

This updated newsletter supersedes the PAX Newsletter No. 3.2.2, 4 May 2001, and updates the Appendixes A and C, and Table 1, Size Adjustment Factors, contained in TM 5-800-4, Programming Cost Estimates for Military Construction, dated May 1994. It may be used as a guide for preparation and/or review of the Army military construction cost estimates for programming and budgeting purposes for FY 2003/2004 and beyond unless otherwise noted. This newsletter is also published and maintained on the web page at <http://www.hq.usace.army.mil/cemp/e/ec/pax/paxtoc.htm>.

## **1. APPENDIX A - FACILITY UNIT COST TABLE**

a. The tabulation is arranged numerically by category codes. Category code series descriptions are contained in DA Pamphlet 415-28, Guide to Army Real Property Category Codes, March 1998. Where unit costs span a group of subcategories, the five (5) digit category code is designated by adding XX behind the three (3) digit main category code for this group. For example, 851XX and 852XX are designated for roads, streets, parking, apron and sidewalks pavements.

b. Unit costs reflected herein are forecasted to an assumed midpoint of construction date of 1 October 2003 (MCP Index = 2209) for an area cost factor (ACF) of 1.00. These unit costs do not include allowances for construction contingencies and S&A, but do include contractor's markup cost for overhead & profit.

c. Unit costs reflected herein should be adjusted by the appropriate area cost factor, cost escalation factor as described in Appendix C, size adjustment factor in Table I, and other adjustment factors as described in the TM 5-800-4, when applicable. The ACF list is contained in Appendix B, Location Adjustment Factors in the TM 5-800-4, and updated by the latest PAX Newsletter No. 3.2.1, Area Cost Factors Indexes, which is also available on the web page as addressed above.

d. Building size identified in Part I of Appendix A is a reference size, but may not be a standard size from facility standard design criteria. This quantity may be used in conjunction with Table I, Size Adjustment Factors, to determine an appropriate size adjustment factor for the proposed facility.

e. The building unit costs, including family housing, are applied to the building gross areas.

f. Building unit cost included installed building equipment normally funded with MILCON funds as described in AR 415-15. For medical facilities, the building costs include Categories A and B equipment, but exclude Categories E and F equipment.

g. Chart C in Appendix A contains information for unit of measurement conversion factors between Metric and English Systems.

## **2. APPENDIX C - TRI-SERVICE MILITARY CONSTRUCTION PROGRAM (MCP) INDEX**

The base cost index for the unit costs herein in Appendix A is for an assumed midpoint of construction date of 1 October 2003 (MCP Index = 2209) as described in paragraph 1.b above. For a project with an anticipated midpoint of construction date other than 1 October 2003, a cost escalation factor can be determined from this appendix as follows:

Project Anticipated Midpoint Date - 1 October 2004 (MCP Index = 2253)  
Cost Escalation Factor =  $2253/2209 = 1.019$

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APPENDIX C ( TM 5-800-4 )  
**TRI-SERVICE MILITARY CONSTRUCTION PROGRAM (MCP) INDEX**  
**FOR FY 2001 THRU FY 2006 PROGRAMS**

<u>DATE</u>	<u>INDEX</u>	<u>ESCALATION PERSENTAGE FOR FISCAL YEAR</u>
<b>1-Oct- 1997</b>	----- 2030	-----
1-Jan- 1998	----- 2035	FY 98
1-Apr- 1998	----- 2039	
1-Jul- 1998	----- 2044	0.9%
<b>1-Oct- 1998</b>	----- 2048	-----
1-Jan- 1999	----- 2054	FY 99
1-Apr- 1999	----- 2060	
1-Jul- 1999	----- 2066	1.1%
<b>1-Oct- 1999</b>	----- 2071	-----
1-Jan- 2000	----- 2079	FY 00
1-Apr- 2000	----- 2086	
1-Jul- 2000	----- 2093	1.4%
<b>1-Oct- 2000</b>	----- 2100	-----
1-Jan- 2001	----- 2109	FY 01
1-Apr- 2001	----- 2117	
1-Jul- 2001	----- 2126	1.6%
<b>1-Oct- 2001</b>	----- 2134	-----
1-Jan- 2002	----- 2143	FY 02
1-Apr- 2002	----- 2152	
1-Jul- 2002	----- 2161	1.7%
<b>1-Oct- 2002</b>	----- 2170	-----
1-Jan- 2003	----- 2180	FY 03
1-Apr- 2003	----- 2190	
1-Jul- 2003	----- 2200	1.8%
<b>1-Oct- 2003</b>	----- 2209	-----
1-Jan- 2004	----- 2220	FY 04
1-Apr- 2004	----- 2231	
1-Jul- 2004	----- 2242	2.0%
<b>1-Oct- 2004</b>	----- 2253	-----
1-Jan- 2005	----- 2265	FY 05
1-Apr- 2005	----- 2276	
1-Jul- 2005	----- 2287	2.0%
<b>1-Oct- 2005</b>	----- 2298	-----
1-Jan- 2006	----- 2310	FY 06
1-Apr- 2006	----- 2321	
1-Jul- 2006	----- 2333	2.0%
<b>1-Oct- 2006</b>	----- 2344	-----

## NOTES:

1. Use 2.0% per fiscal year for projection beyond FY 2005
2. Tri - Service MCP Index (1,000) = 1 October 1979 ENR Historical Building Cost Index (1,900)
3. The MCP indexes were derived based on the Price Escalation Indices ( annual Rates in Percentages ) for **Budget Authority** in the memorandum dated 3 January 2000, from the Comptroller of the Under Secretary of Defense, Subject: Revised Inflation Guidance and the Department of the Army, DACS-PPBC PPBC MEMO 2000-002 of 4 January 2000, Subject Revised Inflation Indices for FY 01 President's Budget.
4. This revised index table supersedes the index table published on 10 January 2000