

# **EXHIBIT 3**



***Department of the Army  
Fiscal Year (FY) 2020  
President's Budget  
Submission***

**Military Construction, Army  
Army Family Housing & Homeowners  
Assistance Fund, Defense**

**JUSTIFICATION DATA SUBMITTED TO CONGRESS**

**March 2019**

The estimated cost of this report for the Department of Defense is approximately \$125,454.36 for Fiscal Year 2019. This includes \$62,754.36 in expenses and \$62,700 in DoD Labor.

DEPARTMENT OF THE ARMY  
 FISCAL YEAR 2020  
 MILITARY CONSTRUCTION (Part IA OCO/EMERGENCY)  
 (DOLLARS ARE IN THOUSANDS) WORLDWIDE

STATE -----	PROJECT NUMBER -----	INSTALLATION (COMMAND) ----- PROJECT TITLE -----	AUTHORIZATION REQUEST -----	APPROPRIATION REQUEST -----	NEW/ CURRENT MISSION	PAGE -----
WW Unspecified		Worldwide Unspecified (USAREUR)				
	92447	EDI: Bulk Fuel Storage	36,000	36,000	C	15
	92588	EDI: Information Systems Facility	6,200	6,200	C	18
	94655	Unspecified Worldwide Construction	0	9,200,000		21
		Subtotal Worldwide Unspecified Part IA	\$ 42,200	9,242,000		
		* TOTAL MCA FOR WW Unspecified	\$ 42,200	9,242,200		
Worldwide Various						
	94522	EDI/OCO: Planning and Design	0	19,498		25
		Subtotal Planning and Design Part IA	\$ 0	19,498		
		Minor Construction (MINOR)				
	94524	EDI: Minor Construction	0	5,220		27
		Subtotal Minor Construction Part IA	\$ 0	5,220		
		* TOTAL MCA FOR Worldwide Various	\$ 0	24,718		
** TOTAL WORLDWIDE FOR MCA			\$ 42,200	66,918		
MILITARY CONSTRUCTION (PART IA) TOTAL			\$ 164,500	9,389,218		

OCO for Enduring Requirements (\$189,218,000): OCO for Enduring Requirements are enduring in-theater and in-CONUS costs that will likely remain after combat operations cease, and have previously been funded by OCO.

1 March 2019

Department of Defense

Fiscal Year 2020

MILITARY CONSTRUCTION, ARMY

For an additional amount for "Military Construction, Army", **\$189,218,000** to remain available until September 30, **2024**: *Provided*, That such amount is designated by the Congress for Overseas Contingency Operations/Global War on Terrorism pursuant to section 251(b)(2)(A)(ii) of the Balanced Budget and Emergency Deficit Control Act of 1985, **as amended: *Provided further, That such amount shall be available only if the President designates such amount for Overseas Contingency Operations/Global War on Terrorism pursuant to section 251(b)(2)(A)(ii).***

Emergency Transfer Fund: Sec. 401 In addition to amounts otherwise made available in this title, \$9,200,000,000, to remain available until September 30, 2024, is hereby appropriated for "Military Construction, Army": *Provided*, That funds provided by this section may be transferred to appropriations of the Military Departments and the Department of Defense made available by this or any other Act or prior Acts for military construction, in such amounts as may be determined by the Secretary of Defense, to be merged with and to be available for the same time period and same purposes as the appropriation to which transferred: *Provided further*, That the transfer authority provided in this section is in addition to any other transfer authority provided by law: *Provided further*, That from within funds provided by this section, amounts may be obligated and expended to carry out planning and design and military construction projects of the Military Departments and the Department of Defense associated with Hurricanes Michael and Florence that are not otherwise authorized by law: *Provided further*, That amounts in this paragraph are designated by the Congress as being for emergency requirements pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That such amount shall be available only if the President designates such amount as being for emergency requirements pursuant to section 251(b)(2)(A)(i).

1 March 2019

## FY 2020 Emergency and Recovery Military Construction

The Department of Defense (DoD) estimates that it will incur \$9.2 billion in costs to respond to national emergencies and to recover from the catastrophic effects of hurricanes during the 2018 hurricane season. It includes construction costs in support of the emergency declaration, restoration of military construction (MILCON) projects identified as funding sources to support the emergency declaration, and construction costs for facilities damaged or destroyed by Hurricanes Florence and Michael. These hurricanes damaged or destroyed DoD facilities are primarily in North Carolina and Florida.

Specifically, the Department's emergency and recovery funding request includes:

- \$3.6 billion for support of the emergency declaration providing emergency military construction, such as building of barriers, necessary to support the use of the Armed Forces at the southern United States border.
- \$3.6 billion for funding any MILCON projects delayed as a result of the emergency declaration. The amount requested will restore funding for MILCON projects identified as sources to support the President's national emergency declaration.
  - DoD will conduct a deliberative process to ensure the high-priority projects with national security implications will remain on schedule. No family housing projects will be impacted for this purpose.
  - DoD will evaluate projects that could be delayed for the border barrier emergency and consider the unobligated funds in priority, based on projects not yet awarded that could potentially be deferred; projects that are scheduled to be awarded later in FY 2019 or beyond; and projects that pose minimal operational or readiness risks if delayed.
- \$2.0 billion is requested to provide reconstruction efforts to rebuild facilities damaged by Hurricanes Florence and Michael. Significantly impacted locations include Camp Lejeune, Cherry Point, Marine Corps Air Station New River, and Tyndall Air Force Base. Some initial damage assessments have been completed to support this funding request, however they will continue to be conducted. Cost estimates to support this funding request consider labor and material price escalation and increased demand for construction workforce. A detailed construction plan for Hurricanes Michael and Florence recovery is being developed as cost estimates and damage assessment continue to be refined. Additionally, DoD requested \$0.9 billion in FY 2020 Operation and Maintenance accounts for facility repair projects for hurricane recovery.