

APPENDIX - A, PART - I & II (Buildings and Support Facilities)

This newsletter supersedes the Draft PAX Newsletter No. 3.2.2, **dated 5 Dec 08**, and updates the Appendix A, Facility Unit Cost Table, Appendix C, Tri-Service Military Construction Program (MCP) Index, 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 and budget submission of the FY 11 Army MILCON projects' parametric cost estimates, ENG Form 3086, unless otherwise noted. This is published and maintained on the web page at <http://www.usace.army.mil/CaEI/Pages/PAX.aspx>

1. APPENDIX A - FACILITY UNIT COST TABLE (FOR FY11 and later MILCON, GTF (Grow The Force) Projects)

a. Most unit costs are based on historic construction award data from FY2006 to 2008 projects, with a few exceptions. In rare cases, where we did not have at least three recently (FY 2006-08) entered projects for a facility-type in HAG (Historic Analysis Generator) database, we used FY 2005 awards. All bid data was normalized for 3 (instead of 7 bidder traditionally used) bidders reflecting in the current bidding climate, incorporated actual construction inflation rate thru 30 Sep 2008, and escalated from 1 Oct 2008 to the assumed mid-point of construction of October 2011 using the inflation rate published in the OSD memo, dated 13 Feb 09, Subject: Inflation Guidance - Fiscal Year FY2010 President's Budget. The unit cost database include only new construction projects, and does not include data from renovation or addition/alteration projects.

b. 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, dated 11 Apr 2006. The five (5) digit category code is designated by adding XX behind the three (3) digit main category code for this group where unit costs span a group of subcategories or cat code is still not officially established. For example, 851XX and 852XX are designated for roads, streets, parking, apron and sidewalks pavements.

c. Escalation - Unit costs are escalated to 1 October **2011**, the assumed midpoint of construction for **FY11** projects, with an area cost factor (ACF) of 1.00. The MCP inflation indices shown in **Appendix C** (PAX Processor) should be used to escalate the **FY11** unit costs beyond **1 Oct 11**. These unit costs include installed (built-in) building equipment and furnishings normally funded by the MILCON funds as described in AR 415-15, contractor's markup cost for overhead & profit, but do not include allowances for construction contingencies and supervision, inspection, and overhead (SIOH), or construction cost growth resulting from user changes, unforeseen site conditions, or contract document errors and omissions. Unit costs for DoD medical facilities include category A and B equipment, but do not include category E and F equipment costs.

d. The unit costs for Primary Facilities (buildings) in Appendix A, Part I, are for the primary facilities gross areas only, and do not include costs for support facilities, equipment acquired with other fund (non-MILCON) sources, anti-terrorism/force protection, sustainable construction features, or construction cost growth resulting from unforeseen site conditions or user requested change orders. For medical facilities, the building costs include Categories A and B equipment, but exclude Categories E and F equipment.

d. Unit costs should be adjusted by the appropriate area cost factor, cost escalation factor as shown 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, dated 5 Mar 09, which is also available on the web page as addressed above.

e. Size Adjustment Tables, Table -1: Building size identified in Part I of Appendix A is a reference size, and may not represent the standard size shown in the Army Standard Facilities design criteria. Table I, Size

**UNIT COSTS for The ARMY FACILITIES - MILITARY CONSTRUCTION PROGRAM
PAX NEWSLETTER 3.2.2, dated 20 Mar 2009**

Adjustment Factors, shows a correlation between project size and construction cost, and is used to determine an appropriate size adjustment factor for the proposed facility.

g. Chart A in Appendix A contains unit costs for Sitework Utility Piping. 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

Unit costs are escalated to 1 Oct 2011, the assumed midpoint of construction for a typical FY11 MCA project at a location with an Area Cost Factor of 1. The Military Construction Program (MCP) cost index for 1 October 2011 is 2556. For a project with an anticipated midpoint of construction date other than 1 October 2011 a cost escalation factor can be determined from this appendix as follows:

Project Anticipated Midpoint Date - **1 Apr 2012 (MCP Index = 2579)**

Cost Escalation Factor = MCP Index **1 Apr 2012 / MCP Index 1 Oct 2011 = 2579/2556 = 1.0089**

3. The Point of Contacts for this Newsletter letter at HQUSACE can be reached at (202) 761-7503, DSN-763-7503, or (202) 761-5887, DSN 763-5887.

APPENDIX-C To TM 5-800-4
TRI-SERVICE MILITARY CONSTRUCTION PROGRAM (MCP) INDEX
FOR FY 2009 THRU FY 2014 PROGRAMS

<u>FISCAL YEAR (FY)</u>	<u>DATES</u>	<u>INDEX</u>	<u>ESCALATION PERCENTAGE FOR FISCAL YEAR</u>
FY 2008	1-Oct- 2007	2406	
	1-Jan- 2008	2419	FY 08
	1-Apr- 2008	2430	
	1-Jul- 2008	2442	2.0%
FY 2009	1-Oct- 2008	2454	
	1-Jan- 2009	2463	FY 09
	1-Apr- 2009	2471	
	1-Jul- 2009	2480	1.4%
FY 2010	1-Oct- 2009	2488	
	1-Jan- 2010	2495	FY10
	1-Apr- 2010	2501	
	1-Jul- 2010	2507	1.0%
FY 2011	1-Oct- 2010	2513	
	1-Jan- 2011	2524	FY 11
	1-Apr- 2011	2535	
	1-Jul- 2011	2546	1.7%
FY 2012	1-Oct- 2011	2556	
	1-Jan- 2012	2568	FY 12
	1-Apr- 2012	2579	
	1-Jul- 2012	2591	1.8%
FY 2013	1-Oct- 2012	2602	
	1-Jan- 2013	2614	FY 13
	1-Apr- 2013	2626	
	1-Jul- 2013	2638	1.8%
FY 2014	1-Oct- 2013	2649	
	1-Jan- 2014	2661	FY 14
	1-Apr- 2014	2673	
	1-Jul- 2014	2685	1.8%
FY 2015	1-Oct- 2014	2697	

Notes

1. Use **1.8%** per fiscal year for projection beyond FY **2015**
2. Tri-Service MCP Index 1000 = 1 October 1979 ENR Historical Building Cost Cost Index
3. The MCP indexes after 1 Oct 2008 were derived based on the Price Escalation Indices (Annual Rates in Percentages) for Budget Authority published in the Memorandum, dated 13 February 2009, from the Under Secretary of Defense (Comptroller), Subject: Inflation Guidance - Fiscal Year FY2010 President's Budget.
4. This revised index table supersedes the MCP index table published as Appendix-C to PAX Newsletter 3.2.2, dated **11 February 2008**