

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

This newsletter supersedes the Draft PAX Newsletter No. 3.2.2, **dated 20 Mar 09**, 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 12 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 FY12 and later MILCON Projects)

a. Most unit costs are based on historic construction award data from FY2007 to 2009 projects, with a few exceptions. In rare cases, where we did not have at least three recently (FY 2007-09) entered projects for a facility-type in HAG (Historic Analysis Generator) database, we used FY 2006 awards. All bid data was normalized for 3 bidders, incorporated actual construction inflation rate thru 30 Sep 2009, and escalated from 1 Oct 2009 to the assumed mid-point of construction of October 2012 using the inflation rate published in the OSD memo, dated 11 Dec 09, Subject: Inflation Guidance - Fiscal Year FY2011 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 taken from the DA Pamphlet 415-28, Guide to Army Real Property Category Codes. 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 **2012**, the assumed midpoint of construction for **FY12** projects, with an area cost factor (ACF) of 1.00. The MCP inflation indices shown in **Appendix C** & should be used to escalate the **FY12** unit costs beyond **1 Oct 12**. These unit costs include normal **AT/FP costs** for upto 2-storied facilities where adequate stand-off distace is acheived, and the installed (built-in) building equipment and furnishings normally funded by the MILCON funds as described in AR 420-1, 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, 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 2 Mar 10, 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 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.

**UNIT COSTS for The ARMY FACILITIES - MILITARY CONSTRUCTION PROGRAM
PAX NEWSLETTER 3.2.2, dated 15 SEP 2010**

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 2012, the assumed midpoint of construction for a typical FY12 MCA project at a location with an Area Cost Factor of 1. The Military Construction Program (MCP) cost index for 1 October 2012 is 2607. For a project with an anticipated midpoint of construction date other than 1 October 2012 a cost escalation factor can be determined from this appendix as follows:

Project Anticipated Midpoint Date - **1 Apr 2013 (MCP Index = 2629)**

Cost Escalation Factor = MCP Index **1 Apr 2013 / MCP Index 1 Oct 2012 = 2629/2607 = 1.0084**

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 (UFC 3-701- 01A) , PAX Newsletter 3.2.2, Dated 15 Sep 2010
TRI-SERVICE MILITARY CONSTRUCTION PROGRAM (MCP) INDEX Based on OSD Escalation Rate, Dated 11 Dec 09
FOR FY 2010 THRU FY 2016 PROGRAMS

<u>FISCAL YEAR (FY)</u>	<u>DATES</u>	<u>INDEX</u>	<u>ESCALATION PERCENTAGE FOR FISCAL YEAR</u>
FY 2009	1-Oct- 2008 -----	2454	----- FY09
	1-Jan- 2009 -----	2462	
	1-Apr- 2009 -----	2469	
	1-Jul- 2009 -----	2476	
FY 2010	1-Oct- 2009 -----	2483	----- FY10 (1.2%)
	1-Jan- 2010 -----	2493	
	1-Apr- 2010 -----	2502	
	1-Jul- 2010 -----	2511	
FY 2011	1-Oct- 2010 -----	2520	----- FY11 (1.5%)
	1-Jan- 2011 -----	2531	
	1-Apr- 2011 -----	2542	
	1-Jul- 2011 -----	2553	
FY 2012	1-Oct- 2011 -----	2563	----- FY12 (1.7%)
	1-Jan- 2012 -----	2574	
	1-Apr- 2012 -----	2585	
	1-Jul- 2012 -----	2596	
FY 2013	1-Oct- 2012 -----	2607	----- FY13 (1.7%)
	1-Jan- 2013 -----	2618	
	1-Apr- 2013 -----	2629	
	1-Jul- 2013 -----	2640	
FY 2014	1-Oct- 2013 -----	2651	----- FY14 (1.7%)
	1-Jan- 2014 -----	2663	
	1-Apr- 2014 -----	2674	
	1-Jul- 2014 -----	2685	
FY 2015	1-Oct- 2014 -----	2696	----- FY15 (1.7%)
	1-Jan- 2015 -----	2708	
	1-Apr- 2015 -----	2719	
	1-Jul- 2015 -----	2731	
FY 2016	1-Oct- 2015 -----	2742	----- FY16 (1.7%)
	1-Jan- 2016 -----	2754	
	1-Apr- 2016 -----	2766	
	1-Jul- 2016 -----	2778	
FY 2017	1-Oct- 2016 -----	2789	----- FY17 (1.7%)

Notes

1. Use **1.7%** per fiscal year for projection beyond FY **2016**
2. Tri - Service MCP Index (1,000) = 1 October 1979 ENR Historical Building Cost Index (1,900)
3. The MCP indexes after 1 Oct 2009 were derived using Price Escalation Indices (Annual Rates in Percentages) for Budget Authority published in the Under Secretary of Defense (Comptroller) Memorandum, dated 11 Dec 2009, Subject: Revised Inflation Guidance - Fiscal Year (FY) 2011 President's Budget.
4. This revised index table supersedes the MCP index table published as Appendix-C to PAX Newsletter 3.2.2, dated **20 Mar 2009**