



PERSONNEL AND
READINESS

UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

APR 27 2020

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

Dear Mr. Chairman:

The enclosed report is in response to House Report 115-188, pages 27-28, accompanying H.R. 2998, the Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2018, requesting a quarterly status of the Fort Bliss Hospital Replacement Project.

The Fort Bliss Hospital Replacement Project is substantially complete, with significant efforts continuing on building commissioning and construction punch list inspections and corrections, as well as transition activities. The Construction Agent (U.S. Army Corps of Engineers) reports the project is 99 percent complete. The contractor and Construction Agent reports Beneficial Occupancy Date and Final Acceptance occurred on February 29, 2020. The facility operational date of September 2020 remains unchanged. The enclosed report provides the status of the Fort Bliss Hospital Replacement Project as of December 31, 2019.

Thank you for your interest in the health and well-being of our Service members, veterans, and their families. I am sending identical letters to the other congressional defense committees.

Sincerely,

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Matthew P. Donovan

Enclosure:
As stated



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The Honorable Brian Schatz
Ranking Member
Subcommittee on Military Construction,
Veterans Affairs, and Related Agencies
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Senator Schatz:

The enclosed report is in response to House Report 115-188, pages 27-28, accompanying H.R. 2998, the Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2018, requesting a quarterly status of the Fort Bliss Hospital Replacement Project.

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The Honorable James M. Inhofe
Chairman
Committee on Armed Services
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

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The Honorable Jack Reed
Ranking Member
Committee on Armed Services
United States Senate
Washington, DC 20510

Dear Senator Reed:

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APR 27 2020

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

Dear Mr. Chairman:

The enclosed report is in response to House Report 115-188, pages 27-28, accompanying H.R. 2998, the Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2018, requesting a quarterly status of the Fort Bliss Hospital Replacement Project.

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APR 27 2020

The Honorable William M. "Mac" Thornberry
Ranking Member
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Representative Thornberry:

The enclosed report is in response to House Report 115-188, pages 27-28, accompanying H.R. 2998, the Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2018, requesting a quarterly status of the Fort Bliss Hospital Replacement Project.

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APR 27 2020

The Honorable Debbie Wasserman-Schultz
Chairwoman
Subcommittee on Military Construction,
Veterans Affairs, and Related Agencies
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Madam Chairwoman:

The enclosed report is in response to House Report 115-188, pages 27-28, accompanying H.R. 2998, the Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2018, requesting a quarterly status of the Fort Bliss Hospital Replacement Project.

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

Dear Representative Carter:

The enclosed report is in response to House Report 115-188, pages 27-28, accompanying H.R. 2998, the Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2018, requesting a quarterly status of the Fort Bliss Hospital Replacement Project.

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Report to Congressional Defense Committees



First Quarter Report for Fiscal Year 2020 on the Status of the Fort Bliss Hospital Replacement Project

In Response to: House Report 115–188, Pages 27-28, Accompanying H.R. 2998, the Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2018

The estimated cost of this report or study for the Department of Defense (DoD) is approximately \$3,000.00. This includes \$ 0.0) in expenses and \$3,000.00) in DoD labor.

Generated on 2020/01/22

Report/Study Cost Estimate
(A-FE8786F)

Status of the Fort Bliss Hospital Replacement Project

EXECUTIVE SUMMARY

This first quarter report for Fiscal Year (FY) 2020 is in response to House Report 115–188, pages 27-28, accompanying H.R. 2998, the Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2018. The data presented below, as reported by the United States Army Corps of Engineers (USACE), is for the period of January 1, 2019 through December 31, 2019. This report uses data reported by USACE from the January 16, 2020 Principals Meeting.

The project is substantially complete, with significant efforts continuing on building commissioning and construction punch list inspections and corrections, as well as transition activities. The Construction Agent reports the project is 99 percent complete. The contractor and Construction Agent reports Beneficial Occupancy Date and Final Acceptance occurred on February 29, 2020. The facility operational date of September 2020 remains unchanged.

BACKGROUND

The Fort Bliss Hospital Replacement Project replaces the existing William Beaumont Army Medical Center, and is designed to support the 95,000 eligible beneficiaries in the Fort Bliss market. Upon occupancy, the Fort Bliss hospital will encompass 1,132,460 square feet in new construction, supporting 135 inpatient beds, 12 operating rooms, 269 exam rooms, and ancillary patient care services. The project also supports 15 graduate medical education, nursing, and enlisted training programs. Additional features include a new grade-separated interchange, a dedicated electric substation, two-way approach helipad, and more than 4,000 parking spaces.

In accordance with 10 U.S.C. § 2851 and Department of Defense Directive 4270.5, this construction project is being directed and supervised by USACE. The first project increment was awarded for construction on January 29, 2013 to the Joint Venture of Clark-McCarthy Healthcare Partners, and construction started on May 29, 2013.

PROJECT STATUS

The Fort Bliss Hospital Replacement Project is an incrementally-funded project initially authorized in FY 2010 at \$966M. Subsequent 10 U.S.C. § 2853 cost variation notifications bring the current authorized cost to \$1.370B, which equals total funding for the project.

The contractor continues to submit change requests; however, the number of submitted changes continues to decrease. With the completed cost and schedule risk assessment update, USACE remains confident existing funding will be sufficient to complete the project within the \$1.370B authorized cost.

Originally the construction completion date was expected to be November 26, 2016. The Beneficial Occupancy Date and Final Acceptance by the Government occurred on February 29, 2020. The facility operational date of September 2020 remains unchanged.

The Defense Health Agency continues to support assessment of the Fort Bliss Hospital Replacement Project. Management processes involving all stakeholders have been implemented to resolve issues in a timely manner and to minimize schedule and cost impacts. Senior management oversight focusing on change management is readdressing the efficacy of changes and limiting changes to only those which are mandatory. Additionally, revisions to executive leadership oversight have been instituted for a more integrated and collaborative governance process. Monthly meetings, including a Senior Leadership Board and governance reviews, continue to emphasize that USACE mitigates impacts to cost and schedule for delivering a ready and resilient facility to provide world-class care to the eligible beneficiaries at Fort Bliss.

CONCLUSION

The Construction Agent reports the Fort Bliss Hospital Replacement Project is 99 percent complete and the project Beneficial Occupancy Date and Final Acceptance by the Government occurred on February 29, 2020. The facility operational date of September 2020 remains unchanged. The most recent report from the data provided by the Construction Agent shows the current working estimate remains at \$1.370B.