

4.5.1 Defense Medical MILCON Authority

This program is managed by the Office of the Assistant Secretary of Defense for Health Affairs, OASD(HA), and is funded by the Defense Health Program. This section applies to all active Navy medical and medical related facilities. The following directives apply: DODINST 6015.17, Planning and Acquisition of Military Health Facilities; and UFC 4-510-01, Design: Medical Military Facilities.

4.5.2 Defense Access Road (DAR) Program

a. Background

This program provides a means for DoD to contribute funding to improve public highways and roads serving defense installations. The program is authorized by 23 U.S.C. Section 210, Defense Access Roads, governed by See DoD Directive 4510.11, DoD Transportation Engineering, and implemented by OPNAVINST 11210.2, DoD Transportation Engineering Program. The DAR Program is managed by Surface Deployment and Distribution Command, Department of the Army, and co-administered by the Federal Highway Administration (FHWA), Department of Transportation. The FHWA is the link to State and local transportation agencies that normally execute the projects.

b. DAR Project Justification and Submittal

The DoD expects State and local transportation agencies to develop and maintain public highways that serve permanent defense installations. Before requesting approval through the DAR process, an installation shall first request the jurisdictional authority to fund and accomplish the required improvements. However, some defense-generated impact may be too sudden or unusual to be incorporated into normal civil highway improvement programs. Such impacts could include traffic increases due to major on-base facility expansions, addition of a new entrance gate, a requirement to move unique defense vehicles on low-volume roads, or realignment of public roads due to new facility development (ex: runway extension). When it is understood that State and local authorities cannot or will not fund the necessary improvements, installations shall submit the requirements to the Region in order to be considered in the Regional Integrated Priority Lists (IPL) for funding as part of the normal Navy MILCON Program.

4.5.3 Energy Conservation Investment Program (ECIP)

ECIP is a special MILCON program centrally managed by OSD for all services. The program is submitted to Congress by OSD as a lump sum amount without base or project identification. The services compete for portions of the lump sum amount by submitting candidate projects with detailed justifications to OSD. The program is intended to provide projects that reduce energy consumption and utility costs. OSD reviews the projects, determines which are to be funded, and transfers funds to the service for project accomplishment. For more information, see OPNAVINST 4100.5D, Energy Management, and NAVFACINST 11300.37A, Energy and Utilities Policy Manual.

4.5.4 Liquid Fuels Facilities

Liquid fuels facilities handling Defense Energy Support Center (DESC) owned product are the responsibility of the Defense Logistics Agency (DLA) for MILCON funding and advocacy. Regions should submit MILCON fuels projects to DESC, documented in accordance with DLAM 4270.1, DLA Facilities Projects Manual. Provide informational copies to CNI and NAVFAC HQ.

5 CLASSIFICATION OF WORK – MAINTENANCE

5.1 GENERAL INFORMATION

5.1.1 Definition

Maintenance is the recurring, day-to-day, periodic, or scheduled work required to preserve or return a real property facility to such a condition that it may be used for its designated purpose. The term includes work undertaken to prevent damage to a facility that otherwise would be more costly to repair.

5.1.2 Types of Maintenance

a. Specific Maintenance

Specific maintenance is maintenance work on a facility generally performed on a specific job order (see NAVFAC MO-321 (NOTAL)). This work recurs over a given cycle but is not of a continuing nature on the particular facility. Examples of this type of maintenance are:

(1) Major waterproofing and painting to preserve exterior and interior walls of buildings.

(2) Major seal-coating of asphalt pavement.

(3) Resealing all joints in runway concrete pavement.

(4) Dredging to a previously established design depth. Note, if dredging to a new depth, the additional dredging from the previous design depth to the new depth is construction.

(5) Cleaning storage tank interior deposits.

b. Recurring Maintenance

Recurring maintenance is preventive or recurring work to maintain the facility in operable condition. This work is highly repetitive on a portion of a facility.

5.2 MAINTENANCE PROGRAMMING

5.2.1 Policy

a. Maintenance shall be financed from appropriations available for operations and maintenance (ex: O&MN, O&MNR, RDT&E) or from internally generated funds at NWCF installations.

b. Specific maintenance shall be programmed as a Special Project according to the procedures in this manual when project funded costs exceed local approval authority.

c. Recurring maintenance shall be normally programmed in the installation's budget.

d. Maintenance dredging should be included as a Special Bill in the Facilities Sustainment Model (FSM).

5.2.2 Maintenance of Communication Antennas

a. Maintenance of Class 3 communication antennas and antenna systems is under the responsibility of the owner (predominantly Naval Network Operations Command and the Naval Security Group Command). This work is not funded from normal real property maintenance funds, but rather another installation operations account (not Facility Investment). See FMR Volume 4, Chapter 6. The following items are considered part of an antenna system:

(1) The antenna structure, guy wires, ground planes, and other support facilities (not Class 2 real property).
(2) The antenna field within the boundaries established at an installation for such a field (including maintenance of the grounds in the antenna field).
(3) Service roads to the antenna structure within the antenna field.
(4) Fencing that surrounds the antenna field and serves solely to isolate the field from the remainder of the station.

b. Maintenance of service access roads to the antenna field shall be funded from the proper real property maintenance account.

c. Antenna Special Projects shall be submitted to OPNAV N46 for review and approval as appropriate.

6 CLASSIFICATION OF WORK - EQUIPMENT INSTALLATION

6.1 GENERAL INFORMATION

6.1.1 Installation of Equipment

Equipment installation is defined as modifications to real property (Class 2) required solely for the installation of an item of personal property. An equipment installation project may be undertaken within an existing real property facility, or adjacent to an existing real property facility. The intent is to permit the work normal to the equipment installation to be accomplished as an integrated undertaking. The intent is not to permit accomplishment of alterations under the guise of equipment installation.

6.1.2 Personal Property

Personal property includes accessory equipment and furnishings that are movable in nature and not affixed as an integral part of a real property facility. Personal property also includes specialized equipment (production, processing, medical, technical, training, servicing, and RDT&E equipment) that, although not movable in nature, is necessary for a specified function in a real property facility. Personal property includes Class 3 and Class 4 plant property, and ancillary equipment in support of end items of personal property. Personal property does not include "installed equipment" or other items of Class 2 property. Class 1, 2, 3, and 4 property are defined in paragraph 2.1.4. Installed equipment is discussed in 4.1.1.h.

6.1.3 Procurement and Installation of Personal Property

a. Procurement of Personal Property. The cost of equipment procurement includes the cost of equipment, transportation, unpacking, assembly, attachment, and testing of the personal property. The cost of procurement also includes the cost of ancillary equipment.

b. Installation of Personal Property in New Real Property Facilities.

In the construction of new real property facilities (including conversions, additions, expansions, and extensions) the construction shall be complete and the facility ready to receive the personal property. All known utilities, raised floors, foundations, partitions, shielding, air conditioning, ventilation, and other requirements incidental to the installation of the equipment that are integral to the facility shall be included in the construction cost. The cost of making the final connections of the personal property shall be funded from the same procurement appropriation used to fund the equipment. The cost of making the final connections of relocated personal property shall be funded from an operations expense account (ex: O&MN, O&MNR, or NWCF). Equipment installation work that normally is a non-construction cost in existing facilities may be a construction cost when included in new facilities or additions to existing facilities.

c. Installation of Personal Property in Other than New Real Property Facilities

(1) The cost of installing equipment (personal property) in other than new facilities is funded from the same appropriation used to purchase the equipment or system. An equipment installation project includes:

(a) The material and labor costs to install the ancillary equipment (air conditioning, uninterruptible power supply (UPS), ventilation, etc.); and

(b) Items in support of the equipment (raised floors, shielding, concrete pads, secondary utilities, etc.). If modifications include structural changes, extension of primary utility distribution system, or construction of a major exterior support structure required for the equipment, then the modifications are considered investment costs and are classified as construction. (Example: a building extension or addition to house a piece of equipment).

(2) The primary and ancillary equipment procurement costs (excluding costs in support of equipment) shall be shown in the equipment installation project cost estimate to determine if it is an expense or investment. The total project is funded as investment (procurement appropriation) if the unit cost of each end item of equipment (the total procurement cost of a complete system if all the equipment when assembled becomes a system) is over $250,000, or funded as expense (operations and maintenance appropriation) if the unit cost is $250,000 or less (see FMR Manual, Volume 2A, Chapter 1). A system exists when several equipment components will be procured at the same time and interconnected to operate as a unit. Investment is the acquisition of capital assets such as real property and equipment financed from MILCON and other procurement appropriations. Expense is the cost of resources consumed in operating and maintaining naval shore installations, and financed from operating accounts (ex: O&MN, O&MNR, RDT&E, or NWCF).

(3) Major structural changes to an existing facility, extension of primary utility distribution system, or construction of a major exterior support structure required for the equipment are construction costs.

(4) The cost of relocating an item of equipment (personal property) from one location to another is the responsibility of the command that directs the relocation. In most cases, this is the command that has custody of the equipment.

6.2 EQUIPMENT INSTALLATION PROGRAMMING

6.2.1 Policy

a. The "equipment installation" costs (excluding the cost to procure the personal property) in existing facilities shall be funded from the same procurement appropriation used for the equipment. Equipment installation "turn-key" projects are those when a single contractor is providing for the equipment and installation in a single contract. Construction in combination with turnkey equipment installation projects shall not be funded from appropriations for procurement unless specifically approved by Congress.

b. Construction costs related to a turnkey equipment installation project shall not be separated for the purposes of avoiding Congressional notification. This action would be considered Incrementation. For example, there is a requirement for an equipment installation project to install, via turnkey contract, a simulator on the second deck of a facility. This project must include the construction required for structural bracing to support the simulator.

7 SPECIAL INTEREST CODE – SUSTAINMENT (ST)

7.1 GENERAL INFORMATION

7.1.1 Definition

Facilities sustainment is defined as the maintenance and repair activities necessary to keep a typical inventory of facilities in good working order. Sustainment includes regularly scheduled maintenance as well as cyclical major repairs or replacement of components that occur periodically over the expected service life of the facilities (i.e. roof or HVAC replacement). Due to obsolescence, sustainment alone does not keep facilities "like new" indefinitely, nor does it extend their service lives. A lack of full sustainment results in a reduction in service life that is not recoverable in the absence of recapitalization funding. Repair/replacement required earlier than expected due to poor maintenance is Restoration/Modernization (RM), defined in Chapter 8.

Sustainment projects can be classified as Repair or Maintenance.

7.1.2 Determining Sustainment Requirements

Annual sustainment requirements are generated using the DoD Facilities Sustainment Model (FSM). This macro tool averages sustainment requirements over a 50-year period. FSM does not budget for a single facility. It applies unit price benchmarks (published in the DoD Facilities Pricing Guide) and area cost factors against the facilities listed in iNFADS. All facilities listed in iNFADS are categorized into 4-digit Facility Analysis Categories (FAC) (see Figure 7.1). Sustainment costs for a facility are calculated by multiplying the facility quantity by the sustainment cost factor, area cost factor, and an inflation factor (see algorithm in Figure 7.2).

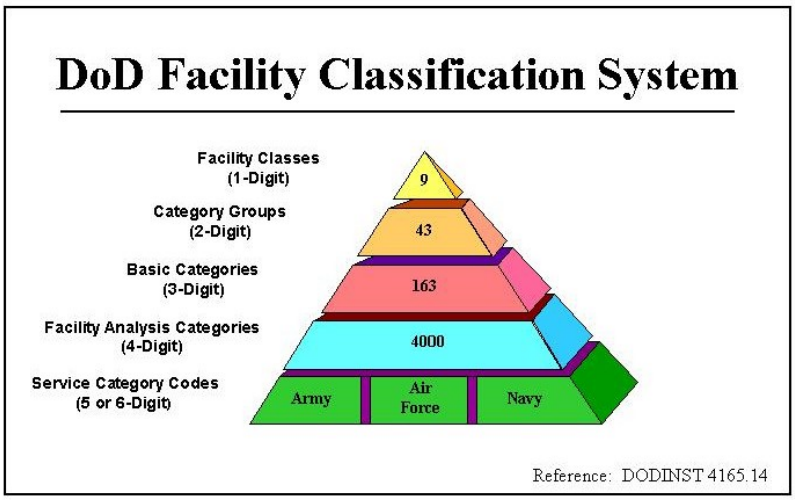


Figure 7.1: DoD Facility Classification System

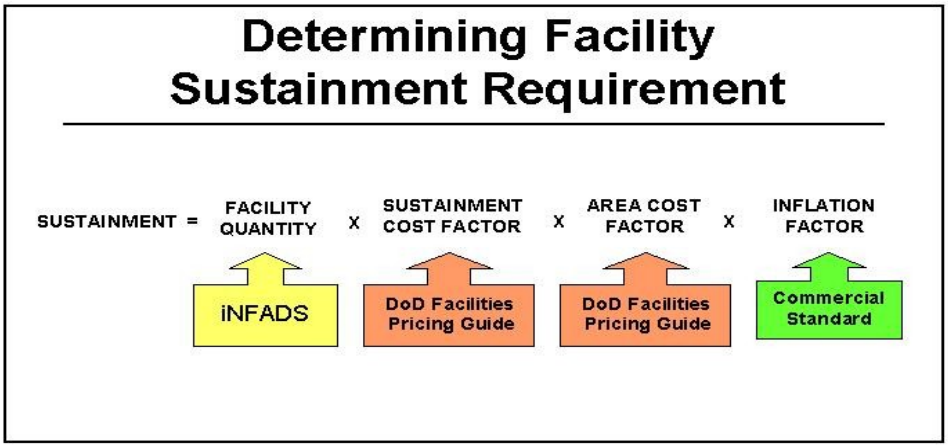


Figure 7.2: Determining Facility Sustainment Requirement

7.1.3 Examples of Sustainment activities:

a. Facility repairs performed per service schedule.

b. Preventative maintenance work.

c. Repair of expected wear or aging of exterior surfaces (i.e. roof patching, repairing pieces of siding, window and door moving parts and contact surfaces).

d. Repair of expected wear or aging of interior surfaces (i.e. peeling paint, peeling wallpaper, broken ceiling tiles, worn flooring).

e. Repairing and replacing HVAC system components.

f. Repair/replacement required due to poor maintenance but close to expected service life.

g. A system that has exceeded its expected life that needs replacement: HVAC, plumbing, wiring, roof.

h. Repairing waterproofing and exterior enclosure system.

i. Replacement of an existing deteriorated pipe, conduit, or duct with components of the same size.

j. Spot repair, overlay, or seal coating of existing deteriorated pavement.

k. Replacing broken pavement areas with the same depth and strength.

l. Resealing joints along concrete pavement runway seams.

m. Cleaning Class 2 storage tank interior deposits.

n. Cleaning rust and salt spray off of structural steel and repairing to design strength.

o. Dredging to a previously established depth (i.e. non-construction).

p. Moving people out of a building, and back in when performing a sustainment project.

q. Direct (NWCF) labor to do sustainment work.

r. Indirect (NWCF) labor (just the immediate supervisor) for sustainment work.

s. Planning documents to request sustainment funds.

7.1.4 Examples that are not Sustainment activities:

a. Repair or replacement of collateral equipment (non-attached equipment and furniture) (user's responsibility).

b. Repair or replacement of building components that typically last more than 50 years (i.e. foundations, structural members) (RM).

c. Environmental planning, procedural requirements, and/or actions required to complete NEPA documentation (EC).

d. Work required to preserve historical, cultural, or natural resources (RM).

e. Repair or replacement required due to acts of God, such as hurricane, flood, fire, earthquake, typhoon, tsunami (RM).

f. Activities funded under another SIC.

g. Tasks associated with facilities operations (i.e. custodial services, grass cutting, landscaping, waste disposal, and the provision of central utilities) (FX, UT).

h. Phone hookups, IT/Computer hookups, establishing NMCI seats (IT).

i. Annual inspections and assessments (FCAP) (FP).

j. Planning studies (FP).

k. Indirect engineering or planning overhead performed by the PWC or the FEC (FP).

l. Dredging to a new depth for a new mission requirement (NF).

8 SPECIAL INTEREST CODE – RESTORATION/MODERNIZATION (RECAPITALIZATION) (RM)

8.1 DEFINITIONS

8.1.1 Recapitalization

Recapitalization is defined as major renovation or reconstruction activities (including facility replacements) needed to keep existing facilities modern and relevant in an environment of changing standards and missions. Recapitalization extends the service life of facilities or restores lost service life. It includes restoration, modernization, or replacement of facilities but not the acquisition of new facilities. It also includes the demolition of deteriorated facilities if demolition is part of the renovation process or is performed in conjunction with construction of replacement footprint elsewhere.

Recapitalization projects can be classified as Repair, Construction, or Equipment Installation.

8.1.2 Restoration

Restoration includes repair and replacement work to restore facilities damaged by inadequate sustainment, excessive age, natural disaster, fire, accident, or other causes.

8.1.3 Modernization

Modernization includes alteration of facilities solely to implement new or higher standards or to accommodate new functions (for example, replace foundations or structural components in order to meet new design standards).

8.1.4 Consolidation resulting from Demolition

Consolidation may include the cost of relocating personnel and functions necessary to vacate a building as well as minor construction and repair costs for the receiving facility.

8.1.5 Recapitalization Rate

The recapitalization rate is the ratio of the recapitalizable PRV divided by the annual capital investment in facilities modernization, expressed in years.

8.1.6 Determining Recapitalization Requirements

Recapitalization requirements are determined by the DoD Facility Recapitalization Metric (FRM). FRM was developed based on the premise that if a facility is fully sustained according to standard maintenance and repair tasks schedules, the facility will remain effective through its entire expected life cycle. At the end of that cycle, the facility will likely be worn out or functionally obsolete and will need to be restored and/or modernized via major renovation or replacement. OSD established an overall average service life of 67 years for a fully sustained

inventory of facilities. The annual recapitalization requirements under ideal funding situations are determined by dividing the total recapitalizable Plant Replacement Value (PRV) of the real property inventory by the 67-year average service life, assuming that all facilities were fully sustained. (See Figure 8.1)

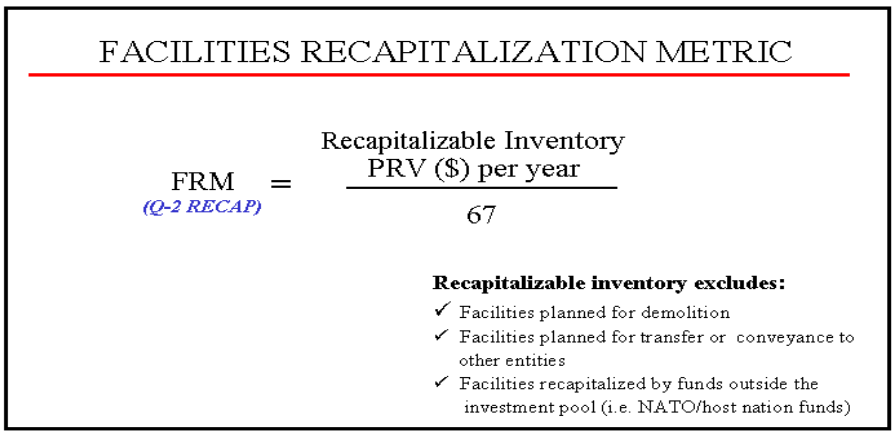


Figure 8.1: Facilities Recapitalization Metric

Most facilities have experienced some level of deferred sustainment resulting in lower facility conditions for portions of the inventory. Consequently, additional one-time restoration and modernization costs are often needed to restore facility to an adequate condition. To account for these additional costs, the total recapitalization requirements are estimated by adding the requirement to correct reported facility deficiencies to the FRM requirement.

8.1.7 Examples of Restoration/Modernization activities:

a. Repair work that has been deferred from its required execution year.

b. Repair/replacement work required earlier than expected due to poor quality or workmanship (ex: faulty phenolic foam roof insulation over a metal deck roof that causes the roof to fail well before expected).

c. Repairs to bring up to current life/safety or building codes (ex: fire suppression system, egress, accessibility, lateral forces, lighting, wiring).

d. Upgrades due to code requirements or new technology standards that result in increased capacity of existing systems within existing function and footprint of the facility.

e. Repair or replacement due to Acts of God, natural disasters, war, collateral damage, or other circumstances beyond normal wear.

f. Repair of one system due to another's failure (ex: repairing interior damage due to leaky roof).

g. Unexpected damage from a natural disaster or fire.

h. Upgrading a component at the time of repair (ex: larger pipe, handicap fixtures, doubling capacity, additional doorway, higher grade of material, digital sign).

i. Aesthetic maintenance or renovation work, changing colors or finishes of materials, otherwise in good condition.

j. Quality of Service repairs/renovations (ex: BEQ renovations to the 1+1 standard).

k. Historical, cultural, and natural resources preservation work.

l. Upgrades for performance or energy conservation.

m. Consolidation (RM work) resulting from a demolition project.

n. Repairs, modifications, or system replacement within the same footprint due to change of use (ex: installing HVAC in a former warehouse which will be administrative offices).

o. Repairs or modifications that result in a change to the 5-digit category code of a facility (i.e. facility conversion). If the cost exceeds the construction threshold, the facilities conversion must be funded by MILCON.

p. Repairs or modifications of load bearing walls.

q. Planning documents to request Restoration/Modernization funds.

r. Replacing existing equipment with new equipment to bring a facility to a higher mission capability or to meet new standards.

9 SPECIAL INTEREST CODE – NEW FOOTPRINT (NF)

9.1 DEFINITION

9.1.1 New Footprint

New footprint is defined as construction that addresses facility requirement deficiencies. This may include either construction of new facilities or expansion of existing facilities. All statutory construction thresholds apply.

New Footprint projects are classified as construction.

9.1.2 Classifying Projects

To classify work for a project in its entirety (not the SIC), refer to guidance and formulas as promulgated by the specific program.

Projects initially characterized as NF may be changed to RM if the demolition within the project scope is used to offset the new footprint. This offset must be accomplished in accordance with OSD guidelines. Careful consideration must be taken to ensure that this offset or credit for demolition is used only one time. Credits for demolition funded through other projects or programs will typically be controlled through centrally managed programs.

9.1.3 Determining a New Footprint Requirement

New footprint requirements are usually the result of individual installation or tenant command mission changes. The feasibility of renovating or modernizing existing assets should be thoroughly explored before constructing new facilities.

New footprint requirements can also arise as a result of quantity deficiencies identified in Facility Readiness Evaluation System (FRES). The FRES “N” rating is based upon current facility assets in iNFADS and current requirements as identified by the Installation’s Basic Facility Requirements (BFR).

9.1.4 Examples of New Footprint activities

a. New facility.

b. An addition to an existing facility.

c. Increasing existing facility unit of measure (building a mezzanine or finishing unfinished space) within an existing facility.

d. Altering foundations and structural system for new mission requirements.

e. Utilities upgrades to accommodate new equipment.

f. Dredging to a new depth for a new mission requirement (the difference between the previously established depth and the new depth is considered NF).

g. Leasing additional space.

h. Increasing the thickness of airfield pavements to meet a new mission requirement (i.e. from 8” concrete to 12” concrete).

i. Installing new fiber optic conduits (below grade) to support a computer network system.

10 SPECIAL INTEREST CODE – DEMOLITION (DE)

10.1 GENERAL INFORMATION

Eliminating excess infrastructure avoids recurring facility investment costs. Demolition activities within the Demolition Footprint Reduction Program and MILCON program are detailed in their respective guidance issued by CNI.

10.1.1 Definition

Demolition is defined as the dismantling, disposal, and removal of a real property facility (either partially or in its entirety) and associated costs to close openings and secure utilities.

Demolition is always classified as Repair.

10.1.2 Determining Demolition Requirements

Demolition requirements are generated at the Installation or Region level based upon periodic analysis of existing assets and comparison against current or projected mission requirements. The intent is to reduce unnecessary infrastructure and optimize limited maintenance funding.

10.1.3 Examples of Demolition Activities

a. Demolition of an excess facility that is a real property facility.

b. Partial demolition of a real property facility and those activities required to leave a complete and usable facility (i.e. end wall, weatherproofing).

c. Removal or capping of utility lines.

d. Moving from leased space to a DoD installation (considered footprint reduction).

e. Recycling of building materials (steel, concrete, architectural features).

f. Abatement or disposal of hazardous materials within building materials associated with facility demolition.

g. Site restoration requirements after facility demolition (grading, grass seeding).

10.1.4 Demolition Activities Exclude:

a. Demolition of property not owned by CNI.

b. Demolition of protected facilities (i.e. due to environmental, cultural/natural resource status) without appropriate NEPA or SHPO documentation and approvals.

c. Moving tenants for convenience.

d. Environmental decontamination and cleanup.

e. Procurement of new collateral equipment when moving or demolishing a facility.

f. Expanded or upgraded communications/IT/IDS/other utilities.

10.2 DEMOLITION POLICIES

10.2.1 Validation

All demolition, whether locally or centrally funded, shall be validated by the appropriate authority as discussed in paragraph 2.4 prior to demolition. Coordination of real estate transactions and excess property documentation is required prior to execution. All applicable environmental and cultural resources requirements must be met. All demolition shall be coordinated through the Region.

10.2.2 Demolition

a. Demolition required to clear sites for a MILCON project or NAFCON project shall be included in the project scope.

b. Demolition associated with clearing site and excessing existing exchange and commissary for NEXCOM and DeCA may be funded by O&MN provided maintenance is funded by O&MN. See DODINST 1015.15.

c. Consolidation projects may include minor construction costs associated with demolition.

10.2.3 Excess Property Documentation

Regions will ensure all excess property packages are processed in a timely manner and updates to the property record card in iNFADS are made to accurately reflect this real estate action. Excess property documentation shall include the following attachments:

a. GSA Form SF 118

b. GSA Form SF 118 A, B, C, D as applicable

c. HUD Title V

d. Finding of Fact – McKinney-Vento Act

e. Cultural/Natural Resources concurrence and/or State Historic Preservation Office (SHPO) concurrence to demolish as applicable

f. Vicinity Plan

g. Site Plan

h. Digital Photographs

11 OTHER TYPES OF PROJECTS AND SPECIAL CONSIDERATIONS

11.1 PROJECTS AFFECTING PLACES OF HISTORIC SIGNIFICANCE

11.1.1 Determining Historic Significance

Commanding Officers of all Navy shore installations are responsible for determining, at a project's earliest planning stages, if there will be any effect on properties eligible for the National Register of Historic Places. Consultation with the State Historic Preservation Officer (SHPO) and the Federal Advisory Council on Historic Preservation may be required. Refer to OPNAVINST 5090.1 for the applicable prescribed guidelines and procedures. Key points to note from OPNAVINST 5090.1 include:

a. Early planning and documentation requirements

b. Alternatives analysis discussion in the economic analysis to include adaptive reuse or continued use options instead of leases or new construction

c. Demolition documentation requirements and considerations

d. Preservation activities and maintenance of historic facilities

11.2 TELECOMMUNICATIONS SYSTEMS

11.2.1 Policy

The Naval Network Warfare Command (NAVNETWARCOM) has overall responsibility for Naval telecommunication systems. Funding for the telecommunication Inside Plant (ISP), and Outside Plant (OSP) infrastructure for Voice, Data, NMCI, and legacy systems as well as Protected Distribution Systems (PDS) ISP and OSP infrastructure shall be funded by MILCON or Special Projects.

a. ISP infrastructure includes outlets, jacks, telecommunication cabling, conduit, cable trays, racks, cabinets, building protector assemblies, and passive termination devices such as patch panels and connector blocks.

b. OSP infrastructure includes items such as exterior telecommunications cabling, ductbanks, manholes, and utility poles.

c. PDS is used to protect the transmission of unencrypted classified information such as the Secret Internet Protocol Router Network (SIPRNET).

Funding for active telecommunications equipment, such as computers, telephones, switches, routers, multiplexers, and hubs, will be funded from OPN or NWCF as applicable.

General policy and responsibility for installing telephone and communications equipment is outlined in:

d. NAVFAC Standard Procedures for Integrating NMCI service into the Navy, Marine Corps, and Reserve Military Construction projects of 20 Jan 04.

e. UFC 3-580-10, DESIGN: Navy and Marine Corps Intranet (NMCI) Standard Construction Practices.

f. MIL-HDBK-1012/3, Telecommunications Premises Distribution, Planning, Design, and Estimating.

11.2.2 Navy-owned Telephone Equipment

a. Installation of interior telephone equipment may be funded as procurement or from operating accounts in new and existing facilities. Structural work in new and existing facilities is classified as construction. Installation of building conduits, ducts, cabling, non-active switches, raceways, support structures, risers, telephone closets, and switch rooms to support telecommunications systems are construction costs.

b. The day-to-day equipment replacements, minor equipment rearrangements, and installations within the purview of the commanding officer of an installation, which do not require approval of higher authority, are normally funded from local operation and maintenance accounts.

c. Procurement and installation of telephone central office (exchange) equipment shall be funded from procurement appropriations according to the investment and expense criteria. In new telephone central office (exchange) facilities funded with MILCON, this equipment will be funded from the MILCON appropriation.

d. The cost of relocating telephone equipment from an existing central office to a new or enlarged facility is funded with operational accounts by the installation or the Region.

11.2.3 Exterior Telephone Facilities

a. The acquisition and installation of Navy-owned outside telephone lines (cable, ducts, poles, manholes, etc.), from the building terminals to the telephone central office (exchange), is classified a construction cost. The cost of installing common ducts, poles, manholes, etc., for telephone and electrical distribution lines will be funded as construction.

b. Funding for the procurement and installation of exterior cable not owned by the Navy will be from other than MILCON appropriations. Maintenance and

repair/replacement of existing telephone cable and equipment is funded using operational accounts per FMR Volume 2b, Chapter 3.

11.2.4 Base Communication and Telephone System

For all Navy owned systems, The Naval Network Warfare Command NAVNETWARCOM) finances the operation and maintenance of switches and cable to provide backbone connectivity. However, customer specific access costs, long distance costs, and customer specific desktop equipment are financed by the user, not by NAVNETWARCOM. NMCI provides the operation and maintenance of their backbone systems per the NMCI contract. The Navy pays for this via the monthly NMCI seat costs.

11.2.5 NMCI

Funding for NMCI service connection or the recurring NMCI seat cost should not be included in the MILCON or Special Project costs. The ISP/OSP infrastructure to support the installation's seat requirements should be included on the DD1391.

a. An NMCI seat is defined as any location where NMCI service will be ordered that will either be a permanent location for a computer or workstation or a location for a portal outlet where portal devices may be plugged in on a temporary or rotational basis (such as a work area in an aircraft hangar).

b. Moving of personnel is not part of a MILCON project and is not paid for with MCON/MCNR funds.

c. NMCI equipment and connection cost should be included as "Equipment from Other Appropriations" on the DD1391 and paid for with OPN funds.

11.2.6 Community Antenna Television (CATV)

Typically the MILCON would provide everything up to the headend equipment. This includes any required distribution amplifiers for the interior of the building. Distribution amplifiers are part of the infrastructure since they are required for the system to function. The headend is not included. The headend could be a connection to a television antenna, the cable provider equipment, satellite dish, or a bank of VCRs. Active equipment may or may not be required to distribute the signal within the facility.

11.3 INFORMATION TECHNOLOGY (IT) SYSTEM

Although IT is considered a Base Operating Support (BOS) function, funding is not centralized. Services as required are funded by the requiring installation. IT includes the operation of Local area Networks, Metropolitan Area Networks, and Wide Area networks. IT also includes video and data transmissions.

A systems command that is the Appropriation Purchases Account (APA) cognizance symbol manager or other organization responsible for service wide pro-

curement of specific items, funds equipment installation costs. When equipment installation is complete and reported in the plant property inventory, the station assumes responsibility for the operation and maintenance support, such as power, repair parts, etc., for equipment.

Costs of reinstallation or relocation of present equipment, which is not associated with a military construction project, are expenses to be borne by the operating funds of the installation or command involved.

11.4 ELECTRONIC SECURITY SYSTEMS (ESS)

ESS is defined as the integrated electronic system that encompasses interior and exterior Intrusion Detection Systems (IDS), Close Circuit Television (CCTV) systems for assessment of alarm conditions, Automatic Access Control Systems (AACS), and alarm reporting systems for monitoring, control, and display. The project funds can pay for the supporting infrastructure for the ESS but not the equipment. The actual equipment should be funded with OPN funds. Typically, the cabling is not provided with the infrastructure because the cabling is dependant on the equipment provided. The infrastructure installation work is considered construction.

11.4.1 Intrusion Detection Systems (IDS)

Intrusion Detection Systems (IDS) include the interior and exterior sensor, surveillance devices and associated communications subsystems that collectively detect intrusion at a specified site, facility, or perimeter. See OPNAVINST 5530.13C and OPNAVINST 5530.14D Draft. Infrastructure supporting IDS (conduit, power supply, etc) can be included in a MILCON project, but the actual equipment (cables, systems, etc) falls under equipment from other appropriations, OPN. Public Safety will manage the IDS sustainment requirements generated by this equipment.

11.5 PROCUREMENT, LEASE, AND USE OF RELOCATABLE BUILDINGS

The use of relocatable facilities is not an acceptable means of providing facilities for long-term needs. Some circumstances require the rapid provision of facilities to support unforeseen new or expanded missions pending construction of permanent facilities, to support urgent short-term requirements, in lieu of permanent construction overseas, or to temporarily replace damaged facilities. Due to their mobility, relocatable buildings are normally considered Personal Property (Class 3) and not Real Property (Class 2). However, relocatable facilities acquired with MILCON or Minor Construction funds are considered Real Property (Class 2) and should be entered into iNFADS. Leased relocatable facilities cannot become Navy property, and therefore cannot be included in iNFADS. Since relocatable facilities are considered temporary facilities, they are to be used for periods of three years or less. See DODINST 4165.56 and OPNAVINST 11010.33C.

11.5.1 Definitions

a. Building acquisition cost

The cost of the building components of the unit and the cost of delivery to the site are considered building acquisition costs. If the building is not new (includes acquisitions from other government agencies) the 20 percent rule should be applied to the current cost of a similar new facility and not the original cost to the Navy. The funded and unfunded project costs may not exceed 20 percent of the building acquisition costs.

b. Non-recoverable building components

Finishes or features that were not included in the original building package or unit (ex: foundations, concrete mounting slabs, utility connections, stairways, porches, breezeways between units, wall coverings or panels, ceramic works, lighting, sound systems, etc.).

c. Relocatable Buildings

A relocatable building is designed to be readily and economically moved, erected, disassembled, stored and reused. The building may consist of component systems, such as interior walls, flooring, structural framing, roof, exterior siding, mechanical systems (heating, lighting, air conditioning) and equipment (kitchen, bathroom). These systems are designed to be easily and quickly erected. The connections can be removed for easy disassembly with minimal damage to the components. Also included in this definition are buildings or facilities that are single units, such as trailers and small skid-mounted metal buildings, which may be placed on a trailer and transported to another site. Fabric structures or inflatable buildings can be easily relocated and are included in this definition. Therefore, the most important characteristic of a relocatable facility is the economy and ease with which the facility may be removed from one site and reinstalled at another site. When selecting a building to fulfill a requirement for a relocatable facility, the estimated funded and unfunded project costs for average building disassembly, repackaging, repair and refurbishment of components, and non-recoverable building components may not exceed 20 percent of the building acquisition costs. It should be noted that although all relocatable buildings may be considered pre-engineered, not all pre-engineered buildings are relocatable under this definition. Other examples of relocatable buildings follow:

(1) Container structures

Structures built using shipping containers that are designed to withstand structural loadings associated with shipping, including Container Express (CONEX) and International Organization for Standardization (ISO) containers. Testing has shown that these structures behave similarly to temporary buildings and are covered under this instruction.

(2) Temporary structures

Structures erected with an expected occupancy of 3 years or less. This group of structures typically includes wood frame and rigid wall

construction, Southeast Asia (SEA) Huts, hardback tents, ISO and CONEX containers, redeployable pre-engineered buildings, trailers, stress tensioned shelters, Expandable Shelter Containers (ESC), and Aircraft Hangars (ACH).

11.5.2 Acquisition Methods

a. Transfer from other government agencies (ex: excessed through GSA by other DoD or government agencies).

b. Procurement through the following funding sources:

(1) Mission-Funded Installations and Real Property Requirements Generators (RPRG) will finance relocatable facilities using:

(a) Expense funds (O&MN, O&MNR, RDT&E, NWCF, NAF) as deemed appropriate under the circumstances of the specific purchase, provided the cost of the relocatable facility is below the expense/investment threshold (See FMR Volume 2A, Chapter 1, Section 010201). Incrementation is prohibited. For example, a requirement for several connected or co-located structures must be treated as one purchase.

(b) Procurement funds (OPN) when the cost of the relocatable facility is at or above the expense/investment threshold.

(2) Industrial-Funded Installations will be funded by the industrial fund within current procurement guidelines and included in the Asset Capitalization program where appropriate.

c. Lease or Rental (see SECNAVINST 11011.47)

(1) OPNAV N46 will program for all Navy O&MN or O&MNR funded real property lease requirements during the POM/PR process with the exception of requirements to support NWCF installations. CNI is designated as the Budget Submitting Office (BSO). Out of cycle lease requirements will be funded at the installation level by the Command requiring the lease until OPNAV N46 can program and budget during the next POM/PR budget submission.

(2) GSA leases shall be funded through the Federal Buildings Fund (FBF) administered by CNI. Out of cycle GSA lease requirements shall be reimbursable to the Federal Buildings Fund (FBF) until OPNAV N46 can program and budget during the next POM/PR budget submission.

(3) Relocatable facilities may be leased by Installations using the appropriate appropriations as specified in the FMR Volume 3, Chapter 17 and Volume 4, Chapter 6. Installations and Real Property

Requirements Generators (RPRG) must budget minor construction funds within funding thresholds for all construction costs.

(4) Commands shall not lease real property or have a contractor lease real property on their behalf without first coordinating with the Region to ensure that existing government owned facilities do not meet the requirement.

(5) Lease documents should contain provisions for the removal of the relocatable facilities from the Installation. Under no circumstances will the facilities be transferred to another use, user, or location without the approval of CNI.

11.5.3 Installation and Operations Expenses

a. Initial expenses (including transportation, delivery, installation, erection, utility hookups) should be paid for by the same funds used to purchase the relocatable facilities.

b. The costs required to install the relocatable facilities (including site preparation, utility connections, foundations) are considered construction and should be included when considering funding thresholds

c. The cost of operation, maintenance, repair, disassembly, removal, storage, transportation, and disposal of relocatable buildings will be paid out of operating funds.

11.5.4 Incrementation

a. Relocatable facilities may be included in Special Projects, Minor Construction projects, MILCON projects, and NAFCON projects. Incrementation, splitting requirements to circumvent funding limitations or fiscal restraints, is prohibited. A Minor Construction project to install relocatable buildings as interim facilities pending construction of permanent facilities is not Incrementation provided that the relocatable facilities installed as a Minor Construction project are not intended to be used in addition to the permanent facilities constructed through MILCON and that the relocatable facilities are not used upon completion of the permanent facilities.

b. Leased facilities may be used as interim facilities and installed by a Minor Construction project. However, if the installation costs are funded by a Minor Construction project, the facilities may not be used to supplement facilities provided by another construction project. For example, a Special Project may be used to install relocatable buildings to house administrative personnel pending completion of a Military Construction project to rehabilitate an existing administrative building. Upon completion of rehabilitation of the permanent administrative facility, the relocatable

buildings can no longer be used as administrative space, as this could be viewed as a means of circumventing Congressional approval authorities. The costs of leasing, set-up, dismantling, packaging and transportation of those facilities are to be treated as unfunded costs, which are not considered applicable to construction project approval authorities, (i.e. these costs must be funded by other than Minor Construction or Military Construction funds) although they may be real costs to the project sponsor and the Government. Site preparation, utility connections, foundations, and other construction costs are included in the construction projects and are applicable to construction project approval authorities.

11.5.5 Approvals

Installations will request CNI approval via the Region for use of relocatable facilities. Real Property Requirements Generators (RPRG) will request CNI approval and site approval via the Installation and the Region. If the requirement duration will exceed three years, include an explanation and request for waiver of the three year standard. Supporting data (such as economic analysis, project estimate, and description and detailed justification paragraphs) should be compiled on the DD1391 and costs should clearly be identified as separate line items in Block 9. The cost for acquisition, use, and disposal of the relocatable facility are to be included.

The format for requesting relocatable buildings can be found in OPNAVINST 11010.33C.

11.6 PROJECTS FOR RESTRICTED FACILITIES, AND SHELTERS

11.6.1 Restricted Projects

The following types of restricted projects require endorsement by COMNAVFACENGCOM and CNI prior to funding. When a project scope involves such work, it shall be in accordance with applicable regulations, and the projects shall be clearly identified so that designated approval authorities may take appropriate action.

11.6.2 Projects involving special site approval procedures

All projects involving ammunition and explosives, concerns for electromagnetic radiation, and airfield safety must be reviewed and certified by the office having cognizance over the applicable safety criteria. DODINST 6055.9 and NAVFACINST 11010.45, outline procedures for requesting and obtaining site approvals, including:

a. General requirements and responsibilities for review and approval of facility sites,

b. Procedures for submitting data to the FEC for use in obtaining site approvals,

c. Documentation required to substantiate and justify a site approval request, and

d. A requirement for documentation of site approval status for safety certification.

11.6.3 Protective Shelters

Certain circumstances, particularly requirements related to production and RDT&E operations, necessitate the erection of temporary shelters. The cost of procurement and erection shall be an equipment (personal property) cost, not a construction cost, when the following conditions are satisfied:

a. The shelter is to be made of prefabricated wall and roof panels that are easily assembled and readily removed,

b. The erection will be upon an existing slab where no new foundation will be required,

c. All utilities connections will be temporary, and

d. The shelter will not remain in continuous use in any one location for more than 12 months.

e. Fabric shelters and utilities for supporting aircraft hangar functions are considered construction.

12 NONAPPROPRIATED FUND PROJECTS

12.1 POLICY

12.1.1 Provision of Facilities

a. It is Department of the Navy policy to provide, maintain, and operate adequate facilities to accommodate a well-rounded morale, welfare, and recreational program to ensure the mental and physical well being of Navy and Marine Corps military and civilian personnel. The morale, welfare, and recreation program does not include the commissary, exchange and lodge programs, although the governing facility acquisition policies are similar. In consonance with this policy, adequate spaces, facilities, and structures should be provided through appropriated (APF) and/or nonappropriated funds (NAF). Per the governing DoD and Navy funding policies for community facilities as discussed in Chapter 2, it is a basic responsibility of Installation Commanding Officers, Regional Commanders, Commander, Navy Installations, and other support agencies to ensure that proper recognition is given to morale, welfare, and recreational facilities in the development of Facility Investment projects, Regional Shore Infrastructure Plans (RSIPs), and Military Construction Programs. For additional guidance on use of nonappropriated and appropriated funds see DODINST 1015.10, DoD Directive 1015.14, DODINST 1015.15, DODINST 7700.18, DODINST 7700.19, DoD Directive 7700.20, SECNAVINST 7000.23, SECNAVINST 11013.29, and the FMR Volume 13.

b. Nonappropriated Fund Project Review

Facility projects funded from NAF shall comply with the requirements of the governing policies outlined above for review and execution approval. Guidance contained in this instruction is followed in most instances but without several of the process review and funding requirements associated with MILCON initiatives (ex: demolition funding, excessive site preparation, etc.). The reporting and approval process for NAF projects is outlined in DODINST 7700.18. NAF contracting clauses will be applied in the execution of NAF projects per SECNAVINST 7043.5B.

c. Nonappropriated Fund Project Execution

In most instances, MWR NAF projects executed by CNI (N254) employ a single step design/build award process with an RFP (Request for Proposal). The process retains single-source liability for both design and construction.

12.1.2 Funding Sources

Nonappropriated funding in support of MWR, Exchanges, and Commissary Surcharge Fund facilities may be derived, with proper approval, through the applicable sources outlined below:

a. Local installation NAF Retained Earnings Account.

b. Regional NAF Capital Subsidy Account.

c. MWR/NEX Board of Directors Central Funds.

d. MWR/NEX Board of Directors Approved Loan Agreements.

e. Navy Lodge Retained Earnings (Navy Lodges only).

f. DeCA Surcharge Funds (Commissaries Only).

g. Navy Exchange profits.

h. Navy Lodge earnings and profits.

Use of appropriated funds to construct or modify revenue-generating facilities is restricted to specific instances as discussed in paragraphs 4.2.2.

12.1.3 Planning

a. Pre-INVS (Internal Needs Validation Study)

MWR staff developing the pre-INVS must coordinate completion of items one (Description) and two (Cost Estimate) on the pre-INVS with installation Public Works (PW) staff. PW staff is responsible for completion of items three (environmental clean-up), four (site approval) and five (NEPA documentation). All pre-INVS submissions must be coordinated with the Regional Engineer prior to submission to CNI.

b. Planning Status Sheet

Planning Status Sheet completion is the responsibility of the installation Public Works staff under the direction of the Regional Engineer. The Planning Status Sheet is used to update planning status after submission of a full INVS or when the region intends to fund development of a Project Validation Assessment (PVA) in lieu of completing a full INVS. A PVA is an independent project validation performed by a business consultant firm that analyzes operations, market, competition, demand, financial, and architectural aspects of proposed projects. OSD requires a PVA on all NAF construction project initiatives greater than $1,000,000.

c. INVS

INVS completion responsibilities are divided between the MWR and the Public Works staffs. Although completion of the project description and cost estimate are a collaborative effort between MWR and PW, completion of the INVS Part I is the responsibility of the PW staff. MWR is responsible for completion of the remaining parts of the INVS. INVS submission to CNI

(N254) must be coordinated through the Regional Quality of Life Director and the Regional Engineer.

12.1.4 Submission Procedures, Format, and Approval Authority

Submission procedures, format, and approval of NAF construction projects shall be in accordance with instructions and policies issued by the Navy MWR/NEX Board of Directors (BOD), Commander, Navy Installations Command for MWR and the Navy Exchange, as appropriate and the specific NAFCON reporting and approval guidance outlined through DODINST 7700.18. See paragraph 4.2.2 for combining appropriated funds with private or NAF. Nonappropriated funded project approval authorities are shown in Appendix C.

All construction projects between $200,000 and $750,000 should be endorsed by the Regional Engineer and reviewed and approved for execution by CNI. Additionally, NAF construction projects over $750,000 are approved by the MWR/NEX Board of Directors (see OPNAVINST 1700.14) and forwarded to OSD. These projects (over $750,000 construction) are submitted via OSD to Congress for further review and final execution approval per DODINST 7700.18. NAF repair projects over $750,000 are also submitted to the MWR/NEX Board of Directors for execution approval. Repair projects between $500,000 and $750,000 are approved by CNI.

12.1.5 Morale, Welfare and Recreation (MWR)

Project submissions consist of an initial submission of a pre-Internal Needs Validation Study (pre-INVS). Following a comment and feedback period, invitations for submission of a full INVS may be issued by CNI. Forms and instructions necessary to submit MWR NAF facilities projects may be obtained through the “Facilities & Acquisitions” page of the Navy MWR web-site at http://www.mwr.navy.mil. DODINST 1015.10 requires the use of Appropriated Funds (APF) for environmental compliance costs. DODINST 1015.15 requires the use of APF for excessive site development costs, archeological and ammunition clearance, demolition, water purification, and excessive utility connections and road service costs. Compliance with the National Environmental Policy Act and other environmental compliance/clean-up issues, laws and regulations must be locally funded from appropriated funds. OSD (P&R) further requires an Installation Certification be signed certifying that demolition of facilities and environmental clean up to support NAF projects be funded from appropriated funds per DODINST 7700.18. The policies outlined in this paragraph apply equally to exchange undertakings.

12.1.6 Projects in International Balance of Payments (IBOP) Areas

IBOP evaluations are an economic analysis and shall be included in the cost estimate prior to contract award as discussed in paragraph 2.2.9. All NAF projects are subject to the IBOP requirements as set forth in the FMR Volume 13, Chapter 10, DODINST 7060.2 and DoD Directive 7060.1.

a. Nonappropriated fund construction projects in IBOP areas shall be considered justified for approval only in cases where:
   (1) A serious deficiency exists in morale and welfare facilities at isolated locations, or
   (2) Such projects would clearly contribute to improvement in United States balance of payments by diverting expenditures from the local economy.

b. Nonappropriated fund construction, repair, and maintenance projects outside the United States will be, to the maximum extent possible, accomplished under procedures which use:
   (1) U.S. contractors, U.S. materials, and end products from domestic suppliers;
   (2) U.S. government-furnished material and equipment;
   (3) U.S. flag carriers;
   (4) Prefabricated installations and structures manufactured in the United States; and
   (5) Competent, available military labor.

APPENDIX A

ACRONYM LIST

AAR	After Action Report
ABC/M	Activity Based Cost/Management
ABCM	Activity Based Cost Model
ACHP	Advisory Council on Historic Preservation
ACOE	Army Corps of Engineers
ACP	Area Contingency Plans
AD	Active Duty
ADA	Anti-Deficiency Act Americans with Disabilities Act
ADCON	Administrative Control
ADDU	Additional Duty
ADR	Alternative Dispute Resolution
ADS	Advanced Degaussing System
ADSW	Active Duty for Special Work
ADT	Active Duty Training
AE/A&E	Architect and Engineer
AED	Automated External Defibrillator
AEP/FEORP	Affirmative Employment Program/Federal Equal Opportunity Recruitment Program
ALS	Advance Life Support
AHPA	Archeological & Historical Preservation Act (1974)
AICUZ	Air Installation Compatible Use Zone
AIRFA	American Indian Religious Freedom Act (1978)
AIS	Annual Inspection Summary
AMD	Activity Manning Document
APCO	Association of Public-Safety Communications Officials
APF	Appropriated Funds
APN	Aviation Procurement, Navy
ARC	American Red Cross
ARFF	Aircraft Rescue and Fire Fighting
ARPA	Archeological Resources Protection Act (1979)
ASN	Assistant Secretary of the Navy
ASN(FM&C)	Assistant Secretary of the Navy (Financial Management and Comptroller)
ASN(I&E)	Assistant Secretary of the Navy (Installations and Environment)
AT&L	Acquisition, Technology, & Logistics
ATAC	Anti-Terrorism Alert Center
ATFP	Anti-Terrorism Force Protection
B&GCA	Boys and Girls Clubs of America
BAM	Baseline Assessment Memorandum
BC	Basic Category
BCA	Business Case Analysis

BCP	Budget Change Proposal
BEAP	Base Exterior Architecture Plan
BES	Budget Estimate Submission
BFR	Basic Facilities Requirement
BIA	Bureau of Indian Affairs
BLII	Base Level Information Infrastructure
BLM	Bureau of Land Management (DOI)
BLS	Basic Life Support
BOD	Board of Directors
BOOST	Broadened Opportunities for Office Selection & Training
BOS	Base Operating Support
BQ	Bachelor Quarters
BRAC	Base Realignment and Closure
BSAT	Base Structure Analysis Team (BRAC-related
BSC	Balanced Scorecard
BSO	Budget Submitting Office
BSRT	Base Support Review Team
BSV&E	Base Support Vehicle & Equipment
BUMED	Bureau of Medicine and Surgery
BUPERS	Bureau of Naval Personnel
CAC	Cost Account Code Common Access Card Capability Area Coordinator
CAD	Computer Aided Dispatch
CAFM	Computer-Aided Facilities Management
CASREP	Casualty Report
CATEX	Categorical Exclusion
CATV	Community Antenna Television
CB	Chemical, Biological Construction Battalion
CBB	Capabilities Based Budget
CBM	Core Business Model
CBRN	Chemical, Biological, Radiological, and Nuclear
CBRNE	Chemical, Biological, Radiological, Nuclear and High-Yield Explosive
CBY	Charge Back Year
CCTV	Closed Circuit Televisions
CCU	Correctional Custody Unit
CD	Child Development
CDC	Child Development Centers
CDH	Child Development Homes
CDO	Command Duty Officer
CDP	Child Development Program
CE	Collateral Equipment
CEAP	Certified Employee Assistance Professional

CERCLA	Comprehensive Environmental Response, Compensation, and Liability Act (Superfund)
CEWL	Central Enrollment and Waiting List
CFFC	Commander, Fleet Forces Command
CFMS	Central Financial Management System
CG	Category Group
CIMS	Congressional Information Management System
CL	Capability Level
CMEO	Command Managed Equal Opportunity
CNA	Chief of Naval Analysis
CNATRA	Chief of Naval Air Training
CNE	Commander, Naval Forces Europe
CNI	Commander, Navy Installations Command
CNIMWG	CNI Installation Management Working Group
CNO	Chief of Naval Operations
CNP	Chief of Naval Personnel
CNRMA	Commander, Navy Region Mid-Atlantic
CNRNW	Commander, Navy Region Northwest
CNRSW	Commander, Navy Region Southwest
CoCom	Combatant Command
COE	Center of Excellence
COLS	Common Output Level Standards (formerly CL or SL)
COMFISCS	Commander, Fleet Industrial and Supply Centers
COMNAVFACENGCOM	Commander, Naval Facilities Engineering Command
CONOPS	Concept of Operations
CONUS	Contiguous United States
CORRS	Commanding Officers Readiness Report System (USMC FRES)
COW	Cost of War
CP	Capabilities Plan (new BAM and CMP (Capability Master Plan))
CPAM	CNO Program Analysis Memorandum
CPX	Command Post Exercise
CREDO	Chaplains Religious Enrichment Development Operation
CREW	CNI Regions Environmental Weekly
CS	Capability Sponsor
CT	Combating Terrorism
CVIS	Commercial Vehicle Information System
CWE	Current Working Estimate
CYMS	Child and Youth Management System
CYP	Child/Youth Program
CZMA	Coastal Zone Management Act (1972)
DARPA	Defense Advanced Research Projects Agency
DASN (I&F)	Deputy Assistant Secretary of the Navy (Installations and Facilities)
DASN(S)	Deputy Assistant Secretary of the Navy (Safety)

DBOF	Defense Business Operations Fund (old Navy Working Capital Fund (NWCF))
DeCA	Defense Commissary Agency
DENWG	Defense Environmental Noise Working Group
DERF	Defense Emergency Response Fund
DERP	Defense Environmental Restoration Program
DES	Data Encryption Standard
DFAR	Defense Federal Acquisition Regulation
DFAS	Defense Finance and Accounting Service
DFRP	Demolition/ Footprint Reduction Program
DFWP	Drug Free Work Place
DHS	Department of Homeland Security
DIRFAC	Readiness Command Director of Facilities
DJMS	Defense Joint Military Pay System
DLA	Defense Logistics Agency
DMFO	Defense Medical Facilities Office
DoD	Department of Defense
DODEA	Department of Defense Education Activity
DoN	Department of the Navy
DONPIC	Department of the Navy Program Information Center (OPNAV N801)
DPG	Defense Planning Guidance
DRID	Defense Reform Initiative Directive
DRRS	Defense Readiness Reporting System
EA	Economic Analysis Environmental Assessment
EBS	Environmental Baseline Survey
EFD	Engineering Field Division
eFH	electronic Family Housing
EFI	Efficient Facilities Initiative
EIS	Environmental Impact Statement
eKM	expert Knowledge Management
ELMR	Enterprise Land Mobile Radio System
EM	Emergency Management; Emergency Manager
EMCA	EM Capability Assessment
EMP	Emergency Management Plan Emergency Management Program
EMS	Emergency Medical Services Environmental Management System
EOC	Emergency Operation Centers
EPA	Environmental Protection Agency
EPG	Electronic Project Generator
EPMC	Enlisted Personnel Management Center
ER,N	Environmental Restoration, Navy
ERC	Emission Reduction Credit / Exercise Related Construction
ESA	Endangered Species Act

ESAMS	Enterprise Safety Applications Management System
ESM	Executive Summary Memorandum (N4 External Memo)
ESPC	Energy Savings Performance Contracts
ESQD	Explosive Safety Quantity Distance
ESS	Electronic Security Systems
EVOC	Emergency Vehicle Operator Course
F&ES	Fire and Emergency Services
F&J	Facts & Justification
FA	Functionality Assessment Functional Area
FAC	Facility Analysis Category Family Assistance Center
FAP	Family Advocacy Program
FAR	Federal Acquisition Regulation
FC	Facility Class
FCAP	Facilities Condition Assessment Program (AIS successor)
FDNF	Forward Deployed Naval Force
FEC	Facilities Engineering Command
FECA	Federal Employees Compensation Act
FEEB	Facilities Engineer Executive Board (NAVFAC HQ)
FEIS	Final Environmental Impact Statement
FEMA	Federal Emergency Management Agency
FFC	Fleet Forces Command
FFE	Fire Fighting Equipment
FF&E	Furniture, Fixtures, and Equipment
FFSC	Fleet and Family Service Center
FFSMIS	Fleet and Family Support Management Information System
FFSP	Fleet and Family Support Program
FGOQ	Flag/General Officer Quarters
FHN	Family Housing, Navy
FHWA	Federal Highway Administration
FIM	Facility Investment Model
FIP	Facilities Investment Plan
FISC	Fleet Industrial Supply Center
FLIR	Forward-Looking Infrared (Radar)
FM	Facility Management
FMB	Financial Management and Budget (new NAVCOMPT) Finance, Management, and Budget
FMR	Financial Management Regulation, DoD 7000.14-R
FONSI	Finding of No Significant Impact (final verdict of EA)
FOSL	Finding of Suitability to Lease
FOST	Finding of Suitability to Transfer
FP	Force Protection
FPCON	Force Protection Conditions
FPO	Federal Preservation Officer
FRES	Facility Readiness Evaluation System (IRRS successor)

FRM	Facility Recapitalization Metric
FRP	Fleet Response Plan
FRT	Facility Response Team
FS	Facility Services
FSM	Facility Sustainment Model
FTE	Full Time Equivalent
FTX	Field Training Exercise
FY	Fiscal Year
FYDP	Future Years Defense Program/Plan
GMH	General Mess Hybrid
GMV	Ground Mobility Vehicle
GSA	General Services Administration
HARP	Historic & Archeological Resources Protection (Plan)
HASC	House Armed Services Committee
	House Appropriations Sub-Committee
HHS	Department of Health and Human Services
HMR	Housing Management Review
HPD	Headquarters Program Director
HQ	Headquarters
HQMC	Headquarters Marine Corps
HRO	Human Resources Office
HRSC	Human Resources Service Center
HSB	Harbor Security Boats
HUD	Department of Housing and Urban Development
I & I	International and Intergovernmental
I2M	Integrated Installation Management
IAT	Infrastructure Analysis Team
ICBM	Installation Core Business Model
ICC	Installation Claimant Consolidation
ICO	Installation Commanding Officers
ICP	Incident Command Point
ICRMP	Integrated Cultural Resources Management Plan
ICS	Incident Command System
ID/CAC	Identification/Common Access Card
IDS	Intrusion Detection Systems
IDTC	Inter-Deployment Training Cycle
IEC	Infrastructure Executive Council
IEG	Infrastructure Evaluation Group
IFR	Information For Record
IG	Inspector General
IMAP	Installation Management Accounting Project
IMC	Installation Management Claimant
IMWG	Installation Management Working Group
iNFADS	internet Navy Facility Assets Data Store
INVS	Internal Needs Validation Study
IPB	Installation Policy Board

IPE	Industrial Plant Equipment
IPT	Integrated Product Team
IR	Installation Restoration
IRCA	Integrated Readiness Capabilities Assessment
IRR	Installation Readiness Report
IRRMP	Integrated Resources & Requirements Management Plan
IRRS	Installation Readiness Reporting System (replaced by FRES)
ISG	Infrastructure Steering Group (BRAC – joint cross-service analyses)
ISSA	Interservice Support Agreement
IT	Information Technology
ITT	Information Ticket and Travel
IWAR	Integrated Warfare Architecture
JAG	Judge Advocate General
JCIDS	Joint Capabilities Integrations and Development
JCS	Joint Chiefs of Staff
JLUS	Joint Land Use Study
JMSDF	Japanese Maritime Self Defense Force
JON	Job Order Numbers
KGAL	Kilo Gallons
LCM	Life Cycle Management
LCS	Littoral Combat Ship
LIMDU	Limited Duty
LMR	Land Mobile Radio
LMRC	Library Multi Media Resource Center
LOE	Level of Effort
MAA	Master-At-Arms
MAC	Move, Add, Change
MAGIC	Master Activity General Information & Control
MAP	Maintenance Action Plan
MBTU	Millions of British Thermal Units
MCA	Manning Control Authority
MCN	Military Construction, Navy
MCNR	Military Construction, Navy Reserve
MCON	Military Construction, Navy
MCP	Management Control Program
MDI	Mission Dependency Index
MEO	Most Efficient Organization
MHE	Material Handling Equipment
MILCON	Military Construction
MMSC	Multi Mission Surface Combatant
MNS	Mission Need Statements
MOA	Memorandum of Agreement
MPN	Military Personnel, Navy
MS	Mess Management Specialist
MSC	Military Sealift Command

MSF	Magnetic Silencing Facility; Million Square Feet
MSFR	Magnetic Silencing Facility Range
MTMC	Military Traffic Management Command
MVIT	Micro Video Imaging Terminal
MWD	Military Working Dog
MWH	Mega Watt Hours
MWR	Morale, Welfare, and Recreation
NADEP	Naval Aviation Depot
NAEYC	National Association for the Education of Young Children
NAF	Nonappropriated Funds
NAGPRA	Native American Graves Protection & Repatriation Act
NALEMP	Native American Lands Environmental Mitigation Program
NAMP	Naval Aircraft Maintenance Program
NAPS	Naval Academy Prep School
NAS	Naval Air Station
NASMOD	Naval Aviation Simulation Model
NAVFAC	Naval Facilities Engineering Command
NAVFAC HQ	Naval Facilities Engineering Command, Headquarters
NAVFACENGCOM	Naval Facilities Engineering Command
NAVOSH	Navy Occupational Safety and Health
NAVSEA	Naval Sea Systems Command
NAVSUP	Naval Supply Systems Command
NBTS	Navy Budget Tracking System
NCA	National Command Authorities Navy Concentration Area
NCF	Naval Construction Forces (Seabees)
NEPA	National Environmental Policy Act
NEPLO	Navy Emergency Preparedness Liaison Officer
NETC	Naval Education and Training Command
NEX	Navy Exchange
NFADB	Naval Facilities Assets Database
NFELC	Naval Facilities Expeditionary Logistics Center
NFESC	Naval Facilities Engineering Service Center
NHL	National Historic Landmark
NHPA	National Historic Preservation Act
NHRBOD	Navy Human Resources Board of Directors
NIMS	National Incident Management System
NISH	National Industries for the Severely Handicapped
NITC	NAVFAC Information Technology Center
NM	Nautical Mile
NMCI	Navy / Marine Corps Intranet
NOI	Notice of Impact
NOK	Next of Kin
NOSC	Navy On-Scene Coordinator
NOV	Notice of Violation
NPGS	Navy Post-Graduate School

NPRST	Navy Personnel Research, Studies and Technology
NPS	National Park Service
NPV	Net Present Value
NROC	Navy Requirements Oversight Council
NSA	National Security Advisor
NSACA	National School-Age Care Association
NSC	National Security Council
NSFS	Naval Surface Fire Support
NSPG	Navy Strategic Planning Guidance
NTC	Navy Training Command
NTHP	National Trust for Historic Preservation
NTIA	National Telecommunications and Information Administration
NWCF	Navy Working Capital Fund
O&MN	Operations & Maintenance, Navy
O&MNR	Operations and Maintenance, Navy Reserve
OBOS	Other Base Operating Support
OBR	Oversea Basing Requirement
OCS	Officer Candidate School
OEA	Office of Economic Adjustment
OGC	Office of General Counsel
OIC	Office Indoctrination School
OIF	Operation Iraqi Freedom
OIPT	Oversight Integrated Process Team
OLA	Office of Legislative Affairs
OLF	Outlying Landing Field
OM	Objectives Matrix
OMB	Office of Management and Budget
OMN	Operations and Maintenance, Navy
OMNR	Operations and Maintenance, Navy Reserve
OMSI	Operation and Maintenance Support Information
OPA	Office of Program Appraisal
OPAP	Overseas Presence Advisory Panel
OPCON	Operational Control
OPM	Office of Personnel Management
OPN	Other Procurement, Navy
OPNAV	Office of the Chief of Naval Operations
OPTAR	Operating Target (expense)
OPTEMPO	Operational Tempo
ORD	Occupational Requirement Document
ORM	Operational Risk Management
OSD	Office of Secretary of Defense
OUSD (AT&L)	Office of the Undersecretary of Defense (Acquisition, Technology and Logistics)
P&D	Planning and Design
P-68	NAVFAC Contracting Manual
P-72	NAVFAC Department of the Navy Facility Category Codes

P-73	NAVFAC Real Estate Procedural Manual
P-78	NAVFAC NFADB Procedures Manual
P-80	NAVFAC Facility Planning Criteria
PA	Programmatic Agreement
PAIRS	Practical Application of Intimate Relationship Skills
PAO	Public Affairs Officer
PAPA	Pay and Personnel Ashore
PAR	Precision Approach Radar
PASS	Pay/Personnel Administrative Support System
PB	President's Budget
PBD	Program Budget Decisions
PBIS	Program/Budget Information System
PCAS	Post Construction Award Services
PCS	Permanent Change of Station
PCV	Passenger Carrying Vehicles
PD	Program Director
PDM	Program Decision Memorandum
PDRC	Program Development Review Committee
PMO	Program Management Office
POA&M	Plan of Action and Milestones
POL	Petroleum, Oil and Lubricant
POM	Program Objectives Memorandum (even years)
POMS	Port Operations Management System
POR	Program of Record
PPBE	Planning, Programming, Budgeting and Execution
PPBES	Planning, Programming, Budgeting and Execution System
PPE	Personal Protective Equipment
PPV	Public Private Venture
PR	Program Review (odd years)
PRIDU	Primary Duty
PRMRF	Pentagon Reservation Maintenance Revolving Fund
PRV	Plant Replacement Value
PSA	Personnel Support Activity
PSD	Personnel Support Detachment
PSE	Physical Security Equipment
PVA	Project Validation Assessment
PWC	Public Works Center
PWD	Public Works Department
PWRMS	Prepositioned War Reserve Material Stock System
QCR	Quality Condition Rating
QDR	Quadrennial Defense Review
QFR	Question For Record
QOL	Quality of Life
R&M	Restoration and Modernization
RAICUZ	Range Air Installation Compatible Use Zone
RAMP	Relocation & Asset Management Program

RAP	Relocation Assistance Program
RBIM	Risk-Based Investment Model
RBM	Regional Business Manager
RBO	Regional Business Office
RC	Regional Commanders
RCC	Regional Commanders Conference
RCMP	Range Complex Management Plan
RCRA	Resource Conservation and Recovery Act
RD&A	Research, Development, and Acquisition
RDT&E	Research, Development, Test, and Evaluation
REC	Regional Environmental Coordinator
RECAP	Recapitalization (Restoration & Modernization (RM))
RESM	Real Estate Summary Map
RF	Radio Frequency
RFI	Request for Information
RFP	Request for Proposals
RFQ	Request for Qualifications
RIK	Replacement in Kind / Rations-in-Kind
RIP/RC	Remedy in Place / Response Complete
RMKS	Resource Management Knowledge System
ROC	Required Operational Capability
ROD	Record of Decision
RODS	Recreational Off-Duty Safety
ROI	Return on Investment
ROTC	Reserve Officers' Training Corp
RPA	Request for Personnel Action
RPD	Regional Program Directors
RPES	Real Property Enterprise System
RPI	Real Property Inventory
RPM	Real Property Maintenance
RPN	Reserve Personnel, Navy
RRPI	Readiness Range Preservation Initiative
RPRG	Real Property Requirements Generators
RSIMS	Regional Shore Infrastructure Management System
RSIP	Regional Shore Infrastructure Plan
RTC	Recruit Training Command
SACC	School Age Child Care
SAP	Systems Application and Programs
SAR	Search and Rescue
SASC	Senate Armed Services Committee
	Senate Appropriations Sub-Committee
SAT	SSG SYSCOM Antiterrorist Team
SAVI	Sexual Assault Victim Intervention
SCADA	Supervisory Control And Data Acquisition
SEAP	Spouse Employment Assistance Program
SECNAV	Secretary of the Navy

SERDP	Strategic Environmental Research Development Program
SERE	Survival, Evasion, Rescue, Escape
SES	Senior Executive Service
SFO	Solicitation for Offer
SFPB	Shore Facilities Planning Board
SFPS	Shore Facilities Planning System
SIP	Shore Installation Plan
SHOREFLEP	Shore Facilities Life Extension Plan
SHPO	State Historic Preservation Office
SIC	Special Interest Code (CT, DE, NF, RM, ST)
SII	Special Interest Item
SIM	Shore Installation Management
SIOH	Supervision, Inspection, and Overhead
SIPB	Shore Installation Planning Board
SIPRNET	Secret Internet Protocol Router Network
SL	Service Level
SLEP	Service Life Extension Program
SME	Subject Matter Expert
SMRD	Shore Manpower Requirements Determination
SMS	Safety Management System
SOH	Safety and Occupational Health
SOPA	Senior Officer Present Afloat
SORTS	Status of Resources and Training System
SPP	Sponsor Program Proposal
SPPB	Special Projects Planning Board
SPWG	SIM Strategic Planning Working Group
SRM	Sustainment, Restoration & Modernization
SRWG	Sustainable Range Working Group
SSA	Source Selection Authority
SSC	Shore Safety Committee
SSG	Senior Steering Group
SSPO	Strategic Systems Program Office
STARS	Standard Accounting Reporting System
STARS/FL	Standard Accounting and Reporting System/Field Level
SUBASE	Submarine Base
TACAN	Tactical Air Navigation System
TAMP	Transition Assistance Management Program
TAP	Tactical Training Theater Assessment & Planning Transition Assistance Program
Task Force EXCEL	Excellence through Commitment to Education and Learning
TEMC	Transportation Equipment Management Centers
TFE	Task Force Excel
TFMMS	Total Force Manpower Management System
TFMS	Total Force Manpower System
TFR	Total Facility Requirement
THPO	Tribal Historic Preservation Officer

TMA	TRICARE Management Activity
TOA	Total Obligation Authority Table of Allowance
T-POM	Tentative Program Objective Memorandum
TPU	Transient Personnel Unit
TQL	Total Quality Leadership
TRS	Training Resource Strategy Tactical Range System
TTX	Table Top Exercise
TYCOM	Type Command
UAV	Unmanned Aerial Vehicle
UESC	Utility Energy Savings Contract
UFC	Unified Facilities Criteria
UIC	Unit Identification Code
ULP	Unfair Labor Practices
UMC	Unspecified Minor Construction
UP	Utilities Privatization
UPS	Uninterruptible Power Supply
USA	Utilization, Support and Accountability
USBR	United States Bureau of Reclamation
UXO	Unexploded Ordnance
VACIS	Vehicle and Cargo Inspection System
VSIP/VERA	Voluntary Separation Incentive Pay / Voluntary Early Retirement Authority
VTC	Video Teleconference
VV&A	Verification, Validation and Accreditation
WIPT	Working Integrated Process Team
WPN	Weapons Procurement, Navy
WQCB	Water Quality Control Board

APPENDIX B

BACKGROUND AND SUMMARY OF CHANGES

This instruction explains the procedures for project development, submission, review, and approval to preserve requisite accountability while managing facilities more effectively with better information.

Correlation of SRM and Classification of Work:

"While the Navy's focus of facilities management is shifted to SRM, Congressional interest in the proper and effective use of program dollars requires accountability in accordance with the "Classification of Work" structure of legislation for authorization and appropriation of funds. Consequently, until the process of to funding facilities fully conforms to SRM definitions, the correlation between SRM investment categories and Classification of Work must be maintained. This revision provides necessary guidance and correlation with respect to facilities projects."

SRM has since been changed to Facility Investment.

Approval and Funding Limits:

The stand-up of Commander, Navy Installations Command (CNI) has resulted in standardization of approval authorities and funding limits, which are incorporated in this revision of the Facilities Projects Manual. (See Appendix C).

CNI holds approval authority vice Installation Major Claimant (IMC).

IMCs and Enterprise Claimants changed to Real Property Requirements Generators (RPRG).

CNO(N44D) changed to CNO(N46) or OPNAV N46.

DASN(I&F) approves repair projects over $5,000,000.

Minor Construction limit increased from $500,000 to $750,000.

Regional Engineer validates technical adequacy and estimated cost of project. May request assistance from the servicing FEC.

Incorporates the new, broader definition of maintenance and repair.

Revises the procedures for project submission, validation, and approval under CNI.

Updates all references to 10 U.S.C., FMR, DODINST, DoD Directives, OPNAVINST, SECNAVINST, etc.

Adds a list of acronyms.

Adds 21 days notification of repair projects over $7,500,000

Adds 4 Facility Investment Special Interest Codes (SIC), Sustainment (ST), Restoration and Modernization (RM), New Footprint (NF), and Demolition (DE). [Combating Terrorism (CT) has been deleted as a Facility Investment SIC.]

Adds chapter for MILCON projects.

Further clarifies definitions of personal property, equipment, and Classifications of Work.

Addresses Telecommunications Systems, IT/NMCI, and Electronic Security Systems (ESS) funding responsibilities.

Discusses Relocatable Facilities.

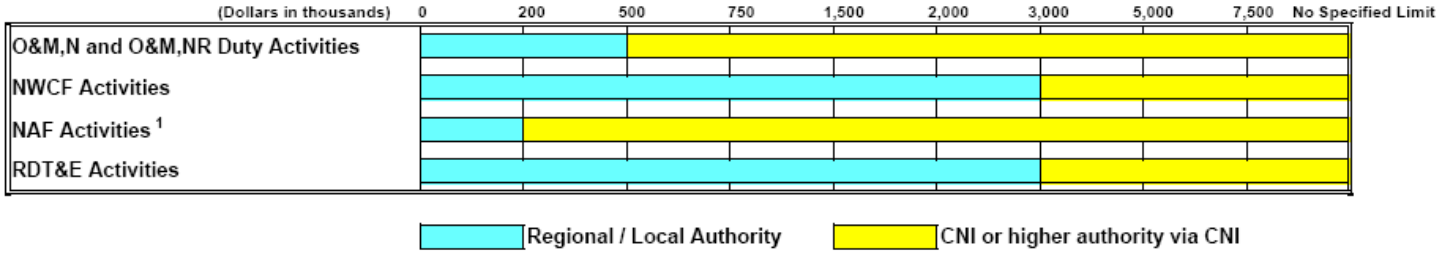
Updates Table of Funding Thresholds, Table of Authorities, and includes Table of Appropriations.

NAF projects chapter revisions to include the updated submission procedures, new approval authorities and policies, and references the updated DODINST 1015.10 and DODINST 1010.15.

EPG Special Projects Module Information and Sample Special Project DD1391 Appendix.

APPENDIX C

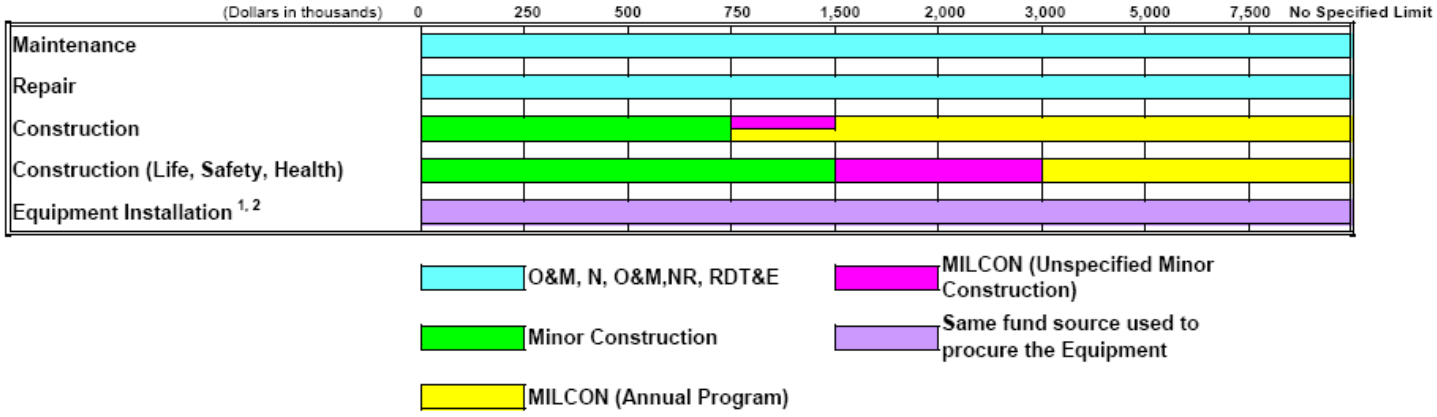
TABLE OF AUTHORITIES



Approval authorities apply to projects of all SICs (ST, RM, NF, DE) and all Classifications of Work (Repair, Construction, Maintenance, and Equipment Installation).

1 All Non-Appropriated Fund (NAF) new construction projects between $200,000 and $750,000 are reported to OSD/Congress by CNI. All NAF new construction projects over $750,000 require MWR/NEX Board of Directors approval for further OSD review and execution approval from Congress.

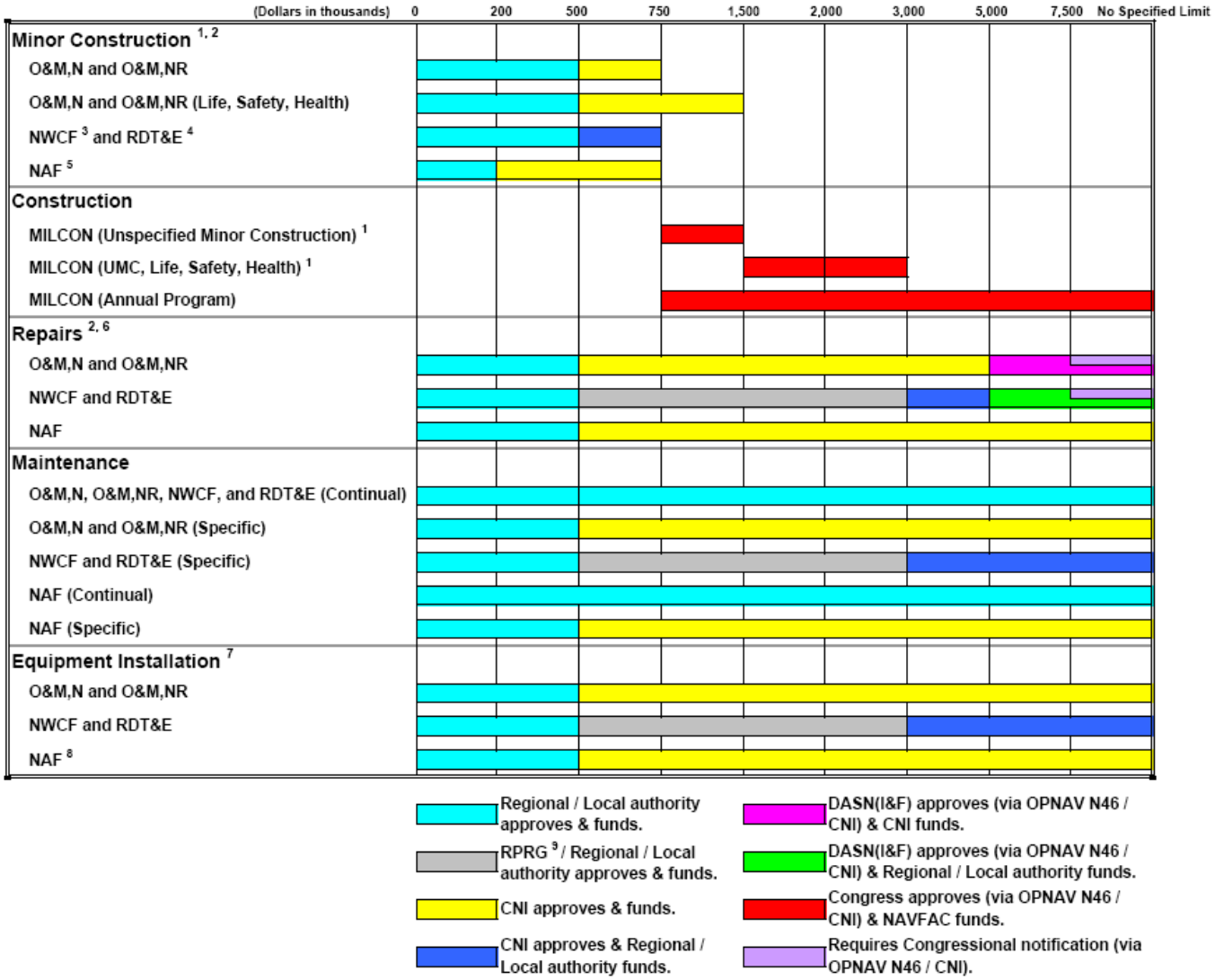
COST LIMITS FOR APPROPRIATED FUNDS PROJECT CLASSIFICATIONS OF WORK



1 Documentation is required for equipment installation projects over $250,000. Equipment installation project costs do not include the cost of the equipment. Equipment purchases over $250,000 are funded as investment; purchases under $250,000 are funded as expense except for NWCF where the threshold is $100,000.

2 All costs in new construction and additions to make them ready to receive personal property are funded as construction.

DETAILED TABLE OF AUTHORITIES AND FUNDING THRESHOLDS



Notes

1 Minor Construction cost limit is $1,500,000 ($3,000,000 for UMC) for projects solely to correct life, safely, or health deficiencies.

2 CNI approval is required for all projects and combination projects over $500,000. Repair projects over $500,000 and in excess of 50% of replacement value of the facility or repair or maintenance projects over $2,000,000 need to be supported by economic analysis in order to receive CNI approval. Repair projects over $5,000,000 require DASN (I&F) approval. Twenty-one (21) day Congressional Notification is required for repair projects over $7,500,000 prior to contract award. For NAF Repair projects, CNI approval is required between $500,00 and $750,000. Above $750,000, MWR/NEX Board of Directors (BOD) approval is required.

3 NWCF Minor Construction Projects over $100,000 are budgeted and financed under the Capital Purchase Program (CPP) as investments.

4 RTE&E Minor Construction Projects over $250,000 are funded as investments.

5 All NonAppropriated Fund (NAF) new construction projects between $200,000 and $750,000 require CNI approval and are included in the annual report to OSD and Congress via CNI. New construction projects above $750,000 require MWR/NEX Board of Directors (BOD) approval prior to submission to OSD and Congress for final execution approval.

6 Project amount approved by DASN (I&F) may not exceed that amount by more than 25%. CNI may approve increases up to 125% of the original approved amount. Increases higher than 125% must be resubmitted to DASN (I&F) for approval.

7 For Appropriated Fund projects, documentation is required for equipment installation projects over $250,000. Equipment Installation project costs do not include the cost of the equipment, and they are financed with the same funds as the equipment purchase. Equipment purchases are activity funded. Equipment purchases over $250,000 are funded as investment. Purchases under $250,000 are funded as expense, except for NWCF where the threshold is $100,000.

8 For NonAppropriated Fund (NAF) equipment installation projects, no limits exist for regional and/or CNI funding. For NAF projects, built-in and collateral equipment is included within the investment cost of individual projects.

9 RPRG = Real Property Requirements Generator (formerly known as Enterprise Claimants).

TABLE OF APPROPRIATIONS

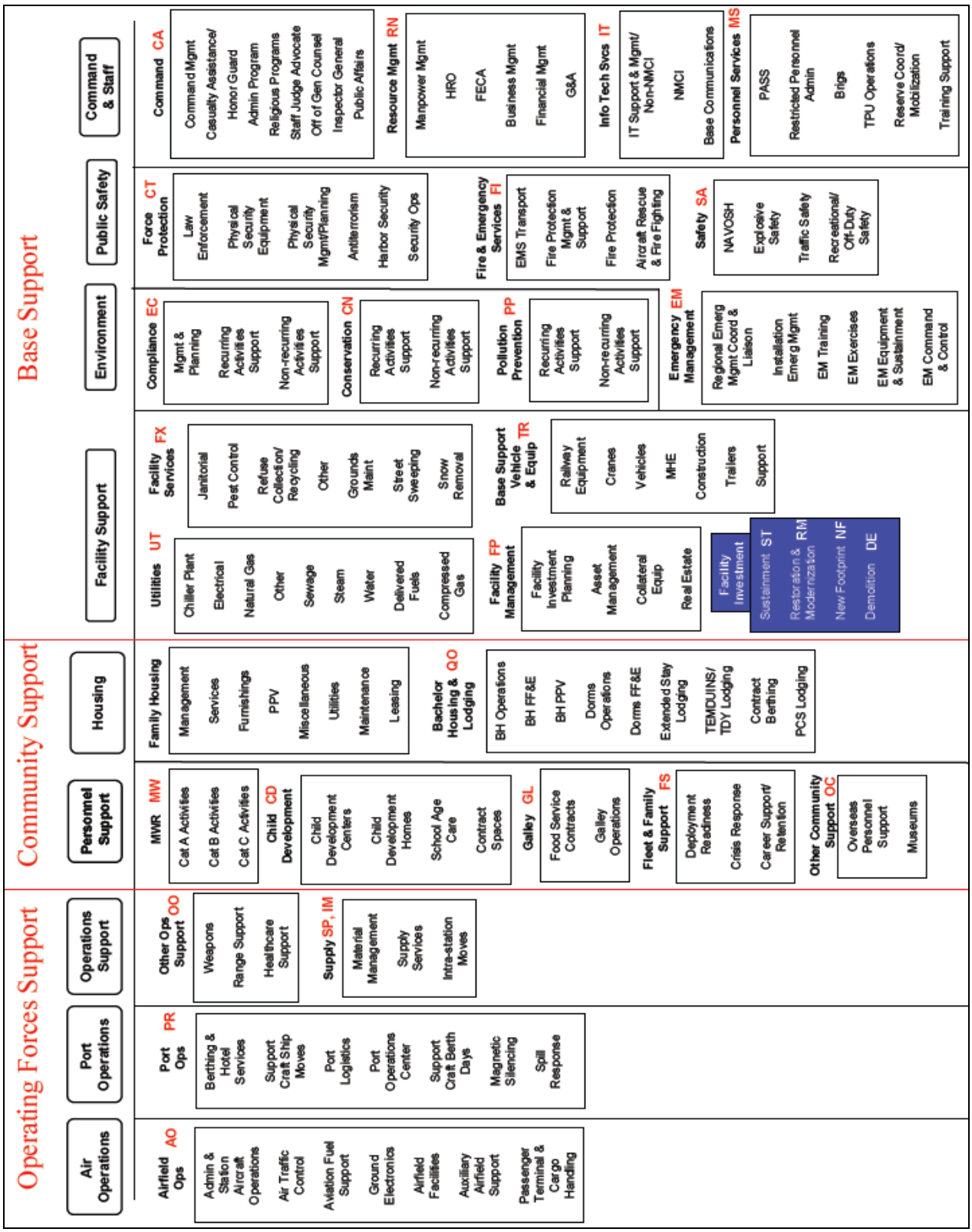
Appropriation symbol	Title / Purpose
	ANNUAL APPROPRIATIONS
17*1105	Military Personnel, Marine Corps (MPMC)
17*1106	Operations & Maintenance, Marine Corps (O&MMC)
17*1107	Operations & Maintenance MC Reserve (O&MMCR)
17*1108	Reserve Personnel, MC (RPMC)
17*1405	Reserve Personnel, Navy (RPN)
17*1453	Military Personnel, Navy (MPN)
17*1804	Operations & Maintenance, Navy (O&MN)
17*1806	Operations & Maintenance, Navy Reserve (O&MNR)
17*7035	Family Housing, Navy (FHN)
97*0100	Operations & Maintenance, Defense Agencies (O&MDA)
	MULTIPLE-YEAR APPROPRIATIONS

Appropriation symbol	Title / Purpose	yrs available for obligation
17*1109	Procurement, Marine Corps (PMC)	3
17*1205	Military Construction, Navy (MCN)	5
17*1235	Military Construction, Navy Reserve (MCNR)	5
17*1319	Research Development Test & Evaluation, Navy (RDT&EN)	2
17*1506	Aircraft Procurement, Navy (APN)	3
17*1507	Weapons Procurement, Navy (WPN)	3
17*1611	Shipbuilding & Conversion, Navy (SCN)	5
17*1810	Other Procurement, Navy (OPN)	3
17-97*0790	Family Housing Mgt Acct Defense (FHMAD)	5
17*7030	Family Housing, Navy construction (FHN)	5
57*3300	Military Construction, Air Force (MCAF)	5
57*3830	Military Construction, Air National Guard (MCANG)	5
97*0300	Procurement, Defense Agencies (PDA)	3
97*0500	Military Construction Defense Agencies (MCDA)	5
97*0800	Special Foreign Currency Program, Defense (SFCPD)	2

REVOLVING & CONTINUING

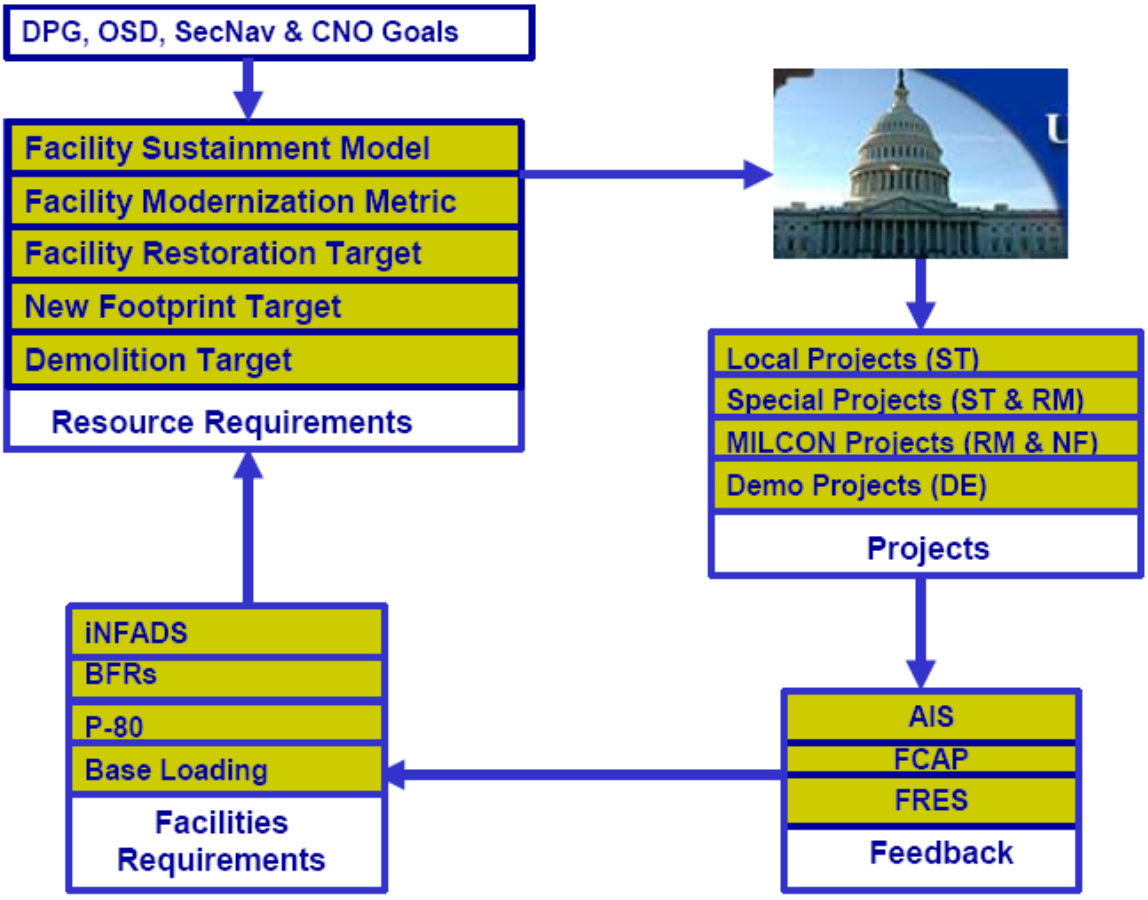
Appropriation symbol		Title / Purpose
97x 4930	**N**	Navy Stock Fund (NSF)
	W	Navy Industrial Fund (NIF)
	C	Marine Corps Stock Fund (MCSF)
	F	Marine Corps Industrial Fund (MCNIF)
		Suspense, Navy Working Fund/Security Deposits (SNWFSD)

2005 INSTALLATION MANAGEMENT ACCOUNTING PROJECT (IMAP) CORE BUSINESS MODEL (CBM)



FACILITIES INVESTMENT MODEL (FIM)

Facility Investment Model



APPENDIX D

EXHIBIT 1: SAMPLE DD 1391

EXHIBIT 2: ELECTRONIC PROJECT GENERATOR (EPG)

a. General Information

b. Blocks 1-8

c. Block 9

d. Block 10

e. Block 11

f. Block 11a

g. Block 11b

h. Block 11c

i. Block 11d

j. Block 11e

k. Block 12

EXHIBIT 3: CNI SPECIAL PROJECT CHECKLIST

EXHIBIT 1: SAMPLE DD 1391

1.Component	FY 2005 SPECIAL PROJECTS PROGRAM	2.Date
NAVY		27 JUN 2005

3.Installation and Location/UIC: N60191	4.Project Title
NAVAL AIR STATION OCEANA VIRGINIA BEACH, VIRGINIA	REPAIR RUNWAY 14 LEFT / 32 RIGHT

5.Program Element	6.Category Code	7.Project Number	8.Project Cost ($000)
SRM	11110	RM 430-05	$9,545

9. COST ESTIMATES

Item	UM	Quantity	Unit Cost	Cost($000)
REPAIR RUNWAY 14 LEFT / 32 RIGHT	LS	1	8,003,000.00	8,003
Repair Runway 14L/32R Pavements - Repair	LS	1	4,740,000.00	(4,740)
Repair Storm Drains Rwy 14L/32R - Repair	LS	1	3,028,000.00	(3,028)
Repair Centerline & Threshold Lighting - Repair	LS	1	235,000.00	(235)
CONSTRUCT VEHICLE ACCESS PAVEMENTS	LS	1	127,000.00	127
Construct Vehicle Driveway at IFLOLS Pads - Construction	LS	1	43,000.00	(43)
Construct Vehicle Driveways at Arresting Gear - Construction	LS	1	84,000.00	(84)
Subtotal				8,130
Contingency (5%)				(407)
SIOH (8%)				(683)
Design-Build Design (4%)				(325)
Total Funded Cost				9,545
Classification of Work				
Repair				9,396
Construction				149
SIC - Restoration and Modernization(RM)				8,862

10. Description of Proposed Construction

This project will make repairs to Runway 14L / 32R pavements, repair the storm water drainage system servicing runways 14L / 32R and 14R / 32L, replace the feeder circuit wiring between the airfield lighting vault and the centerline lighting transformers for Runway 14R / 32L, repair Threshold Lighting on Runway 14L / 32R, and provide vehicular access pavements at the Arresting Gear pads and IFLOLS (Improved Fresnel Lens Optical Landing System) pads.

11. Requirement

FACILITY PLANNING DATA:

Category Code	Requirement	UM	Adequate	Substandard	Inadequate	Deficit/ Surplus
13665 HELIPORT PAD LIGHTING	1,600	LF	1,200	400	0	-400

DD Form 1391
1 Dec 76

Page No. 1

1.Component NAVY	FY 2005 SPECIAL PROJECTS PROGRAM	2.Date 27 JUN 2005
3.Installation and Location/UIC: N60191 NAVAL AIR STATION OCEANA VIRGINIA BEACH, VIRGINIA	4.Project Title REPAIR RUNWAY 14 LEFT / 32 RIGHT	

5.Program Element	6.Category Code	7.Project Number	8.Project Cost ($000)
SRM	11110	RM 430-05	$9,545

13635	RUNWAY CENTERLINE LIGHTING	20,000	LF	12,000	8,000	0	-8,000
11110	RUNWAY FIXED-WING	127,500	SY	24,367	103,133	0	-103,133
11642	BLAST PROTECTIVE PAVEMENT	62,275	SY	36,581	24,861	833	-25,694
87110	STORM SEWER	198,510	LF	173,510	25,000	0	-25,000

PROJECT:
This project will make necessary repairs to Runway 14L / 32R, as specified in the 2002 Pavement Condition Index (PCI) Report. Runway markings will be renewed following the repairs. The storm water drainage system serving runways 14 /32 will be repaired, including replacement of collapsed concrete drainage structures (catch basins, manholes, drop inlets) and piping, repair of separated joints, cleaning of clogged piping, slip-lining of existing piping, and filling of sink holes. Voids detected under the runway, caused by faulty drainage piping will be corrected. The electrical circuit wiring between the Airfield Lighting Vault, and the runway 14R / 32L Centerline Lighting transformers will be replaced. New lighting cable will be run in conduit from the Runway 32L Lighting Vault, to the existing handholds and transformers feeding the existing centerline lighting fixtures on Runway 14R / 32L. The new circuit will be a redundant type, and will require the installation of an additional Lighting Regulator in the Lighting Vault. The Threshold Lighting fixture mounting cans, connecting electrical conduit, lighting fixtures, and wiring at both ends of Runway 14L / 32R will be replaced. The new wiring will be run to the nearest existing handholds feeding the existing lighting fixtures. The Impact 440 rubber slabs under the two arresting gear cables on either end of Runway 14L / 32R will be replaced with steel plates. Asphalt driveways will be constructed at each of the four Arresting Gear Equipment Pads, and at the IFLOLS pads on either end of the runway.

(Current Mission)

REQUIREMENT:
Adequate and functional runway pavements are crucial to successful takeoffs and landings and are required in direct support of the prime mission of Naval Air Station Oceana. Runway 14L / 32R is 8,000 feet long with arresting gear at both ends and is periodically used for training missions. For airfield pavement used by jet aircraft, Navy criteria specifies that PCI values shall exceed 70 for runways; 60 for aprons and taxiways; and 50 for any other pavement. Proper, functioning runway lighting is required by Federal Aviation Administration (FAA) regulations and is critical to the safety of aircraft and

DD Form 1391 C
1 Dec 76

Page No. 2

1.Component NAVY	FY 2005 SPECIAL PROJECTS PROGRAM		2.Date 27 JUN 2005
3.Installation and Location/UIC: N60191 NAVAL AIR STATION OCEANA VIRGINIA BEACH, VIRGINIA		4.Project Title REPAIR RUNWAY 14 LEFT / 32 RIGHT	
5.Program Element SRM	6.Category Code 11110	7.Project Number RM 430-05	8.Project Cost ($000) $9,545

aircrews operating in bad weather or at night. A properly functioning storm water drainage system is required to conduct storm water away from the runways. Proper functioning of this system is crucial to maintaining the integrity of the runway pavements, and safety of operations during inclement weather.

CURRENT SITUATION:
Runway 14L / 32R is a Portland Cement Concrete (PCC) runway, except for approximately 1500 feet of asphalt- surfaced portion located at the intersection of 5R and 5L. The PCC surface of this runway enables it to be used as the primary "emergency" runway. The Pavement Evaluation Team from Atlantic Division of Naval Facilities Engineering Command conducted a pavement condition survey of the airfield pavement at NAS Oceana in June 2002. These surveys are performed every four to five years and incorporate the use of non-destructive testing and visual inspection. This project provides maintenance/ repairs for runway and supporting pavements as called out in the 2002 PCI Report. Runway sections R14L-1 and 1A are PCC features, and have cracking and joint seal failure that must be repaired. Runway sections R14L-2, 2A, 3 and 3A contain reflection cracks (up to 2-inch wide) and areas of crumbling asphalt. Atlantic Division, Naval Facilities Engineering Command, Geotechnical Division has re-evaluated these areas and determined that the asphalt needs to be milled completely away, the joints in the concrete underlayment resealed, and the asphalt overlay replaced. The PCC Blast Pavements, BP32-1 and BP32-2 exhibit cracking in the concrete, and failure of the joint sealing. BP14L-1 is badly deteriorated, and Atlantic Division, Naval Facilities Engineering Command, Geotechnical Division has agreed that it needs to be reconstructed. Hold Area HA32-1 is a PCC feature, and is deteriorated to a point where reconstruction is identified in the PCI report. Hold Area HA14-1 requires repairs to damaged concrete, and joint seal repairs. The Impact 440 rubber Pendant Slabs, which form the runway surface directly beneath the Arresting Gear cables are deteriorated and need to be replaced. Due to issues with the cable bouncing on the rubber slabs, and causing damage to aircraft, they will be replaced with steel plates. The paved area around the concrete Arresting Gear equipment mounting pads, and around the concrete IFLOLS Optical Landing System pads are not of sufficient size to allow service vehicles to access the equipment without either parking on the runway, or driving off into the grass. Due to the low elevations, the areas around these pads are frequently wet and muddy. When vehicles drive through these areas to perform required maintenance and service on the equipment, they risk becoming stuck, and frequently track mud and debris back onto the runway creating a FOD hazard. The equivalent areas on runways 5 / 23 have been paved to allow vehicular access to the equipment without driving in the grass and mud.

The storm drainage system for runways 14 / 32 is badly deteriorated. It is 40 plus

DD Form 1391 C
1 Dec 76

Page No. 3

1.Component NAVY	FY 2005 SPECIAL PROJECTS PROGRAM		2.Date 27 JUN 2005
3.Installation and Location/UIC: N60191 NAVAL AIR STATION OCEANA VIRGINIA BEACH, VIRGINIA		4.Project Title REPAIR RUNWAY 14 LEFT / 32 RIGHT	
5.Program Element SRM	6.Category Code 11110	7.Project Number RM 430-05	8.Project Cost ($000) $9,545

years old, and has never had significant repairs made. There are numerous washouts and sink holes caused by failed piping. Several of these sink holes are of a size to be considered a safety hazard. Most of the structures such as catch basins and manholes are badly deteriorated or collapsed. Void detection testing performed by Atlantic Division, Naval Facilities Engineering Command, Geotechnical Division found voids beneath the runways in locations consistent with storm drainage pipes crossing under the runways.

The feeder circuit for the Centerline Lighting on Runway 14R / 32L is located between the two runways and crosses under 14L / 32R. The wiring is old direct burial airfield lighting cable, and prone to failure. There is only one circuit, where criteria calls for a second redundant circuit. The handholds containing the transformers, the lighting fixtures and mounting cans, and the interconnecting wiring and conduit are only a few years old, and in good condition. The Threshold Lighting fixtures at both ends of 14L / 32R are in good condition, however on the 32 end, the conduit that connects the mounting cans is too small to allow the proper wire to be installed, and needs replaced. On the 14 end, the mounting cans are deteriorated, and need to be replaced, and properly mounted in the new concrete of the reconstructed BP14L-1 Blast Pavement feature.

IMPACT IF NOT PROVIDED:
Failure to provide necessary repairs to this runway paving will result in the interruption and delay of aircraft operations at NAS Oceana. If the paving fails, then aircraft would have to be diverted during IFR, Category A conditions. This will degrade the readiness posture of aircrews and aircraft assigned to NAS Oceana. The continuing deterioration of the pavement creates a serious FOD (Foreign Object Damage) situation. Failure to repair the storm drains will result in continuing formation and enlargement of voids beneath the runway pavement, that will lead to a pavement collapse, causing serious damage to the aircraft, and serious injury to the aircrew. Failure of runway and threshold lighting systems due to deteriorated components and wiring would make the effected runways unusable for night and bad weather operations, and because these runways are used primarily during bad weather, this would effectively shut down operations

NOTES:

ADDITIONAL:
A. Facilities Real Property Data:

Facility No.	PRV	Property Record Card	NFA ID#

DD Form 1391 C
1 Dec 76

1.Component	FY 2005 SPECIAL PROJECTS PROGRAM	2.Date
NAVY		27 JUN 2005

3.Installation and Location/UIC: N60191	4.Project Title
NAVAL AIR STATION OCEANA VIRGINIA BEACH, VIRGINIA	REPAIR RUNWAY 14 LEFT / 32 RIGHT

5.Program Element	6.Category Code	7.Project Number	8.Project Cost ($000)
SRM	11110	RM 430-05	$9,545

$21,900	201063	NFA100000983402
$1,408,825	200821	NFA100000982822
$1,967,791	210674	NFA100000616158
$6,720,353	200710	NFA100000982546
$13,759,053	200708	NFA100000982528

B. INFADS Data:

Facility No.	Yr Built	Area	UM	Maint	Prime CCN	FAC
	1952	127,500	SY	A	11110	1111
	1952	62,275	SY	A	11642	1164
	1969			A	13635	1361
	1960			A	13660	1362
	1961			1	87110	8321

C. FRES Data:

Facility No.	Description	Level	Quality	Quantity
	RUNWAY CENTERLINE LIGHTING	FCI: .0369	Q-1	
	RUNWAY L14 R32	FCI: .5157	Q-1	
	THRESHOLD LIGHTING	FCI:6.8196	Q-4	
	BLAST PAVEMENT	FCI: .0936	Q-1	
	STORM SEWER	FCI: 0	Q-1	
	Sewer And Industrial Waste Line	FAC: 8321	Q-4	N-1
	Fixed Wing Runway, Surfaced	FAC: 1111	Q-4	N-4
	Airfield Lighting	FAC: 1362	Q-4	N-1
	Airfield Pavement Lighting	FAC: 1361	Q-4	N-1
	Miscellaneous Airfield Pavement, Surfaced	FAC: 1164	Q-3	N-1
	Sewage and Industrial Waste Collection Lines	BC: 832	Q-4	N-1
	Airfield Runways	BC: 111	Q-4	N-4
	Airfield Pavement Lighting	BC: 136	Q-4	N-1
	Airfield Pavement Lighting	BC: 136	Q-4	N-1
	Other Airfield Pavements	BC: 116	Q-3	N-2
	Sewage and Waste	CG: 83	Q-4	N-1
	Airfield Pavements	CG: 11	Q-4	N-4
	Communications, Navigation Aids and Airfield Lighting	CG: 13	Q-3	N-1
	Communications, Navigation Aids and Airfield Lighting	CG: 13	Q-3	N-1
	Airfield Pavements	CG: 11	Q-4	N-4

FRES Notes:

D. AIS Data:

DD Form 1391 C
1 Dec 76

Page No. 5

1.Component	FY 2005 SPECIAL PROJECTS PROGRAM	2.Date
NAVY		27 JUN 2005

3.Installation and Location/UIC: N60191	4.Project Title
NAVAL AIR STATION OCEANA VIRGINIA BEACH, VIRGINIA	REPAIR RUNWAY 14 LEFT / 32 RIGHT

5.Program Element	6.Category Code	7.Project Number	8.Project Cost ($000)
SRM	11110	RM 430-05	$9,545

Facility No.	Description	CWE(000)	Deficiency Type
	Stripe/Rubber Removal, Once a Year	$68	Mission
	Seal AC Cracks and apply seal coat	$65	Mission
	Herbacide and Crack sealing of Runway	$60	Mission
	Repair Pavement Cracks 14R	$55	Mission
	RPL LIGHTS	$40	Mission
	Repair runway surface and restripe	$6,743	Deferrable
	Repair blast pavement on taxiway	$620	Deferrable
	REPLACE EXPLOSION PROOF LIGHT FIXTURES	$105	Deferrable
	Replace Branch wiring and devices for lighting fix	$77	Deferrable

E. Hazardous Material Information:

F. Economic Analysis:

Economic Analysis required per OPNAVINST 11010.20G [X] (Yes if Checked)

Economic Alternatives Considered:

(1) Status Quo:

Status Quo: Not viable, due to poor operating conditions.

(2) Renovation/Modernization:

Repair/Renovation/Modernization: Preferred alternative. NPV = $7,655,852

(3) Lease:

Lease/Use Of Other DOD Activity/Other Federal Activity: Not viable, there are no other facilities that can serve the function.

(4) New Construction:

New Construction: Not economically viable, or required. NPV = $17,192,435

(5) Analysis Results:

The Economic Analysis shows that the Repair/Modernization alternative has the lowest NPV.

G. Phasing: None

H. Other Proposed Projects:

I. Status of Design:

Activity POC: Phone No:

Attachments:

DD Form 1391 C
1 Dec 76

Page No. 6

1.Component NAVY	FY 2005 SPECIAL PROJECTS PROGRAM		2.Date 27 JUN 2005
3.Installation and Location/UIC: N60191 NAVAL AIR STATION OCEANA VIRGINIA BEACH, VIRGINIA		4.Project Title REPAIR RUNWAY 14 LEFT / 32 RIGHT	
5.Program Element SRM	6.Category Code 11110	7.Project Number RM 430-05	8.Project Cost ($000) $9,545

12. Signatures

Electronic Signature	Position	Date
	Public Works Officer	
	Regional Engineer	

DD Form 1391 C
1 Dec 76

Page No. 7

EXHIBIT 2: ELECTRONIC PROJECT GENERATOR (EPG)

a. GENERAL INFORMATION

Facilities projects documentation must be provided on DD 1391. The forms are prepared using the procedures outlined in chapter 2. The format is intended to enable the preparing official to systematically provide all of the important data required for design and/or proper review and validation of the project. It is important that all data be factual and complete so that all projects may be judged on the same basis and receive equitable consideration in approval decisions.

The EPG User Manual, online training, and new user registration instructions are available at www.navfac.navy.mil/epg.

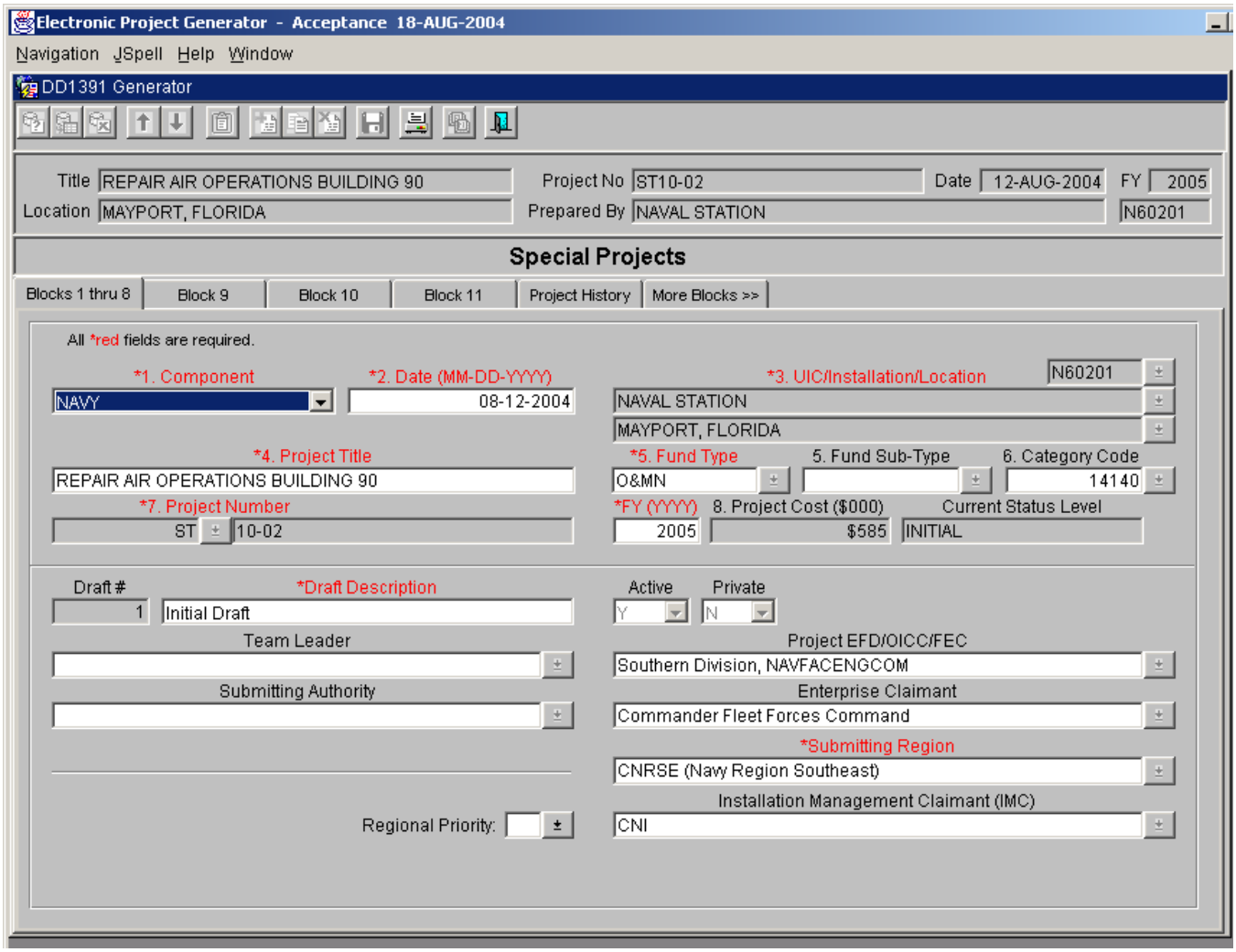
Getting Started:

Step 1 – Obtain an EPG account at https://iefacman.navfac.navy.mil

Step 2 – After receiving your username/password log in at https://jersey-3.navfac.navy.mil/prd/epg.htm

Step 3 – Choose Navigation → New Special Project 1391

Note: For questions or technical assistance concerning EPG, please call the NAVFAC Information Technology (NITC) Center Help Desk at 805-982-2555 or DSN 551-2555.



b. BLOCKS 1-8

Block 1. COMPONENT. Choose Navy.

Block 2. DATE (MM-DD-YYYY). Enter date project was prepared or date project was revised.

Block 3. UIC/INSTALLATION/LOCATION. Enter UIC, Installation and Special Area (if applicable) where the project will take place.

Block 4. PROJECT TITLE. Provide descriptive title of project. Wording should indicate clearly and briefly the type of project and function of the involved facility. Include building or structure number in the title. See paragraphs 2.2.3 and 2.2.5 for more information.

Block 5. PROGRAM ELEMENT. Enter type of funds to be used for the project, (ex: O&MN, RDT&E or NWCF, etc.) FUND SUB-TYPE. Enter funding sub-type when applicable.

FY (YYYY) Enter fiscal year assumed in estimate for project execution.

Block 6. CATEGORY CODE. Enter the five digit facility category code from NAVFAC P-72. If a facility is a multi-use facility, use the category code as found on the property record card or the category code with the predominant space usage of the facility. Use the new category code for a project to convert an existing facility or construct a new facility.

Block 7. PROJECT NUMBER. Enter the project number as explained in paragraph 2.2.5.

Block 8. PROJECT COST. This field is calculated upon completion of Block 9.

DRAFT DESCRIPTION. Describe current version (i.e. Initial Draft, Activity Final, Region Final, For SPPB, For ATA)

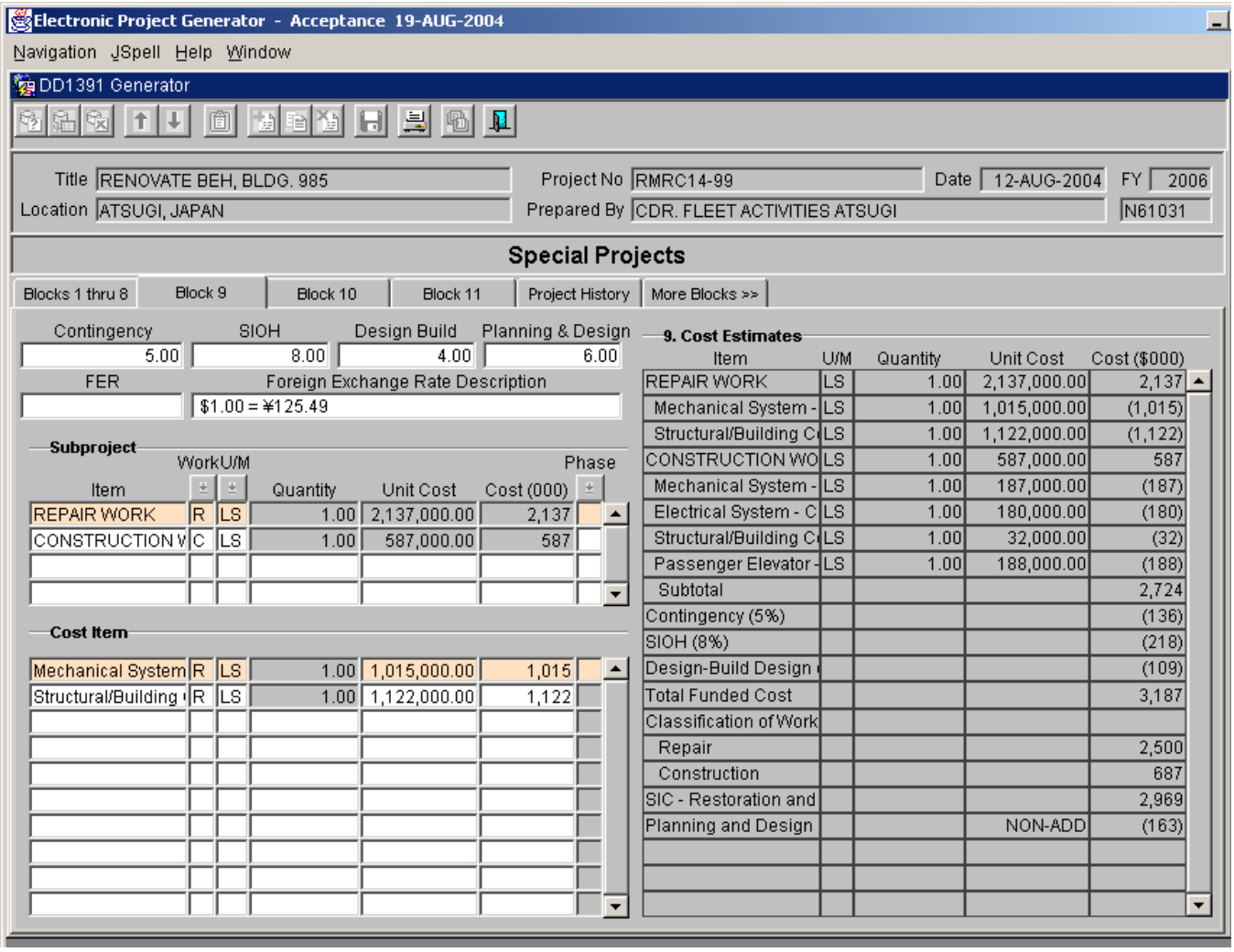
REGIONAL PRIORITY. Regional priority for periodic IPL generation

ACTIVE. Y indicates that this is the current editing version. Only one version to have an active 1391 in EPG at any time.

PRIVATE. N allows viewing by other users. Y allows viewing by only the originator and those assigned view or edit rights by the originator.

TEAM LEADER, SUBMITTING AUTHORITY, FEC, SUBMITTING REGION, ENTERPRISE CLAIMANT, IMC. Make appropriate selections for the project.

> Note: Submitting Region is a required field to save a project to the database. Submitting Authority is required to submit the project to the next level (ex: from the Installation to the Region).



c. BLOCK 9

CONTINGENCY – 5 percent, Submit a justification if another rate is used

SIOH – 8 percent See Section 2.1.1.b(6)

DESIGN/BUILD – 4 percent. Submit a justification if another rate is used. If the acquisition strategy is Traditional Design/Bid/Build, change this field to “0”.

PLANNING & DESIGN – Percentage of local funding (non additive)

(For EQUIPMENT FROM OTHER APPROPRIATIONS (non additive), Document these costs in Block 11C tab of EPG.)

FOREIGN EXCHANGE RATE (FER) – Use for OCONUS projects

SUBPROJECTS – Use to distinguish major elements of the scope of work or phases.
Subproject examples:

EXAMPLE 1	EXAMPLE 2	EXAMPLE 3
EXTERIOR REPAIR	AIRFIELD REPAIRS	PHASE I
ELEC REPAIR	PAVING MAINTENANCE	PHASE II
HVAC REPAIR		PHASE III
ROOF REPAIR		

COST ITEMS – Use to document scope within the Subproject. Cost items will create a sum for the subproject they are in.
Cost item examples

EXAMPLE 3
PHASE I (subproject)
- Utilities (cost item)
- Site Work (cost item)
- Demolition (cost item)
- Structural Work (cost item)

PHASE II
- Electrical Work (cost item)
- Mechanical Work (cost item)

PHASE III
- HVAC Work (cost item)

The following columns should correlate directly to the attached detailed cost estimate.

ITEM

(1) List the primary facility, main building, or structure being repaired or constructed. Estimate includes the cost of fixed (built-in) equipment normally provided as part of the facility (ex: air conditioning, heating, electrical, etc.).

(2) List the supporting facilities items of construction directly related to and required for the support of the primary facility (ex: special foundations, electrical utilities, roads, parking, site improvements, and demolition).

WORK

(1) Classification of Work. Choose the Classification of Work in accordance with Section 6.

U/M

(1) Unit of Measure. Enter the unit of measure shown in NAVFAC P-72 for each listed item. Lump Sum (LS) may be used when there is no specific unit of measure available.

QUANTITY – Enter the quantity in accordance with the unit of measure

UNIT COST– Enter the unit cost in dollars and cents, in accordance with the unit of measure

COST ($000) – Cost in thousands for that line item. This filed is calculated when you hit the tab key after entering the unit cost.

PHASE – If the project has more than one phase, indicate the phase number of each subproject and/or cost item.

d. BLOCK 10.

DESCRIPTION OF PROPOSED CONSTRUCTION. Provide a brief description of the facility condition and proposed work. Indicate the type of construction materials and built-in equipment to be replaced in existing facilities. For projects involving additions, alterations, or conversions, describe the changes to be made.

e. BLOCK 11.

REQUIREMENT. Indicate, using the appropriate unit of measure, the facility "Requirement", and existing "Adequate" and "Substandard" conditions. This information may be found on the Facility Requirements Plan (FRP). Generally, real property facilities projects that are not required to satisfy the approved FRP should not be supported. Additional information may be continued in DD 1391c.

f. BLOCK 11a.

Project. Provide a brief statement on what the project does.

g. BLOCK 11b.

Requirement. Provide the facts as to why the facility is essential to meet current and/or operations.

h. BLOCK 11c.

Current Situation. Describe the current situation and how the requirement is presently met. Provide the year when the facility was originally completed and type of construction. If the existing facility is deteriorated or outdated, provide specific information that reflect those conditions, including appropriate critical backlog or AIS data and FRES facility condition ratings. If appropriate, provide photographs and small scale drawings as attachments.

i. BLOCK 11d.

Impact If Not Provided. Describe the impact, citing the extent and manner of adverse impact on mission accomplishment if the project is not accomplished.

j. BLOCK 11e.

Additional Data

(1) Facility Replacement Cost or CPV from the "Detailed Inventory of Naval Shore Facilities", NAVFAC P-164. If the CPV does not appear reasonable as an estimate of the replacement cost, provide justification and cost estimate for replacing the facility. Indicate if the facility components will be increased in size and capacity, and the increase in cost.

(2) Hazardous Material. Specify the amount, location and cost for asbestos, lead paint and any other hazardous material removal and disposal.

(3) If required, a summary of the options considered in the economic analysis should be listed. Follow guidance in NAVFAC P-442 for preparing the economic analysis.

(4) Phasing of a repair project should include the cost of each phase and the fiscal year planned for funding.

(5) Describe any accomplished or proposed military construction or NAF construction, repair and equipment installation project for the facility within the past 24 months and those planned in the next 12 months.

(6) Select the appropriate design status block. Provide comments as applicable.

(7) Attachments. List attachments and supporting documentation.

k. BLOCK 12

SIGNATURES. The commanding officer, staff civil engineer, public works officer, or their designated representative should sign this document as the responsible official. The document should provide the date of signature.

EXHIBIT 3: CNI SPECIAL PROJECT CHECKLIST

CNI APPROVAL	ITEM	CHECK
	Cost Estimate computation is correct	
	SIOH at 8% and Contingency at 5% has been included	
	Planning and Design Costs are included as funded only if project is Design/Build, otherwise it is unfunded	
	1391 has been spell checked	
	Each classification of work is identified and costs totaled	
	Applicable Life/Safety and Health items are readily identified	
	Block 11 Facility Planning data is accurrate and complete	
	Acronyms are spelled out at first mention and are correctly stated	
	Dates match on each page of the 1391	
	Current/Planned year of project is identified on 1391 form	
	Economic Analysis is required for Repair projects that are either (1) greater than $500K and have a project costs of more than 50% PRV or (2) Repair costs over $2M. NPV is shown for each alternative.	
	Unfunded costs should not be included in the CWE	
	Cited attachments are included in the package submittal	
	Work classification is correct.	
	1391 contains a signature block with title of the signer identified	
	1391 is signed by the Regional Engineer (RE) or the Deputy Regional Engineer (DRE) or if signed by other than RE./DRE., a cover sheet with one of these signatures is attached.	
CONGRESSIONAL NOTIFICATION	One-page Project Data Sheet (PDS) is included	

APPENDIX E
EXCEPTIONS TO ANTITERRORISM CONSTRUCTION STANDARDS

Ref: (a) Assistant Secretary of the Navy (Installations and Environment) Memorandum to Chief of Naval Operations (CNO), Exemptions to Unified Facilities Criteria (UFC) 4-01 0-0 1, DoD Minimum Antiterrorism (AT) Standards for Buildings, of 17 July 2008 (NOTAL)
(b) Unified Facilities Criteria (UFC) 4-010-01, DoD Minimum Antiterrorism Standards for Buildings, of 8 Oct 2003
(c) OPNAVINST 5530.14E
(d) OPNAVINST F3300.53C

1. This appendix incorporates reference (a) to address the limited situations where an exception to one or more AT standards listed in reference (a) above may be warranted. It is imperative that any exception to reference (b) be approved and documented during the planning and project approval process. At a minimum, requests to exempt any part of reference (b) shall comply with the following:

a. Project packages must contain an operational and physical risk mitigation assessment with detailed rationale for the exception request to include the following:

(1) A technical review by NAVFAC.

(2) A current local threat assessment memorandum.

(3) Mitigation measures to be employed.

(4) Installation or site security officer endorsement.

(5) Where appropriate, consultation for historical structures.

b. Approval authority for exceptions will follow the same thresholds identified in appendix C of this instruction, except as noted below. Dollar thresholds for project approvals are inclusive of all UFC AT costs prior to a request for an exception.

(1) Regional commanders will endorse and forward to CNI via the cognizant naval component commander. Regional Commanders will not approve ATFP waivers.

(2) If within CNI funding authority, CNI will approve or deny the exception. If not, CNI will forward the request to OPNAV (N46). OPNAV (N46) will approve or deny the request in coordination with DASN (I&F), and maintain an inventory or database of all approved waivers.

2. For waivers and exceptions to reference (b) for leased facilities, references (c) and (d) above apply.