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:

As requested in the Joint Explanatory Statement accompanying H.R. 1625, the Consolidated Appropriations Act, 2018 (164 Cong. Rec. H2801, 2018), please find the enclosed report for the first quarter of fiscal year (FY) 2020 on the progress of all hospital construction projects, including any settlements reached for contractor error or project management deficiencies.

The military construction of medical facilities is progressing. The Defense Health Agency and its construction agents, the United States Army Corps of Engineers and Naval Facilities Engineering Command, have provided increased oversight and project management to limit exposure of both cost and schedule. As of first quarter FY 2020, one new hospital has commenced construction activities.

Thank you for your continued support of 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,

//SIGNED//  
Matthew P. Donovan  
US Under Secretary of Defense for P&R

Enclosure:  
As stated
Dear Senator Schatz:

As requested in the Joint Explanatory Statement accompanying H.R. 1625, the Consolidated Appropriations Act, 2018 (164 Cong. Rec. H2801, 2018), please find the enclosed report for the first quarter of fiscal year (FY) 2020 on the progress of all hospital construction projects, including any settlements reached for contractor error or project management deficiencies.

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Matthew P. Donovan
US Under Secretary of Defense for P&R

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

Dear Mr. Chairman:

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Matthew P. Donovan  
US Under Secretary of Defense for P&R

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

Dear Senator Reed:

As requested in the Joint Explanatory Statement accompanying H.R. 1625, the Consolidated Appropriations Act, 2018 (164 Cong. Rec. H2801, 2018), please find the enclosed report for the first quarter of fiscal year (FY) 2020 on the progress of all hospital construction projects, including any settlements reached for contractor error or project management deficiencies.

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Matthew P. Donovan  
US Under Secretary of Defense for P&R

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

Dear Mr. Chairman:

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//SIGNED//
Matthew P. Donovan  
US Under Secretary of Defense for P&R

Enclosure:  
As stated
The Honorable William M. “Mac” Thornberry  
Ranking Member  
Committee on Armed Services  
U.S. House of Representatives  
Washington, DC  20515

Dear Representative Thornberry:

As requested in the Joint Explanatory Statement accompanying H.R. 1625, the Consolidated Appropriations Act, 2018 (164 Cong. Rec. H2801, 2018), please find the enclosed report for the first quarter of fiscal year (FY) 2020 on the progress of all hospital construction projects, including any settlements reached for contractor error or project management deficiencies.

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Sincerely,

//SIGNED//  
Matthew P. Donovan  
US Under Secretary of Defense for P&R

Enclosure:  
As stated
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:

As requested in the Joint Explanatory Statement accompanying H.R. 1625, the Consolidated Appropriations Act, 2018 (164 Cong. Rec. H2801, 2018), please find the enclosed report for the first quarter of fiscal year (FY) 2020 on the progress of all hospital construction projects, including any settlements reached for contractor error or project management deficiencies.

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//SIGNED//
Matthew P. Donovan  
US Under Secretary of Defense for P&R

Enclosure:  
As stated
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:

As requested in the Joint Explanatory Statement accompanying H.R. 1625, the Consolidated Appropriations Act, 2018 (164 Cong. Rec. H2801, 2018), please find the enclosed report for the first quarter of fiscal year (FY) 2020 on the progress of all hospital construction projects, including any settlements reached for contractor error or project management deficiencies.

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Sincerely,

//SIGNED//
Matthew P. Donovan  
US Under Secretary of Defense for P&R

Enclosure:  
As stated
First Quarter, Fiscal Year 2020,
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 Accompanying the Consolidated Appropriations Act, 2018 (164 Cong. Rec. H2801, 2018)

The estimated cost of this report or study for the Department of Defense (DoD) is approximately $3,000.00 for the 2020 Fiscal Year. This includes $0.00 in expenses and $3,000 in DoD labor.

Generated on January 22, 2020
DEFENSE HEALTH AGENCY'S HOSPITAL CONSTRUCTION PROGRAM
STATUS OF ACTIVE CONSTRUCTION PROJECTS

EXECUTIVE SUMMARY

The first quarter report for fiscal year (FY) 2020 is in response to a request provision in the Joint Explanatory Statement accompanying the Consolidated Appropriations Act, 2018 (164 Cong. Rec. H2801, 2018), for quarterly reports to the congressional defense committees on the progress of all hospital construction projects, to include any settlements that have been reached for contractor error or project management deficiencies. The data presented below, as reported by design and construction agents, reflects data submitted with the 10 U.S.C. § 2851 report through January 15, 2020, representing the first quarter in FY 2020. As of January 15, 2020, there are 27 hospital and clinic projects in active construction and 27 projects in the design phase.

BACKGROUND

The Defense Health Agency (DHA) 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 10 U.S.C. § 2851 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 and 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. Section 2851 further requires reporting project data at a frequency no less than once a month, which provides a foundation for information within this report.

RESULTS

Current Status of Active Construction Projects

The hospital and clinic projects in active 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 first quarter of FY 2020. Other projects reported in the section 2851 report include projects that are complete and waiting for financial closeout by the construction agents. No settlements were requested or reached for contractor error or project management deficiencies during the first quarter of FY 2020.
<table>
<thead>
<tr>
<th>Project Number</th>
<th>Project Description</th>
<th>CWE (000)</th>
<th>% comp</th>
<th>NTP</th>
<th>BOD</th>
</tr>
</thead>
<tbody>
<tr>
<td>71325</td>
<td>Seymour Johnson AFB, NC Clinic Replacement</td>
<td>$53,524</td>
<td>98%</td>
<td>24 Oct 13</td>
<td>8 Jun 18</td>
</tr>
<tr>
<td>72414</td>
<td>Peterson AFB, CO Dental Clinic</td>
<td>$16,686</td>
<td>100%</td>
<td>3 Nov 15</td>
<td>30 Oct 18</td>
</tr>
<tr>
<td>81423</td>
<td>JBSA, Lackland AFB, TX Reid Clinic Replacement</td>
<td>$38,050</td>
<td>99%</td>
<td>28 Sep 15</td>
<td>10 Nov 18</td>
</tr>
<tr>
<td>70354</td>
<td>Ft Irwin, CA Hospital Replacement</td>
<td>$309,734</td>
<td>100%</td>
<td>30 May 12</td>
<td>14 Aug 18</td>
</tr>
<tr>
<td>72419</td>
<td>Osan AB, Korea Hospital Addition/Alteration</td>
<td>$27,114</td>
<td>98%</td>
<td>26 Sep 13</td>
<td>1 Oct 19</td>
</tr>
<tr>
<td>81422</td>
<td>JBSA, Lackland AFB, TX Ambulatory Care Center, Phase IV</td>
<td>$60,649</td>
<td>21%</td>
<td>23 Oct 18</td>
<td>1 Apr 21</td>
</tr>
<tr>
<td>MED020</td>
<td>Camp Humphreys, Korea Hospital Replacement</td>
<td>$214,858</td>
<td>98%</td>
<td>1 Aug 12</td>
<td>1 Jun 19</td>
</tr>
<tr>
<td>77986</td>
<td>Spangdahlem AB, Germany Medical/Dental Clinic Addition</td>
<td>$35,559</td>
<td>69%</td>
<td>14 Dec 16</td>
<td>26 Feb 21</td>
</tr>
<tr>
<td>81436</td>
<td>Bahrain NSA, Bahrain Medical/Dental Clinic Replacement</td>
<td>$28,595</td>
<td>92%</td>
<td>20 Apr 16</td>
<td>20 Jan 20</td>
</tr>
<tr>
<td>86953</td>
<td>Ft Knox, KY Medical Clinic</td>
<td>$63,760</td>
<td>90%</td>
<td>13 Apr 17</td>
<td>22 May 21</td>
</tr>
<tr>
<td>72481</td>
<td>Ft Bliss, TX Hospital Replacement</td>
<td>$1,370,000</td>
<td>99%</td>
<td>23 Aug 11</td>
<td>1 Feb 20</td>
</tr>
<tr>
<td>72738</td>
<td>Sheppard AFB, TX Medical Dental Clinic Replacement</td>
<td>$87,784</td>
<td>39%</td>
<td>26 Oct 17</td>
<td>31 Oct 20</td>
</tr>
<tr>
<td>80412</td>
<td>Schofield Barracks, HI Behavioral Health/Dental Clinic Ph 1</td>
<td>$123,510</td>
<td>49%</td>
<td>16 Jun 16</td>
<td>21 Nov 20</td>
</tr>
<tr>
<td>76007</td>
<td>Rhine Ordnance Barracks, Germany Medical Center Replacement</td>
<td>$1,003,575</td>
<td>9%</td>
<td>13 Jan 14</td>
<td>30 Dec 25</td>
</tr>
<tr>
<td>71408</td>
<td>JB Andrews, MD Dental Clinic Replacement</td>
<td>$22,472</td>
<td>100%</td>
<td>1 Mar 13</td>
<td>15 Feb 19</td>
</tr>
<tr>
<td>77154</td>
<td>JB Andrews, MD Ambulatory Care Center</td>
<td>$229,684</td>
<td>98%</td>
<td>1 Mar 13</td>
<td>30 Jul 20</td>
</tr>
<tr>
<td>78150</td>
<td>MCB Kaneohe Bay, HI Medical/Dental Clinic Replacement</td>
<td>$93,000</td>
<td>96%</td>
<td>14 Nov 16</td>
<td>31 Mar 20</td>
</tr>
<tr>
<td>81430</td>
<td>JB Langley-Eustis, VA Hospital Addition/CUP Replacement</td>
<td>$57,300</td>
<td>23%</td>
<td>1 Jun 19</td>
<td>18 Mar 21</td>
</tr>
<tr>
<td>80906</td>
<td>NSA Bethesda, MD Medical Center Add / Alt</td>
<td>$695,000</td>
<td>5%</td>
<td>22 Dec 17</td>
<td>30 Nov 24</td>
</tr>
<tr>
<td>14019</td>
<td>MCB Camp Lejeune, NC Dental Clinic Replacement</td>
<td>$31,000</td>
<td>32%</td>
<td>20 Jul 18</td>
<td>2 Jan 21</td>
</tr>
<tr>
<td>77987</td>
<td>Schriever AFB, CO Medical/Dental Clinic Add / Alt</td>
<td>$12,184</td>
<td>12%</td>
<td>23 Oct 18</td>
<td>17 Jun 21</td>
</tr>
<tr>
<td>71509</td>
<td>Naval Shipyard Portsmouth, ME Medical/Dental Clinic Replacement</td>
<td>$27,100</td>
<td>25%</td>
<td>1 Feb 19</td>
<td>24 Jan 21</td>
</tr>
<tr>
<td>91884</td>
<td>Fort Leonard Wood Hospital Replacement, Ph 1 &amp; Ph 2</td>
<td>$381,300</td>
<td>1%</td>
<td>14 Oct 19</td>
<td>13 Oct 23</td>
</tr>
<tr>
<td>14021</td>
<td>MCB Camp Pendleton, CA Ambulatory Care Center Replacement (Area 13)</td>
<td>$26,400</td>
<td>1%</td>
<td>2 Jan 20</td>
<td>10 May 20</td>
</tr>
<tr>
<td>14041</td>
<td>MCB Camp Lejeune, NC Ambulatory Care/Dental Center Replacement (Hadnot Point)</td>
<td>$21,400</td>
<td>1%</td>
<td>12 Oct 19</td>
<td>30 Oct 21</td>
</tr>
<tr>
<td>Project Code</td>
<td>Description</td>
<td>Cost (USD)</td>
<td>% Completion</td>
<td>Start Date</td>
<td>End Date</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------</td>
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<td>--------------</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>14042</td>
<td>MCB Camp Lejeune, NC Ambulatory Care/Dental Center Replacement (Wallace Creek)</td>
<td>$22,000</td>
<td>1%</td>
<td>12 Oct 19</td>
<td>30 Oct 19</td>
</tr>
<tr>
<td>89839</td>
<td>MCAS New River, NC Ambulatory Care/Dental Center Replacement</td>
<td>$32,580</td>
<td>1%</td>
<td>30 Sep 19</td>
<td>30 Oct 21</td>
</tr>
</tbody>
</table>

**Legend:**
- **CWE** – Current Working Estimate
- **NTP** – Notice to Proceed
- **BOD** – Beneficial Occupancy Date
CONCLUSION

As of January 15, 2020, there are 27 hospital and clinic projects in active construction and 27 projects in the design phase. As of January 15, 2020, one new hospital has commenced construction activities. 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 reports in January 2020. This data will be appropriately updated in future quarterly reports.