

UNIT COSTS for ARMY FACILITIES - MILITARY CONSTRUCTION
PAX NEWSLETTER NO. 3.2.2, dated 30 Mar 2006
APPENDIX - A, PART - I & II (Buildings and Support Facilities)

This updated newsletter supersedes the PAX Newsletter No. 3.2.2, **15 March 2005**, 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 of the Army military construction cost estimates for programming and budgeting purposes for FY **2008/2009** 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/ec_new.htm

1. APPENDIX A - FACILITY UNIT COST TABLE (FOR FY08 and later MILCON, BRAC, IGPBS Projects)

a. Most unit costs are based on historic construction award data for projects awarded after January 2000. In the event that we do not have any recent awarded project or a very limited number of awarded projects for a category code, we escalated last years unit cost using the OSD escalation rates as presented in Appendix - C. The unit cost database include only new construction projects, and does not include data from renovation or addition/alteration projects. The unit cost and the reference building size for the same facility type is identical in both the PAX Newsletter and DoD Pricing Guide, UFC 3-701-06.

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, 3 October 2003. 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.

c. Escalation - Unit costs are escalated to 1 October **2008**, the assumed midpoint of construction for **FY08** projects, with an area cost factor (ACF) of 1.00. The MCP inflation indices shown in **Appendix C** should be used to escalate the **FY08** unit costs beyond **1 Oct 08**. 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 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.

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

APPENDIX C (TM 5-800-4)
 TRI-SERVICE MILITARY CONSTRUCTION PROGRAM (MCP) INDEX
 FOR FY 2007 THRU FY 2012 PROGRAMS

<u>FISCAL YEAR (FY)</u>	<u>DATES</u>	<u>INDEX</u>	<u>ESCALATION PERCENTAGE FOR FISCAL YEAR</u>
2005	1-Oct- 2004	----- 2251	-----
	1-Jan- 2005	----- 2264	
	1-Apr- 2005	----- 2276	FY 05
	1-Jul- 2005	----- 2289	2.2%
2006	1-Oct- 2005	----- 2301	-----
	1-Jan- 2006	----- 2314	
	1-Apr- 2006	----- 2327	FY 06
	1-Jul- 2006	----- 2340	2.2%
2007	1-Oct- 2006	----- 2352	-----
	1-Jan- 2007	----- 2365	
	1-Apr- 2007	----- 2377	FY 07
	1-Jul- 2007	----- 2389	2.1%
2008	1-Oct- 2007	----- 2401	-----
	1-Jan- 2008	----- 2414	
	1-Apr- 2008	----- 2426	FY 08
	1-Jul- 2008	----- 2439	2.1%
2009	1-Oct- 2008	----- 2451	-----
	1-Jan- 2009	----- 2464	
	1-Apr- 2009	----- 2477	FY 09
	1-Jul- 2009	----- 2490	2.1%
2110	1-Oct- 2009	----- 2502	-----
	1-Jan- 2010	----- 2516	
	1-Apr- 2010	----- 2530	FY 10
	1-Jul- 2010	----- 2544	2.2%
2111	1-Oct- 2010	----- 2557	-----
	1-Jan- 2011	----- 2571	
	1-Apr- 2011	----- 2585	FY 11
	1-Jul- 2011	----- 2599	2.2%
2112	1-Oct- 2011	----- 2613	-----
	1-Jan- 2012	----- 2628	
	1-Apr- 2012	----- 2642	FY 12
	1-Jul- 2012	----- 2656	2.2%
2113	1-Oct- 2012	----- 2670	-----

Notes

1. Use **2.2%** per fiscal year for projection beyond FY **2012**
2. Tri - Service MCP Index (1,000) = 1 October 1979 ENR Historical Building Cost Index (1,900)
3. The MCP indexes after October 2005 were derived based on the Price Escalation Indices (Annual Rates in Percentages) for Budget Authority published in the Memorandum, dated 19 January 2006, from the Under Secretary of Defense (Comptroller), Subject: Inflation Guidance - Fiscal Year (FY) 2007 President's Budget.
4. This revised index table supersedes the index table published on **15 March 2005**