



PERSONNEL AND
READINESS

UNDER SECRETARY OF DEFENSE

4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

SEP - 3 2021

The Honorable Adam Smith
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

The Department's report in response to the Joint Explanatory Statement, accompanying the Consolidated Appropriations Act, 2018 (Public Law 115-141), is enclosed. The report provides a quarterly update on the progress of all hospital construction projects, including any settlements reached for contractor error or project management deficiencies, for the second and third quarters of fiscal year (FY) 2021.

The Defense Health Agency and its construction agents, the United States Army Corps of Engineers, and Naval Facilities Engineering Command, continue to execute the military construction of medical facilities. As of the third quarter of FY 2021, no new clinics or hospitals have commenced construction activities. The enclosed report on the progress of medical military construction projects provides construction timelines and current working estimates of active hospital and clinic construction projects for the second and third quarter of FY 2021.

Thank you for your continued strong support for our Service members, civilian workforce, and families. I am sending similar letters to the other congressional defense committees.

Sincerely,

A handwritten signature in black ink, appearing to read "Gilbert R. Cisneros, Jr.", written in a cursive style.

Gilbert R. Cisneros, Jr.

Enclosure:
As stated

cc:
The Honorable Mike D. Rogers
Ranking Member

Report to Congressional Defense Committees



Second and Third Quarter, Fiscal Year 2021, Report on the U.S. Army Corps of Engineers and Naval Facilities Engineering Command Projects within the Defense Health Agency

In Response To: Joint Explanatory Statement, Page 998, Accompanying the Consolidated Appropriations Act, 2018 (Public Law 115-141)

The estimated cost of this report or study for the Department of Defense is approximately \$6,400.00 for the 2021 Fiscal Year. This includes \$0 in expenses and \$6,400.00 in DoD labor.

DEFENSE HEALTH AGENCY'S HOSPITAL CONSTRUCTION PROGRAM

STATUS OF HOSPITAL CONSTRUCTION PROJECTS

EXECUTIVE SUMMARY

The second and third quarter report for fiscal year (FY) 2021 is in response to the Joint Explanatory Statement, page 998, accompanying H.R. 1625, the Consolidated Appropriations Act, 2018 (Public Law 115-141), which requests the status of all hospital construction projects. The data presented below, as reported by design and construction agents, reflects data submitted through June 15, 2021, representing the third quarter in FY 2021. As of the submission of this report, there are 24 active hospital and clinic projects in construction, 15 projects in the design phase and no contractor errors or project management deficiencies have been identified.

BACKGROUND

The Defense Health Agency is responsible for facility life-cycle management of U.S. military medical facilities worldwide, to preserve ready and resilient facilities that sustain military medicine's mission assurance of world-class health care for America's warfighters and their families. These military medical facilities include medical centers, hospitals, ambulatory care centers, medical training facilities, medical research facilities, and veterinary facilities in the Military Health System. In accordance with section 2851 of Title 10, United States Code and Department of Defense Directive 4270.5, "Military Construction," military construction of such facilities is to be carried out under the direction and supervision of the U.S. Army Corps of Engineers or Naval Facilities Engineering Command, as the design and construction agents for the current active projects identified in this report. Therefore, data herein corresponds with that provided by the construction agents.

RESULTS

Current Status of Active Construction Projects

The active hospital and clinic projects in construction identified in this report include projects that have been awarded through projects that reached substantial completion and are in transition. The status, including a construction timeline and current working estimate of the active hospital and clinic projects, in construction, is included in Table 1, which represents the second and third quarters of FY 2021. Other projects include projects that are complete and waiting for financial closeout by the construction agents.

Table 1: Status of Active Hospital and Clinic Projects in Construction (3rd Quarter FY 2021)

Fiscal Year	Project Number	Project	CWE (000)	% Complete	NTP	BOD
2009	70354	Ft Irwin, CA; Hospital Replacement	\$288,061	100%	30-May-12	22-Mar-19
2010	72481	Ft Bliss, TX; Hospital Replacement	\$1,370,000	99%	25-Aug-11	29-Feb-20
2012	71408	JB Andrews, MD; Dental Clinic Replacement	\$22,472	100%	1-Mar-13	3-Jan-19
2012	76007	Rhine Ordnance Barracks, Germany; Medical Center Replacement	\$1,003,575	11%	13-Jan-14	30-Dec-25
2013	71325	Seymour Johnson AFB, NC; Clinic Replacement	\$53,524	99%	24-Oct-13	8-Jun-18
2013	72419	Osan AB, Korea; Hospital Addition/Alteration	\$27,114	100%	26-Sep-13	31-Oct-19
2014	81436	Bahrain NSA, Bahrain; Medical/Dental Clinic Replacement	\$29,000	99%	20-Apr-16	30-Dec-19
2015	81430	JB Langley-Eustis, VA; Hospital Addition/CUP Replacement	\$57,300	63%	1-Jun-19	30-Jun -21
2016	86953	Ft Knox, KY; Medical Clinic	\$63,760	93%	13-Apr-17	16-Nov-21
2016	80412	Schofield Barracks, HI; Behavioral Health/Dental Clinic Phase 1	\$116,464	99%	16-Jun-16	21-Feb-21
2016	77986	Spangdahlem AB, Germany; Medical/Dental Clinic Addition	\$32,419	85%	14-Dec-16	2-Mar-22
2016	78150	MCB Kaneohe Bay, HI; Medical/Dental Clinic Replacement	\$93,000	100%	14-Nov-16	31-Jul-20
2016	81422	JBSA, Lackland AFB, TX; Ambulatory Care Center, Phase IV	\$60,649	48%	24-Oct-18	18-Aug-23
2017	72738	Sheppard AFB, TX; Medical Dental Clinic Replacement	\$91,451	97%	26-Oct-17	30-Jul-21
2017	80906	NSA Bethesda, MD; Medical Center Add / Alt	\$695,000	15%	22-Dec-17	1-Mar-26
2017	14019	MCB Camp Lejeune, NC; Dental Clinic Replacement	\$31,000	94%	20-Jul-18	4-May-21
2017	71509	Naval Shipyard Portsmouth, ME Medical/Dental Clinic Replacement	\$31,560	92%	1-Feb-19	31-May-21
2018	77987	Schriever AFB, CO Medical/Dental Clinic Add / Alt	\$13,579	51%	23-Oct-18	16-Aug-21
2018	91884	Fort Leonard Wood Hospital Replacement, Phase 1 & Phase 2	\$381,300	39%	14-Oct-19	13-Oct-23
2018	14021	MCB Camp Pendleton, CA Ambulatory Care Center Replacement (Area 13)	\$27,799	66%	2-Jan-20	10-May-22
2018	14041	MCB Camp Lejeune, NC; Ambulatory Care/Dental Center Replacement (Hadnot Point)	\$22,919	69%	12-Oct-19	30-Oct-21

2018	14042	MCB Camp Lejeune, NC; Ambulatory Care/Dental Center Replacement (Wallace Creek)	\$22,000	62%	12-Oct-19	19-Nov-21
2019	89838	MCAS New River, NC; Ambulatory Care/Dental Center Replacement	\$32,580	20%	30-Sep-19	5-Jul-22
2020	89906	MCB Camp Pendleton, CA: Ambulatory Care Center Replacement (Area 21)	\$22,250	9%	30-Nov-20	30-Oct-22

CWE – Current Working Estimate NTP – Notice to Proceed BOD – Beneficial Occupancy Date

CONCLUSION

As of the submission of this report, there are currently 24 active hospital and clinic projects in construction, and 15 projects in the design phase. As of June 15, 2021, no new hospital projects have commenced construction activities and no contractor errors or project management deficiencies have been identified. The data presented above delineates status, construction timeline, and the current working estimate of the active construction projects, and reflects updated data provided by the design and construction agents of each respective project, which was also submitted with the section 2851, Title 10, United States Code reports in June 2021. This data will be appropriately updated in future quarterly reports.