

This updated newsletter supersedes the PAX Newsletter No. 3.2.2, 02 January 2003, and updates the Appendix A (Part I & II), 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 of the Army military construction cost estimates for programming and budgeting purposes for FY 2005/2006 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 (Part I: Buildings & Major Facilities, Part II: Support Facilities & Items)

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, February 2000. 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 provided here are escalated to an assumed midpoint of construction date of 1 October 2005 (MCP Index = 2276) 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. The official Tri-Service Military Construction Program (MCP) Price Escalation Indices are shown in Appendix C.

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 in Appendix A, Part I, are for the primary facilities gross areas only, and do not include support facilities cost, equipment acquired with other fund (non-MILCON) sources.

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 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

The base cost index for the unit costs herein in Appendix A is for an assumed midpoint of construction date of 1 October 2005 (MCP Index = 2276) as described in paragraph 1.b above. For a project with an anticipated midpoint of construction date other than 1 October 2005, a cost escalation factor can be determined from this appendix as follows:

Project Anticipated Midpoint Date - Assume at 1 Jan 2007 (MCP 2326)
Cost Escalation Factor = MCP Index 1 Jan 07/ MCP Index 1 Oct 05 = 2326/2276 = 1.022

3. PROPONENT OF THIS NEWSLETTER: HQUSACE/CECW-EI, 202-761-5545 or DSN-763-5545, and FAX 202-761-0623 and Internet Address: "amitava.ghosh@usace.army.mil".

APPENDIX C (TM 5-800-4)
TRI-SERVICE MILITARY CONSTRUCTION PROGRAM (MCP) INDEX
FOR FY 2004 THRU FY 2010 PROGRAMS

Dates	<u>INDEX</u>	<u>ESCALATION PERSENTAGE FOR FISCAL YEAR</u>
1-Oct- 2001	----- 2138	----- 1.8%
1-Jan- 2002	----- 2147	FY 02
1-Apr- 2002	----- 2156	
1-Jul- 2002	----- 2165	1.7%
1-Oct- 2002	----- 2174	-----
1-Jan- 2003	----- 2183	FY 03
1-Apr- 2003	----- 2191	
1-Jul- 2003	----- 2199	1.5%
1-Oct- 2003	----- 2207	-----
1-Jan- 2004	----- 2216	FY 04
1-Apr- 2004	----- 2224	
1-Jul- 2004	----- 2232	1.5%
1-Oct- 2004	----- 2240	-----
1-Jan- 2005	----- 2249	FY 05
1-Apr- 2005	----- 2258	
1-Jul- 2005	----- 2267	1.6%
1-Oct- 2005	----- 2276	-----
1-Jan- 2006	----- 2286	FY 06
1-Apr- 2006	----- 2296	
1-Jul- 2006	----- 2306	1.7%
1-Oct- 2006	----- 2315	-----
1-Jan- 2007	----- 2326	FY 07
1-Apr- 2007	----- 2336	
1-Jul- 2007	----- 2347	1.8%
1-Oct- 2007	----- 2357	-----
1-Jan- 2008	----- 2368	FY 08
1-Apr- 2008	----- 2378	
1-Jul- 2008	----- 2389	1.8%
1-Oct- 2008	----- 2399	-----
1-Jan- 2009	----- 2410	FY 09
1-Apr- 2009	----- 2421	
1-Jul- 2009	----- 2432	1.8%
1-Oct- 2009	----- 2442	-----
1-Jan- 2010	----- 2453	FY 10
1-Apr- 2010	----- 2464	
1-Jul- 2010	----- 2475	1.8%
1-Oct- 2010	----- 2486	-----

Notes

1. Use 1.8% per fiscal year for projection beyond FY 2010
2. Tri - Service MCP Index (1,000) = 1 October 1979 ENR Historical Building Cost Index (1,900)
3. The MCP indexes were derived based upon the Inflation Rates in Percentages published in PBD dated 7 January 2003 by the Under Secretary of Defense (Comptroller),
4. This revised index table supersedes the index table published on 4 Feb 2002