



DEPARTMENT OF THE ARMY  
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY  
INSTALLATIONS AND ENVIRONMENT  
110 ARMY PENTAGON  
WASHINGTON DC 20310-0110



March 1, 2004

REPLY TO  
ATTENTION OF

The Honorable Joel Hefley  
Chairman  
Subcommittee on Readiness  
Committee on Armed Services  
House of Representatives  
Washington, DC 20515-6035

Dear Mr. Chairman:

Pursuant to 10 USC 2853, enclosed is a report on cost variation for Improvements to Forney Army Airfield, Fort Leonard Wood, Missouri. Additional details, including the source of funds, are provided in the enclosure. A similar letter is being sent to the Chairman and Ranking Member of the Subcommittee on Readiness and Management Support, Armed Services Committee, United States Senate.

Sincerely,

Joseph W. Whitaker  
Deputy Assistant Secretary of the Army  
(Installations and Housing)  
OASA(I&E)

Enclosure

cc: The Honorable Solomon P. Ortiz  
Ranking Member

Bid Expiration Date: Not Applicable

Cost Variation Report

As Required by 10 USC 2853

<u>Location/Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated</u>	<u>Amount Authorized</u>	<u>Current Estimate</u>	<u>Change Percent</u>	<u>Construction Percent Complete</u>
Ft Leonard Wood, Missouri/Airfield Improvements	2001	\$4,200,000*	\$4,200,000*	\$5,620,000	33.8	92

\* Note: An amount of \$200,000 was reprogrammed from this project to fund the Arvin Cadet Physical Development Center, USMA, West Point, NY, which reduced the Fort Leonard Wood Airfield Improvements project from \$4,200,000 to \$4,000,000. The current working estimate on Airfield Improvement project was subsequently increased within Army authority by \$800,000 to \$4,800,000 due to additional costs. With this cost variation report, the Army is seeking authority for an additional increase of \$820,000 to \$5,620,000. The Office of the Secretary of Defense has submitted an associated reprogramming request to Congress in the amount of \$820,000.

Description:

This project is to resurface the runway and taxiway of Forney Army Air Field (AAF) at Fort Leonard Wood, MO, and replace existing 20-year old landing aids with equipment to meet current standards. Forney AAF has a multi-level aircraft mission to provide support for military, commercial, and privately owned aircraft that require Instrument Flight Rules (IFR) during landings in poor weather visibility conditions. Improvements to the airfield are necessary to support the installation's requirements for air transportation.

Justification:

It was ultimately authorized and appropriated in the Fiscal Year 2001 Military Construction, Army (MCA) program for \$4.2 million. The project was executed under two separate contracts. The first contract for airfield paving was awarded on 28 September 2001 at a Current Working Estimate (CWE) of \$2.3 million. The second contract for the electrical system work was awarded on May 15, 2002 at a CWE of \$2.5 million for a total CWE of \$4.8 million (within Army authority). Cost increases to \$4.8 million are attributable to unforeseen runway structural repairs of \$460,000 and an increase in cost of the Instrument Landing System (ILS) equipment of \$140,000.

In February 2002, between the contract awards, anticipated savings this project were used as a bill-payer for the Arvin Cadet Physical Development Center, USMA, West Point, NY Congressional Reprogramming. The Program Amount was reduced by \$200,000 to \$4.0 million.

To award an electrical contract of \$2.5 million, in addition to an airfield paving contract of \$2.3 million, a reprogramming action within Army authority was accomplished for \$800K.

Since award, additional costs of \$820K have been identified. An amount of \$321,000 is required to fund the installation of equipment (Glide Slope Indicator) and \$170,000 is needed for additional requirements for trenching and cabling 17,000 feet of electrical and data lines. The remainder of the request, \$329,000, is attributed to modifications and design errors concerning airfield lighting controls, modification of the radio transmitter/receiver facility electrical details, and changes in the safety zone requirements.

The current airfield operates under Visual Flight Rules, meaning it can only be used when the weather is clear. This work is required to permit instrument-aided landings and will result in nearly doubling the landing/takeoff capacity. Mission capabilities that will be enhanced include US Air Force emergency medical evacuation, troop mobilization to participate in the National Training Center exercises at Fort Irwin, forward logistical point support for the Federal Emergency Management Agency to respond to emergencies, and emergency landing strip availability to support the Missouri Air National Guard for exercises on the Cannon Bombing Range.

Source of Funds:

Funds for this increased cost will be provided from bid savings from the following project:

<u>Location/ Project</u>	<u>Fiscal Year</u>	<u>Amount Appropriated (\$000)</u>	<u>Amount Authorized (\$000)</u>	<u>Current Estimate (\$000)</u>	<u>Proposed Reprogramming (\$000)</u>
Fort Drum, New York/ Battle Simulation Center	2002	9,000	9,000	5,429	820