



PERSONNEL AND
READINESS

UNDER SECRETARY OF DEFENSE

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

JUN 21 2021

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 Department's response to House Report 115-188, page 27, accompanying H.R. 2998, the Military Constructions, Veterans Affairs, and Related Agencies Appropriations Act, 2018, is enclosed. The report provides the status of the Fort Bliss Hospital Replacement Project for the second quarter of Fiscal Year 2021.

The construction agent (U.S. Army Corps of Engineers) reports the project is 99.8 percent complete, with a beneficial occupancy date of February 29, 2020. The facility operational date has moved from March 2021 to August 2021 to address life-safety requirements to meet Joint Commission accreditation and to address commissioning activities. The enclosed report provides the status of the Fort Bliss Hospital Replacement Project as of March 31, 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 that reads "Virginia S. Penrod".

Virginia S. Penrod
Acting

Enclosure:
As stated

cc:
The Honorable John R. Carter
Ranking Member



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PERSONNEL AND
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JUN 21 2021

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

Dear Mr. Chairman:

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cc:
The Honorable Mike D. Rogers
Ranking Member



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JUN 21 2021

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

Dear Mr. Chairman:

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cc:
The Honorable James M. Inhofe
Ranking Member



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JUN 21 2021

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

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Enclosure:
As stated

cc:
The Honorable John Boozman
Ranking Member

Report to Congressional Defense Committees



Second Quarter Report for Fiscal Year 2021, on the Status of the Fort Bliss Hospital Replacement Project

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

The estimated cost of this report or study for the Department of Defense (DoD) is approximately \$2,500.00. This includes \$ 0.00 in expenses and \$2,500.00 in DoD labor.

Generated on March 12, 2021

Report/Study Cost Estimate
(9-93D3C58)

Status of the Fort Bliss Hospital Replacement Project

EXECUTIVE SUMMARY

This second quarter report for Fiscal Year (FY) 2021 is in response to the report accompanying H.R. 2998, the Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2018 (House Report 115-188, page 27). The data presented below, as reported by the United States Army Corps of Engineers (USACE), as the construction agent, is as of March 31, 2021.

The construction of this 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 99.8 percent complete, with a beneficial occupancy date of February 29, 2020. The facility is projected to be operational in August 2021.

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 title 10 U.S.C. § 2851 and Department of Defense Directive 4270.5, this construction project is being directed and supervised by the 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 title 10 U.S.C. § 2853 cost variation notifications bring the current authorized cost to \$1.37B, 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 \$1.37B authorized cost.

The original construction completion date was expected to be November 26, 2016. The contractor and construction agent report a beneficial occupancy date of February 29, 2020. The planned move into the new facilities was anticipated to occur in March 2021 but has shifted to August 2021 in order to address life-safety requirements necessary to meet Joint Commission

accreditation challenges with initial outfitting and transition activities for the medical equipment outfitting and inspection, and cyber-security certification by the appropriate authorities to operate the medical equipment and facility control systems.

The Defense Health Agency continues to support assessment of the Fort Bliss Hospital Replacement Project. Management processes involving all stakeholders remain in-place to resolve issues in a timely manner and to minimize schedule and cost impacts. Monthly meetings, including a senior leadership board and governance reviews, continue to mitigate impacts to cost and schedule of hospital activation and the delivery of world-class care within the Fort Bliss Hospital Replacement facility.

CONCLUSION

The construction agent reports the Fort Bliss Hospital Replacement Project is 99.8 percent complete and the project beneficial occupancy date was February 29, 2020. The facility is projected to be operational in August 2021. The most recent report from the data provided by the construction agent shows the current working estimate remains at \$1.37B within the authorized cost.