

DOD JUSTIFICATION SLIDE – ON

THANK YOU MR DINSICK

MR CHAIRMAN AND COMMISSIONERS THIS SLIDE SHOWS DOD'S
JUSTIFICATION FOR THE CLOSURE OF FORT MCPHERSON, GA

DOD HAS DETERMINED THAT THE INSTALLATION IS ONLY SUITABLE FOR
ADMINISTRATIVE MISSIONS. THE ARMY RANKS FORT MCPHERSON 51ST
AMONG THEIR 97 INSTALLATIONS

THE PROPOSAL IS TO RELOCATE FORT MCPHERSON'S MAJOR TENANTS TO
MULTIFUNCTIONAL, MULTI-COMPONENT AND MULTI-SERVICE
INSTALLATIONS WITH HIGHER MILITARY VALUE THAT PROVIDE A BETTER
LEVEL OF SERVICE AT A REDUCED COST.

THE INSTALLATION MANAGEMENT AGENCY AND ITS COMPONENT
COMMAND ARE MOVED TO FT. EUSTIS FOR CONSOLIDATION WITH
SIMILAR COMMANDS. LIKEWISE, THE CONTRACTING COMMAND IS
CONSOLIDATED WITH A SIMILAR COMMAND AT FORT SAM HOUSTON, TX.

US ARMY FORCES AND RESERVE COMMANDS ARE RELOCATED TO POPE AFB WHERE THEY WILL BE CO-LOCATED WITH A LARGE CONCENTRATION OF OPERATIONAL FORCES AT FORT BRAGG.

3RD ARMY HEADQUARTERS IS RELOCATED TO SHAW AFB BRINGING TOGETHER THE ARMY AND AIR FORCE COMPONENT COMMANDS OF CENTRAL COMMAND.

ON THE SLIDE YOU CAN SEE A SUMMARY OF DOD'S COBRA ANALYSIS. IT SHOWS A SUBSTANTIAL SAVINGS AND A PAYBACK PERIOD OF TWO YEARS.

IT ALSO SHOWS THE NUMBER OF PERSONNEL IMPACTED BY CLOSURE AND REALIGNMENT.

DOD'S FISCAL YEAR 2003 COST TO COMPLETE ESTIMATE OF ENVIRONMENTAL CLEANUP WAS \$8.9M

DOD JUSTIFICATION SLIDE -OFF

DOD ISSUES SLIDE - ON

THIS SLIDE HIGHLIGHTS THE ISSUES RAISED. C1 - MILITARY VALUE -- THE COMMUNITY BELIEVES THAT DOD SUBSTANTIALLY DEVIATED FROM

MILITARY VALUE CRITERIA BY SEPARATION OF THIRD ARMY --THE
"FORCE REQUESTER" --FROM -- FORCES & RESERVE COMMANDS -- THE
"FORCE PROVIDERS". THEY CONTEND THAT IT DESTROYS THE SYNERGY
THAT HAS BEEN BUILT OVER THE YEARS BY HAVING THE THREE
COMMANDS CO-LOCATED. DOD MAINTAINS THAT THEIR
RECOMMENDATION ENHANCES THESE VITAL LINKAGES WHILE
IMPROVING MILITARY VALUE AND REDUCING COSTS

C5 - COSTS -- THE COMMUNITY EXPRESSED CONCERNS OVER THE COST OF
CONSTRUCTION, COMMUNICATIONS AND THE LACK OF CONSIDERATION
OF THE ECONOMIC BENEFIT OF BEING LOCATED NEXT TO AN
INTERNATIONAL AIRPORT WITH UNPARALLEL ACCESS AND ECONOMICAL
POINT TO POINT TRAVEL. THE COMMUNITY PROVIDED THE COMMISSION
WITH A COBRA RUN THAT TRIPLED THE COST OF MILITARY
CONSTRUCTION. CLOSURE WOULD STILL PAYBACK IN FIVE YEARS.

THE STAFF DETERMINED THAT THE DOD RECOMMENDATION DID NOT
INCLUDE THE COST OF RELOCATING THE DEFENSE INFORMATION
SYSTEMS AGENCY (DISA) COMMUNICATIONS HUB THAT IS LOCATED IN
THE FORCES COMMAND BUILDING. THE STAFF WAS ABLE TO OBTAIN
CERTIFIED DATA FROM DOD BASED ON COMMUNITY INPUT THAT SHOWS
RELOCATION WOULD COST AN ADDITIONAL \$17.1M. A RERUN OF COBRA
SHOWS THAT CLOSURE WOULD STILL PAYBACK IN TWO YEARS.

C6 – ECONOMIC IMPACT -- FORT MCPHERSON IS ATLANTA'S SEVENTH LARGEST EMPLOYER AND IS LOCATED ADJACENT TO THE CITY OF EAST POINT. THE CITY IS A HISTORICALLY UNDERUTILIZED BUSINESS ZONE THAT DEPENDS HEAVILY ON FORT MCPHERSON. THIS COMMUNITY WILL BE IMPACTED TO A GREATER EXTENT THAN THAT REPRESENTED BY DOD'S ANALYSIS OF THE METROPOLITAN AREA. THE CITY CURRENTLY HAS OVER TWENTY COOPERATIVE PARTNERSHIPS WITH FORT MCPHERSON. FORTUNATLY, THE LONG TERM POTENTIAL OF THE FORT MCPHERSON PROPERTY OFFERS THE PROMISE OF ECONOMIC REVITALIZATION.

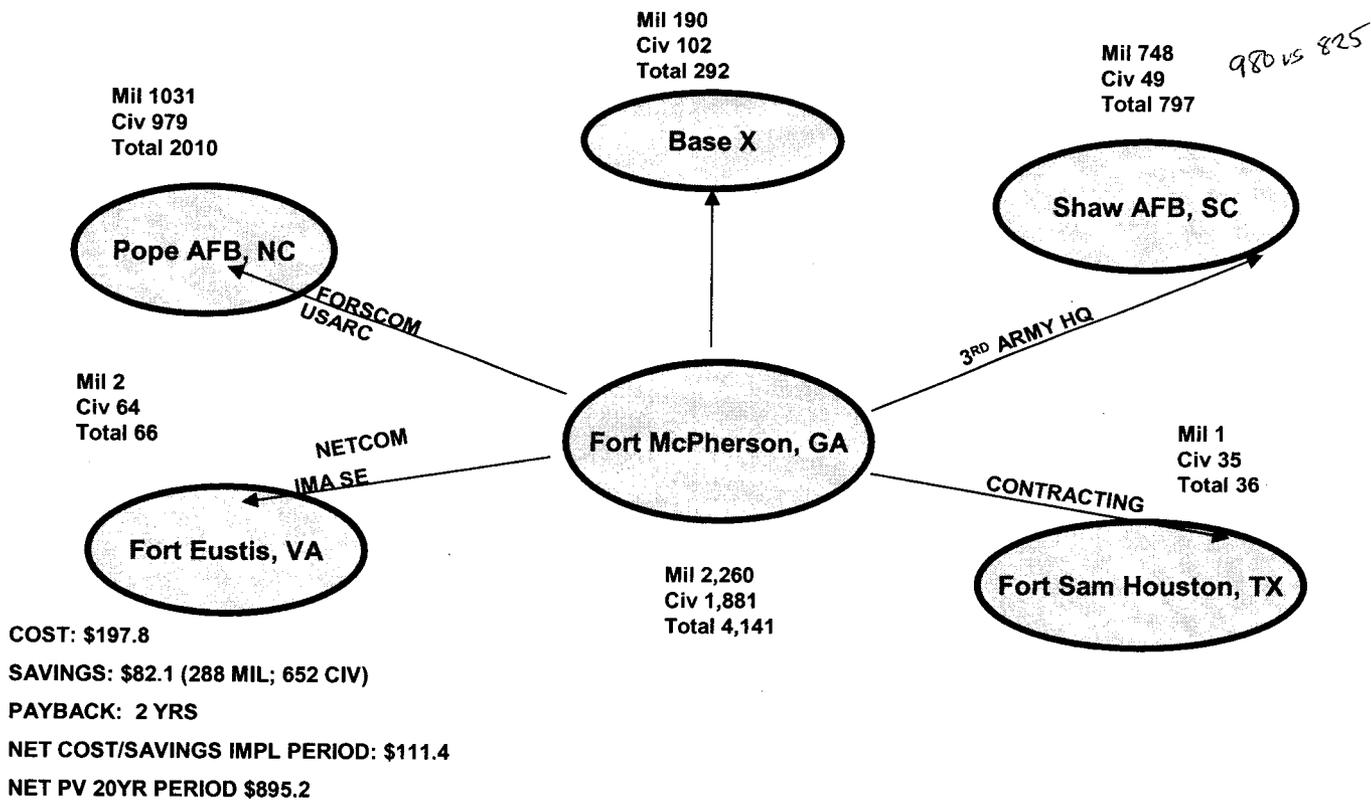
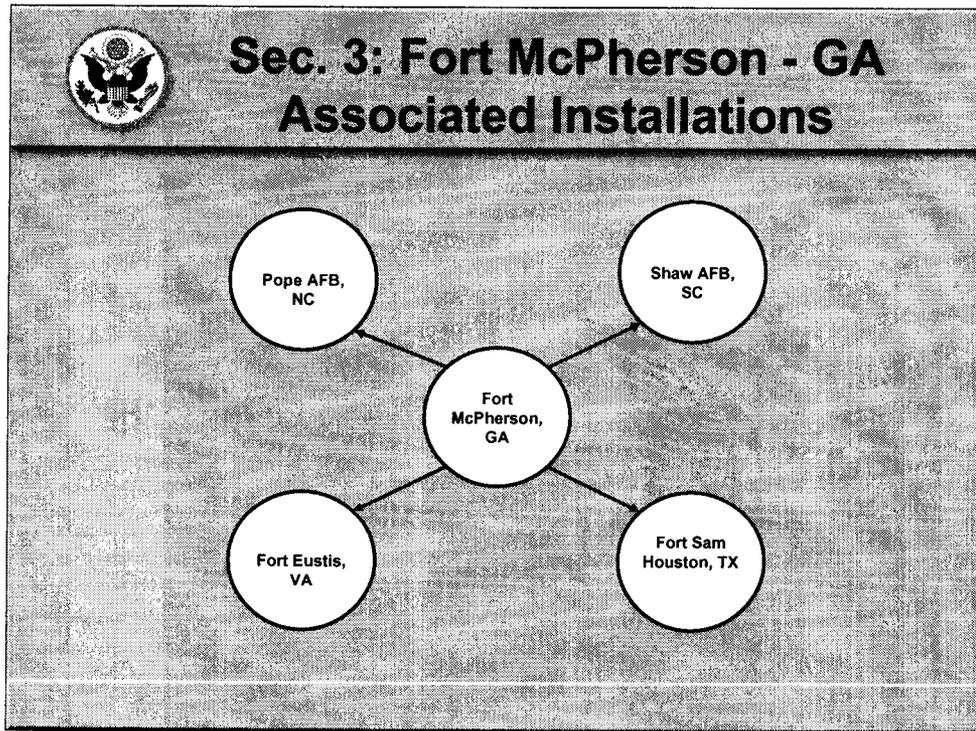
C8 - THE STAFF WAS SHOWN MULTIPLE POTENTIAL CONSTRUCTION SITES WITHIN THE FORT BRAGG – POPE AFB COMPLEX FOR THE NEW FORCES AND RESERVE COMMAND HEADQUARTERS. THE COMMISSION MAY WANT TO GIVE THE ARMY MORE FLEXIBILITY IN SITING THE HEADQUARTERS ON THE MOST ENVIRONMENTALLY SUITABLE SITE.

IN SUMMARY, THE STAFF DETERMINED THE SECRETARY OF DEFENSE DEVIATED FROM SELECTION CRITERION C8.

MR. CHAIRMAN THAT CONCLUDES MY STATEMENT. I AM PREPARED TO RESPOND TO ANY QUESTIONS THAT YOU MAY HAVE.



Sec. 3: Fort McPherson - GA Associated Installations





Sec. 3: Fort McPherson - GA C1. Synergy

DoD Position:

- Enhances vital linkages – improves military value – reduces cost

Community Position:

- Dispersal of three major Army Hqs. reduces important synergy between force providers and force requesters
- Atlanta has superior less costly transportation & communications infrastructure

Commission Staff Assessment:

- Forces & Reserve Cmds. remain co-located at Pope AFB
- The Army and the Air Force components of Central Cmd. are co-located at Shaw AFB
- Operational readiness and training should improve with these relocations
- Infrastructure at relocation sites will support the moves



EXIT



Sec. 3: Fort McPherson - GA C5 Communications Hub

DoD Position:

- Military value analysis fully considered infrastructure at gaining sites
- COBRA includes 330K costs for defense communications hub

Community Position:

- Relocation costs – construction, communications & transportation were understated
- Community cost estimate of \$17.9M to relocate communication hub
- Community's COBRA with higher cost shows a five year payback.

Commission Staff Assessment:

- Community construction & transportation estimates not certified
- Costs to relocate the communication hub not included - only \$330K to disconnect hub from Ft McPherson
- DoD provided certified data of \$17.09 to relocate the hub
- New COBRA run does not significantly impact closure savings



EXIT



Sec. 3: Fort McPherson - GA C5 Cost & Savings

COBRA DATA

	DoD Baseline	Staff Excursion
One Time Cost	\$197.8	\$214.5
Net Implementation Cost/(Savings)	(\$111.8)	(\$94.6)
Annual Recurring Cost/(Savings)	(\$82.1)	(\$82.1)
Payback Period	2 Years	2 Years
Net Present Value at 2025 Cost/(Savings)	(\$895.2)	(\$878.6)





Sec. 3: Fort McPherson - GA C5 Cost & Savings

COBRA DATA

	DoD Baseline	Staff Excursion	Staff Excursion without Mil Pers
One Time Cost	\$197.8	\$214.5	\$214.0
Net Implementation Cost/(Savings)	(\$111.8)	(\$94.6)	\$3.3
Annual Recurring Cost/(Savings)	(\$82.1)	(\$82.1)	(\$54.1)
Payback Period	2 Years	2 Years	4 Years
Net Present Value at 2025Cost/(Savings)	(\$895.2)	(\$878.6)	(\$516.4)





Sec. 3: Fort McPherson, GA C6 East Point

DoD Position:

- Potential direct & indirect employment loss is 6,846 jobs
- Metro Stat. Area Job Base: 2,777,548 jobs
- Percentage: 0.2 percent decrease

Community Position:

- The unemployment rate is 8.7% vs. national average 5.1%
- Negative economic impact of \$593M in an already depressed and predominantly minority community
- Over 20 cooperative partnerships between installation & City
- The City is a Historically Underutilized Business Zone

Commission Staff Assessment:

- The potential for economic revitalization & job creation is great
- Potential high value of Fort McPherson property
- Atlanta mass transit access near property



EXIT



Sec. 3: Fort McPherson - GA All Issues

ISSUE	DoD POSITION	COMMUNITY POSITION	R&A STAFF FINDINGS
READINESS	POSTURED TO RESPOND TO ALL REQ'MTS	DISPERSES CRITICAL SYNERGY OF HQS	OPERATIONAL READINESS IMPROVES
CAPACITY	LIMITED TO ONLY ADMINISTRATIVE MISSIONS	IDEALLY LOCATED INFRASTRUCTURE	CAPACITY ENHANCED AT NEW SITES
WAR PLANNING	ENHANCES VITAL LINKAGES	DEGRADES COMMAND & CONTROL	MORE CAPABILITY AT RECEIVING BASES
WEIGHTING OF MILITARY VALUE	10% OF MILITARY VALUE WEIGHT	USED AS PRIMARY DESCRIPTOR	WEIGHTS CALCULATED - 40 ATTRIBUTES
COST	CERTIFIED DATA AND CERTIFIED REQUIREMENTS MODELS	ACCURACY AND COMPLETENESS QUESTIONED	\$17M COST TO MOVE DISA HUB ADDED TO NEW COBRA RUN
JOBS	SMALL IMPACT IN THE REGIONAL ECONOMY	HIGH UNEMPLOYMENT IN CITY OF EAST POINT	HIGH POTENTIAL FOR REUSE JOBS
INFRASTRUCTURE	MILITARY VALUE AT RECEIVING SITE CONSIDERS INFRASTRUCTURE	ATLANTA JOB SKILLS, COMMUNICATION & TRANSPORTATION	NO COST TO MOVE HUB IDEALLY LOCATED FOR REUSE
CLEANUP & HISTORIC PRESERVATION	NO ENVIRONMENTAL OR HISTORICAL IMPEDIMENTS	HISTORIC FACILITIES IMPACT REUSE	VALUABLE PROPERTY DIMINISHES IMPACT



EXIT



Sec. 3: Fort McPherson - GA DoD Recommendation

A. Close Fort McPherson, GA

Gain: Relocates units to: Pope Air Force Base, Shaw Air Force Base, Ft. Eustis, & Ft. Sam Houston



Sec. 3: Fort McPherson - GA Dod Justification

- Closes administrative installation with low military value
- Relocates/consolidates Installation Mgmt & Contracting Cmts
- Co-locates 3rd Army with Air Force component of Central Cmt.
- Co-locates Forces & Reserve Cmts. with operational forces
- Retains or enhances vital linkages & improves military value

COBRA

- \$197.8M - One time costs
- (\$895.2)M - 20 Year Net Present Value
- Payback - 2 Years
- Relocates 2,260 Military and 1,881 Civilians

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Sec. 3: Fort McPherson - GA Issue Summary

- C1
 - Separates "force providers" from "force requester" placing limits on command and control synergy
- C5
 - Costs understated
- C6
 - Economic impact on City of East Point
- C8
 - New headquarters construction site

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Staff Assessment

Deviation from Final Selection Criteria

Criterion	Military Value				Other			
	<u>C1</u>	C2	C3	C4	C5 (1, 2)	<u>C6</u>	C7	C8
Deviation								X

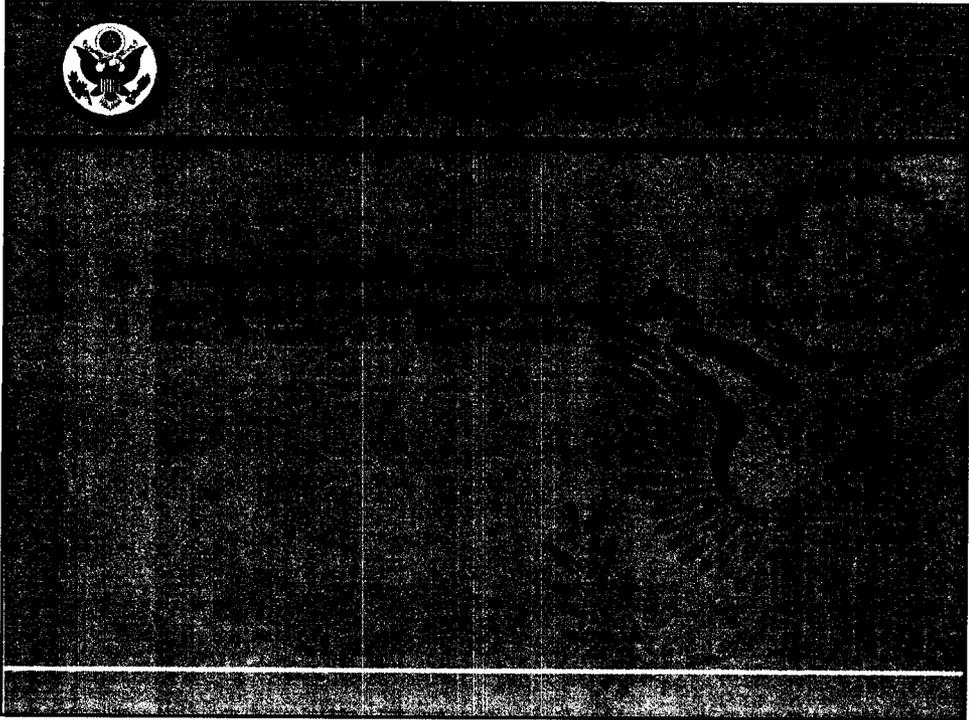
X=Deviation

- Staff determined the Secretary of Defense deviated from selection criterion C8

MC

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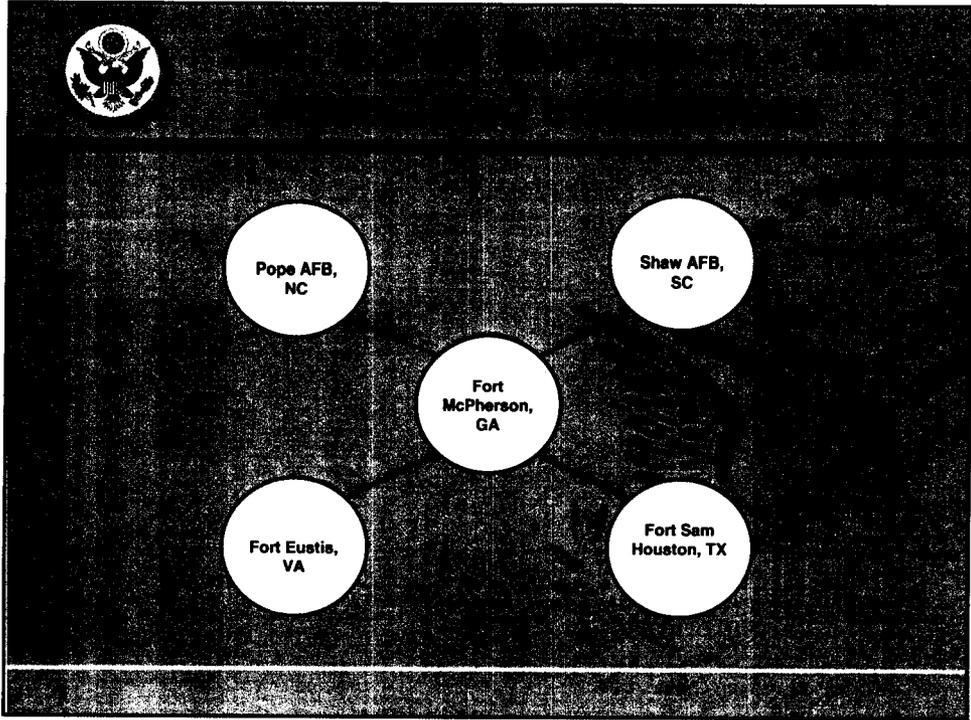
Pope AFB,
NC

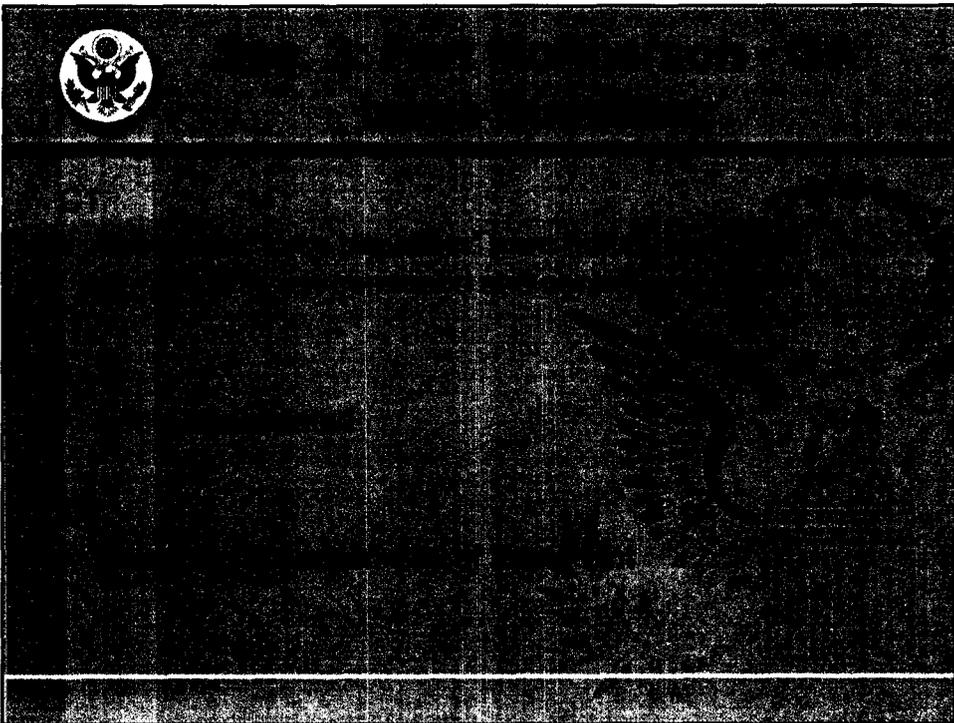
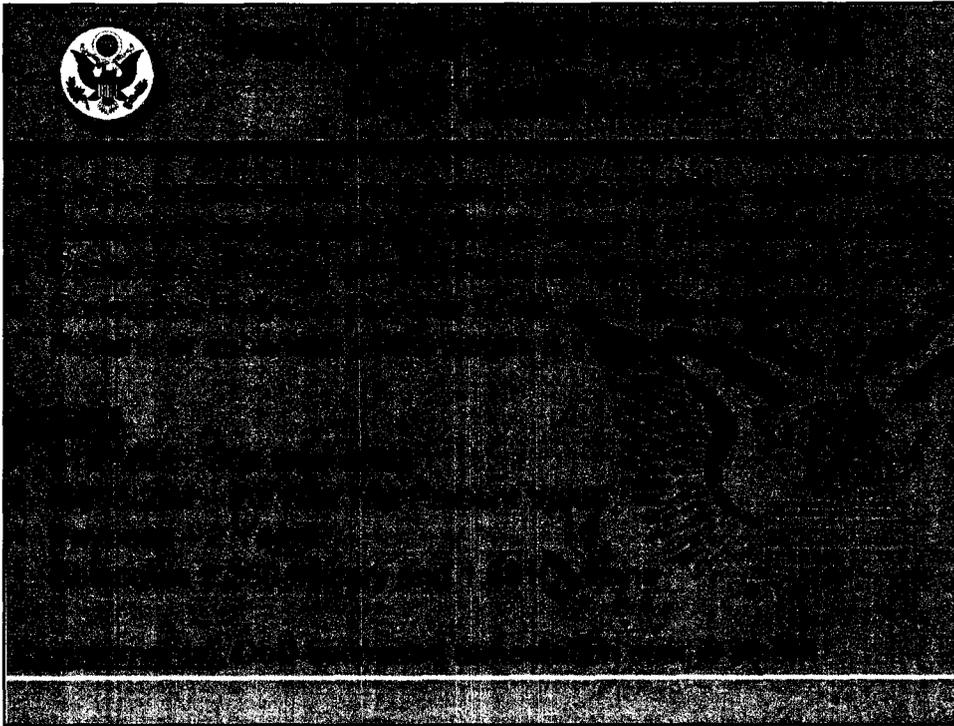
Shaw AFB,
SC

Fort
McPherson,
GA

Fort Eustis,
VA

Fort Sam
Houston, TX







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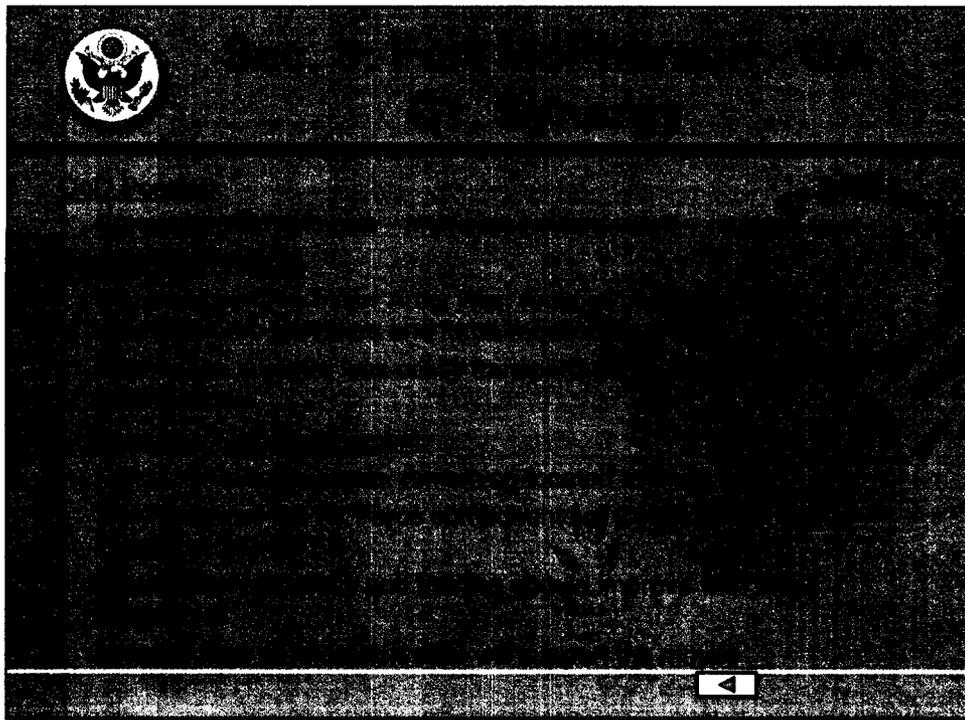
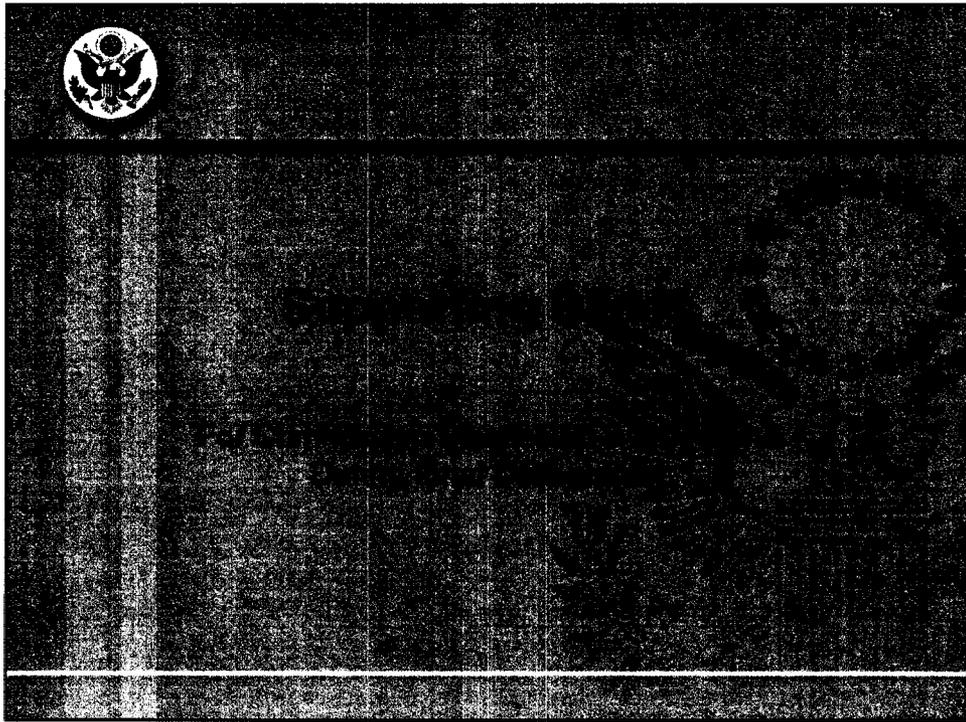
Deviation from Final Selection Criteria

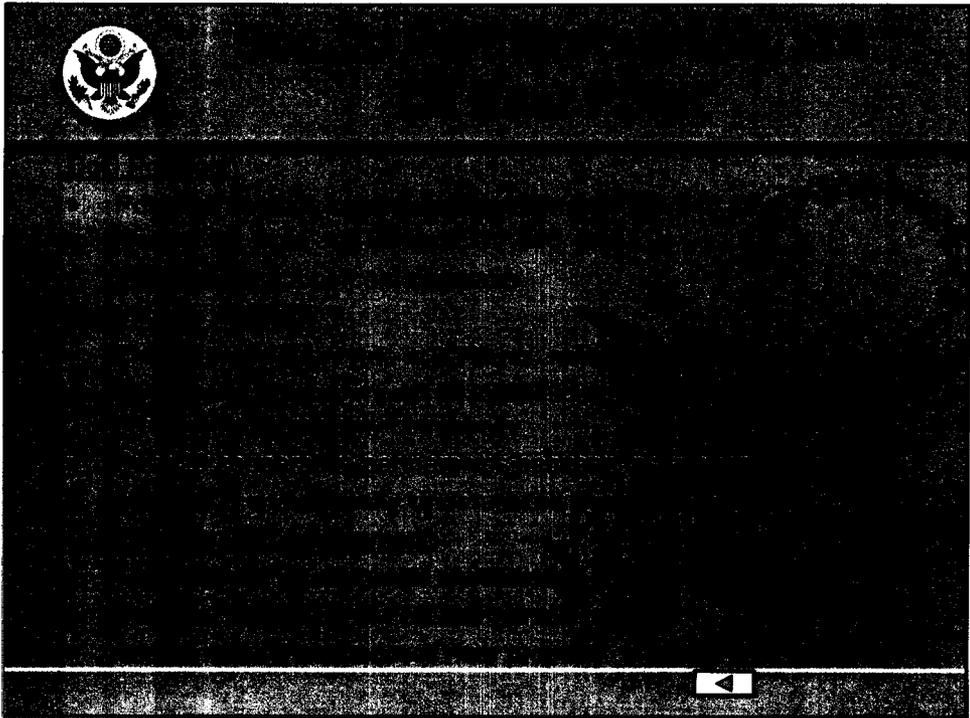
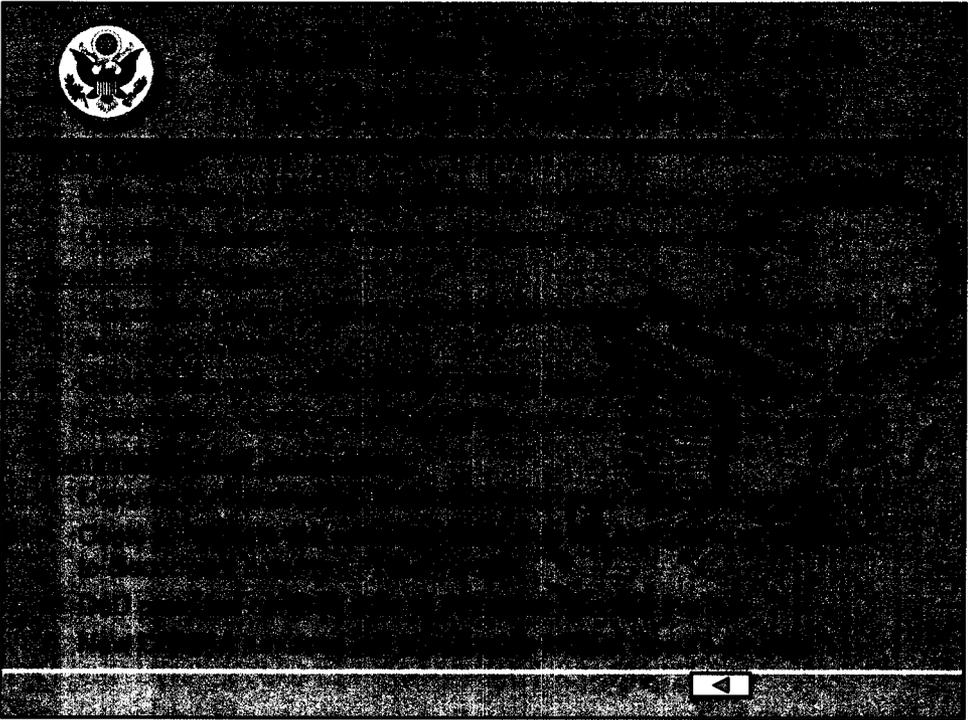
Military Value

Other

Criterion	<u>C1</u>	C2	C3	C4	C5 (1, 2)	<u>C6</u>	C7	C8
Deviation								

MC







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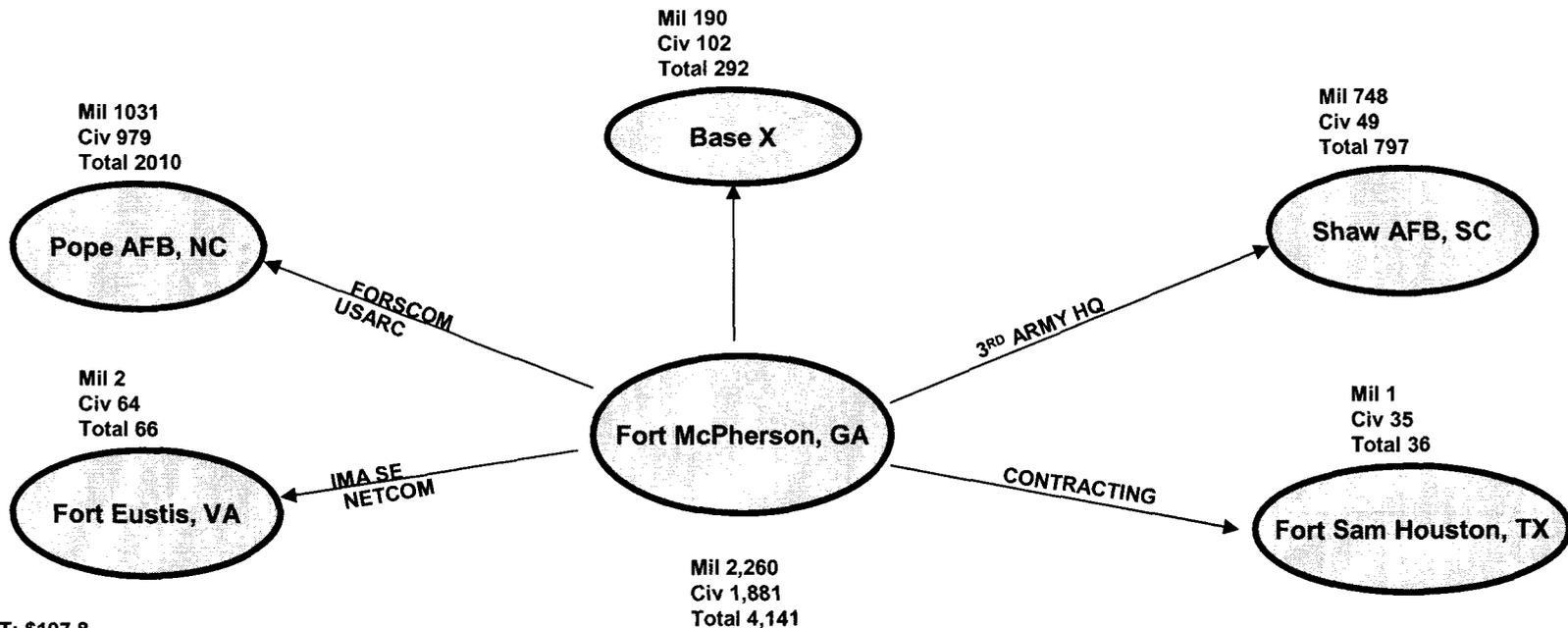


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WAR PLANNING	ENHANCES VITAL LINKAGES	DEGRADES COMMAND & CONTROL	MORE CAPABILITY AT RECEIVING BASES
WEIGHTING OF MILITARY VALUE	10% OF MILITARY VALUE WEIGHT	USED AS PRIMARY DISCRIMINATOR	WEIGHTS CALCULATED - 40 ATTRIBUTES
COST	CERTIFIED DATA AND CERTIFIED REQUIREMENTS MODELS	ACCURACY AND COMPLETENESS QUESTIONED	\$17M COST TO MOVE DISA HUB ADDED TO NEW COBRA RUN
JOBS	SMALL IMPACT IN THE REGIONAL ECONOMY	HIGH UNEMPLOYMENT IN CITY OF EAST POINT	HIGH POTENTIAL FOR REUSE JOBS
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CLEANUP & HISTORIC PRESERVATION	NO ENVIRONMENTAL OR HISTORICAL IMPEDIMENTS	HISTORIC FACILITIES IMPACT REUSE	VALUABLE PROPERTY DIMINISHES IMPACT

Fort McPherson Close

Recommendation: Close Fort McPherson, GA. Relocate the Headquarters US Army Forces Command (FORSCOM), and the Headquarters US Army Reserve Command (USARC) to Pope Air Force Base, NC. Relocate the Headquarters 3rd US Army to Shaw Air Force Base, SC. Relocate the Installation Management Agency Southeastern Region Headquarters and the US Army Network Enterprise Technology Command (NETCOM) Southeastern Region Headquarters to Fort Eustis, VA. Relocate the Army Contracting Agency Southern Region Headquarters to Fort Sam Houston.

Justification: Fort McPherson is a historic post in Atlanta, GA that is unable to accept any missions other than administrative. Current administrative facilities can be duplicated on larger, more flexible installations with greater military value. DoD ranked Fort McPherson 57th out of 87 installations



COST: \$197.8

SAVINGS: \$82.1 (288 MIL; 652 CIV)

PAYBACK: 2 YRS

NET COST/SAVINGS IMPL PERIOD: \$111.4

NET PV 20YR PERIOD \$895.2

COBRA REALIGNMENT SUMMARY REPORT (COBRA v6.10) - Page 1/2
 Data As Of 08/01/2005 6:44:05 AM, Report Created 8/1/2005 11:35:09 AM

Department : Army
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 Option Pkg Name: Close Ft. McPherson (3)
 Std Fctrs File : C:\Documents and Settings\gingrick\My Documents\COBRA 6.10 April 21 2005\BRAC2005.SFF

Starting Year : 2006
 Final Year : 2008
 Payback Year : 2010 (2 Years)

NPV in 2025(\$K): -878,645
 1-Time Cost(\$K): 214,540

Net Costs in 2005 Constant Dollars (\$K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
	----	----	----	----	----	----	----	-----
MilCon	8,528	84,373	0	0	0	0	92,902	0
Person	0	25	-31,862	-76,173	-76,173	-76,173	-260,357	-76,173
Overhd	4,339	6,658	-12,820	-19,353	-19,353	-19,353	-59,884	-20,177
Moving	1,652	497	47,639	0	0	0	49,788	0
Missio	0	0	0	7,623	7,623	7,623	22,869	7,623
Other	35,118	59	6,638	4,987	6,638	6,638	60,078	6,638
TOTAL	49,637	91,612	9,595	-82,917	-81,266	-81,266	-94,603	-82,089

	2006	2007	2008	2009	2010	2011	Total
	----	----	----	----	----	----	-----
POSITIONS ELIMINATED							
Off	0	0	46	0	0	0	46
Enl	0	0	242	0	0	0	242
Civ	0	0	652	0	0	0	652
TOT	0	0	940	0	0	0	940

	2006	2007	2008	2009	2010	2011	Total
	----	----	----	----	----	----	-----
POSITIONS REALIGNED							
Off	0	13	1,198	0	0	0	1,211
Enl	0	8	818	0	0	0	826
Stu	0	0	0	0	0	0	0
Civ	0	13	1,313	0	0	0	1,326
TOT	0	34	3,329	0	0	0	3,363

Summary:

 USA-0222: Close Ft. McPherson, GA. Relocate the Headquarters US Army Forces Command (FORSCOM), and the Headquarters US Army Reserve Command to Pope AFB, NC. Relocate the Headquarters 3rd US Army to Shaw AFB, SC. Relocate the Installation Management Agency's Southeastern Region HQs and the NETCOM Southeastern Region HQs to Ft. Eustis, VA. Relocate the Army Contracting Agency Southern Region HQs to Ft. Sam Houston.

Several other Service and DOD offices resident on Ft. McPherson are moved to Base X. These include, a Corps of Engineers South Atlantic District office, an Army Audit Agency office, the 3rd CIDC Region office, a JTF 6 office, an Army veterinary unit, elements of the Army Logistics Management Agency, a military history detachment, the US Army Center for Health & Preventative Medicine, and several other small units.

COBRA REALIGNMENT SUMMARY REPORT (COBRA v6.10) - Page 2/2
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Costs in 2005 Constant Dollars (\$K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
	----	----	----	----	----	----	-----	-----
MilCon	8,528	84,373	0	0	0	0	92,902	0
Person	0	241	25,857	16,400	16,400	16,400	75,297	16,400
Overhd	8,123	10,538	17,048	11,714	11,714	11,714	70,852	11,714
Moving	1,652	564	53,964	0	0	0	56,180	0
Missio	0	0	0	11,798	11,798	11,798	35,394	11,798
Other	35,118	59	6,638	6,638	6,638	6,638	61,729	6,638
TOTAL	53,422	95,775	103,507	46,550	46,550	46,550	392,354	46,550

Savings in 2005 Constant Dollars (\$K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
	----	----	----	----	----	----	-----	-----
MilCon	0	0	0	0	0	0	0	0
Person	0	216	57,719	92,573	92,573	92,573	335,654	92,573
Overhd	3,784	3,880	29,869	31,068	31,068	31,068	130,735	31,891
Moving	0	67	6,325	0	0	0	6,392	0
Missio	0	0	0	4,175	4,175	4,175	12,525	4,175
Other	0	0	0	1,651	0	0	1,651	0
TOTAL	3,784	4,163	93,912	129,467	127,816	127,816	486,958	128,639

DRAFT WORKING PAPERS DoD BASELINE W/O MILITARY PERSONNEL SAVINGS

Run ID	Scenario	Page	Analysis Team	One Time Costs (\$M)	Payback (Years)	6 Year Net (\$M)	Cash Flow 2006 (\$M)	Cash Flow 2007 (\$M)	Cash Flow 2008 (\$M)	Cash Flow 2009 (\$M)	Cash Flow 2010 (\$M)	Cash Flow 2011 (\$M)	Beyond Cash Flows (2012-2025) (\$M)	20-Year Net Present Value
1	Fort Wainwright, AK	Army-5	Army	\$ 0.05	2	(0.194)	0.051	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)	\$ (0.70)
2	Fort Gillem, GA	Army-6	Army	\$ 56.75	1	(62.935)	0.323	10.479	10.350	(28.029)	(28.029)	(28.029)	(28.029)	\$ (338.21)
3	Fort McPherson, GA	Army-8	Army	\$ 197.24	3	(13.474)	32.790	91.668	23.627	(54.954)	(53.303)	(53.303)	(54.126)	\$ (532.91)
4	Fort Bragg, NC	Army-10	Army	\$ 334.84	Never	446.123	52.820	43.994	116.294	19.208	54.103	159.704	23.776	\$ 639.25
5	Fort Monmouth, NJ	Army-11	Army	\$ 821.76	7	444.945	53.889	32.220	487.392	115.468	(122.012)	(122.012)	(124.101)	\$ (789.70)
6	Fort Hood, TX	Army-15	Army	\$ 435.72	Never	585.563	21.238	15.401	382.194	71.379	47.675	47.675	47.675	\$ 1,009.32
7	Red River Army Depot	Army-16	Army	\$ 456.17	4	219.053	10.264	127.673	187.272	6.120	(41.903)	(70.373)	(75.721)	\$ (529.45)
8	Fort Monroe, VA	Army-19	Army	\$ 72.64	2	(47.446)	11.037	34.145	(3.255)	(29.791)	(29.791)	(29.791)	(30.135)	\$ (334.81)
9	Maneuver Training	Army-20	Army	\$ 775.53	Never	831.948	182.011	447.764	161.931	25.543	7.349	7.349	7.349	\$ 868.54
10	Operational Army (IGPBS)	Army-22	Army	\$ 3,945.78	Never	5,242.293	1,685.273	1,160.729	1,211.962	572.033	314.696	297.598	297.598	\$ 7,887.59
11	RC Transformation, AL	Army-25	Army	\$ 108.24	100	107.740	7.768	101.069	(0.210)	(0.296)	(0.296)	(0.296)	(0.521)	\$ 98.53
12	RC Transformation, AZ	Army-28	Army	\$ 31.11	5	5.318	1.972	26.742	(5.825)	(5.857)	(5.857)	(5.857)	(5.933)	\$ (51.73)
13	RC Transformation, AR	Army-30	Army	\$ 118.67	100	116.529	7.900	111.286	(0.573)	(0.695)	(0.695)	(0.695)	(1.047)	\$ 101.89
14	RC Transformation, CA	Army-33	Army	\$ 78.27	93	70.230	4.898	73.774	(2.055)	(2.129)	(2.129)	(2.129)	(2.423)	\$ 44.22
15	RC Transformation, CT	Army-35	Army	\$ 128.31	100	121.462	9.010	120.459	(1.874)	(2.044)	(2.044)	(2.044)	(2.265)	\$ 95.01
16	RC Transformation, DE	Army-37	Army	\$ 13.52	100	12.741	3.135	10.323	(0.169)	(0.182)	(0.182)	(0.182)	(0.231)	\$ 10.09
17	RC Transformation, DE	Army-39	Army	\$ 21.15	0	22.554	1.445	20.056	0.399	0.221	0.221	0.221	0.211	\$ 23.69
18	RC Transformation, HI	Army-40	Army	\$ 56.13	Never	60.911	3.896	53.312	0.932	0.923	0.923	0.923	0.872	\$ 66.89
19	RC Transformation, IL	Army-42	Army	\$ 42.42	100	40.019	2.653	39.773	(0.567)	(0.613)	(0.613)	(0.613)	(0.815)	\$ 30.60
20	RC Transformation, IN	Army-44	Army	\$ 47.44	Never	48.938	3.587	44.662	0.225	0.154	0.154	0.154	0.069	\$ 47.69
21	RC Transformation, IA	Army-46	Army	\$ 67.93	100	66.010	4.533	64.055	(0.606)	(0.658)	(0.658)	(0.658)	(0.839)	\$ 55.36
22	RC Transformation, KY	Army-48	Army	\$ 25.10	100	24.496	1.670	23.792	(0.231)	(0.245)	(0.245)	(0.245)	(0.291)	\$ 20.75
23	RC Transformation, LA	Army-50	Army	\$ 29.99	Never	31.467	2.328	28.071	0.279	0.263	0.263	0.263	0.213	\$ 32.28
24	RC Transformation, MD (AFRC Frederick, MD)	Army-52	Army	\$ 6.21	100	5.964	0.426	5.783	(0.059)	(0.062)	(0.062)	(0.062)	(0.070)	\$ 5.06
25	RC Transformation, MA	Army-54	Army	\$ 85.50	100	79.729	4.521	81.150	(1.449)	(1.498)	(1.498)	(1.498)	(1.692)	\$ 60.40
26	RC Transformation, MI	Army-55	Army	\$ 7.78	100	7.900	0.494	7.361	0.015	0.010	0.010	0.010	(0.010)	\$ 7.50
27	RC Transformation, MN	Army-57	Army	\$ 17.34	Never	17.768	1.125	16.460	0.053	0.043	0.043	0.043	0.006	\$ 17.12
28	RC Transformation, MO	Army-58	Army	\$ 28.28	100	26.550	2.011	6.822	18.927	(0.382)	(0.414)	(0.414)	(0.628)	\$ 18.94
29	RC Transformation, MT	Army-60	Army	\$ 25.93	100	25.066	1.620	24.418	(0.227)	(0.248)	(0.248)	(0.248)	(0.333)	\$ 20.88
30	RC Transformation, NE	Army-62	Army	\$ 32.76	100	32.422	2.680	29.085	1.111	(0.152)	(0.152)	(0.152)	(0.269)	\$ 28.53
31	RC Transformation, NH	Army-65	Army	\$ 54.06	Never	55.798	4.981	49.949	0.267	0.200	0.200	0.200	0.136	\$ 54.95
32	RC Transformation, NJ	Army-66	Army	\$ 14.95	100	14.644	2.618	12.420	(0.091)	(0.101)	(0.101)	(0.101)	(0.141)	\$ 12.76
33	RC Transformation, NY	Army-68	Army	\$ 17.78	100	17.838	1.167	16.740	(0.006)	(0.021)	(0.021)	(0.021)	(0.062)	\$ 16.54
34	RC Transformation, NY	Army-69	Army	\$ 103.64	100	97.428	6.183	97.327	(1.447)	(1.545)	(1.545)	(1.545)	(1.995)	\$ 74.40
35	RC Transformation, NC	Army-72	Army	\$ 9.06	Never	10.386	1.064	8.394	0.236	0.231	0.231	0.231	0.206	\$ 11.96
36	RC Transformation, ND	Army-73	Army	\$ 7.90	Never	8.109	0.594	7.365	0.041	0.036	0.036	0.036	0.018	\$ 8.00
37	RC Transformation, OH	Army-75	Army	\$ 134.30	100	136.762	8.899	126.672	0.372	0.270	0.270	0.270	(0.013)	\$ 131.25
38	RC Transformation, OK	Army-77	Army	\$ 167.81	100	160.419	10.648	154.551	1.138	(1.973)	(1.973)	(1.973)	(2.589)	\$ 129.15
39	RC Transformation, OR	Army-80	Army	\$ 24.10	100	23.493	1.532	22.827	(0.179)	(0.229)	(0.229)	(0.229)	(0.290)	\$ 19.80
40	RC Transformation, PA	Army-82	Army	\$ 141.91	100	135.173	15.001	109.025	18.098	(1.646)	(1.653)	(1.653)	(2.055)	\$ 109.83
41	RC Transformation, PR	Army-85	Army	\$ 86.41	Never	93.790	8.228	79.634	1.565	1.454	1.454	1.454	1.343	\$ 103.05
42	RC Transformation, RI	Army-87	Army	\$ 32.09	100	32.400	2.115	30.360	(0.007)	(0.022)	(0.022)	(0.022)	(0.072)	\$ 30.44
43	RC Transformation, TN	Army-89	Army	\$ 36.80	100	36.848	2.718	34.331	0.092	(0.097)	(0.097)	(0.097)	(0.187)	\$ 33.61
44	RC Transformation, TX	Army-91	Army	\$ 373.75	100	369.540	27.721	347.790	(0.560)	(1.804)	(1.804)	(1.804)	(2.531)	\$ 330.82
45	RC Transformation, VA	Army-95	Army	\$ 61.40	100	57.171	4.122	58.228	(1.276)	(1.301)	(1.301)	(1.301)	(1.385)	\$ 41.66
46	RC Transformation, VA	Army-97	Army	\$ 60.80	100	61.334	11.517	49.777	0.041	0.000	0.000	0.000	(0.150)	\$ 57.67
47	RC Transformation, WV	Army-99	Army	\$ 29.08	100	29.407	1.828	27.512	0.035	0.011	0.011	0.011	(0.070)	\$ 27.57
48	RC Transformation, WI	Army-102	Army	\$ 10.13	100	9.836	0.624	9.556	(0.079)	(0.088)	(0.088)	(0.088)	(0.121)	\$ 8.29
49	RC Transformation, WY	Army-103	Army	\$ 72.15	100	70.644	5.106	67.827	(0.570)	(0.538)	(0.538)	(0.538)	(0.654)	\$ 61.62
50	Single Drill Sergeant	Army-105	Army	\$ 1.92	Never	3.005	0.477	0.814	0.734	0.327	0.327	0.327	0.327	\$ 6.02
51	U.S. Army Garrison, MI	Army-106	Army	\$ 9.47	Immediate	(85.652)	(2.415)	(16.647)	(16.647)	(16.647)	(16.647)	(16.647)	(17.010)	\$ (245.35)
52	USAR Command and Control New England	Army-107	Army	\$ 95.69	Never	104.440	6.498	88.525	0.991	2.808	2.808	2.808	2.725	\$ 126.52
53	USAR Command and Control Northeast	Army-109	Army	\$ 169.79	40	144.633	10.031	148.898	5.344	(6.547)	(6.547)	(6.547)	(7.199)	\$ 69.56
54	USAR Command and Control Northwest	Army-112	Army	\$ 80.40	Never	87.209	4.304	68.829	8.666	1.803	1.803	1.803	1.443	\$ 97.35
55	USAR Command and Control Southeast	Army-115	Army	\$ 29.72	Never	47.709	1.952	25.150	5.842	4.921	4.921	4.921	4.888	\$ 92.64
56	USAR Command and Control Southwest	Army-117	Army	\$ 55.28	Never	96.928	3.295	47.060	12.960	11.211	11.211	11.211	96.928	\$ 199.76
57	Marine Corps Logistics Base, Barstow, CA	DoN-6	Navy	\$ 26.16	3	0.364	7.845	13.133	(3.539)	(4.776)	(6.150)	(6.150)	(6.150)	\$ (58.52)
58	Naval Support Activity, Coronado, CA	DoN-7	Navy	\$ 80.18	16	65.648	2.228	(0.788)	(0.861)	34.406	36.372	(5.711)	(5.901)	\$ 1.04
59	Detachment Concord, CA	DoN-9	Navy	\$ 13.95	1	(43.244)	1.350	(3.770)	(6.002)	(9.233)	(9.307)	(16.282)	(16.390)	\$ (199.70)
60	Submarine Base New London, CT	DoN-10	Navy	\$ 680.12	5	485.035	33.309	105.764	39.609	90.092	186.157	10.103	(113.175)	\$ (687.24)
61	Officer Training Command, Pensacola, FL	DoN-12	Navy	\$ 3.60	Never	5.059	3.833	0.233	0.252	0.249	0.247	0.245	0.245	\$ 3.64
62	Naval Air Station Atlanta, GA	DoN-13	Navy	\$ 43.61	2	(33.750)	20.683	4.419	(6.627)	(16.539)	(17.842)	(17.842)	(15.700)	\$ (182.10)
63	Navy Supply Corps School Athens, GA	DoN-14	Navy	\$ 23.64	38	19.809	1.213	(0.190)	13.927	6.694	(0.917)	(0.917)	(0.957)	\$ 9.08
64	Naval Support Activity New Orleans, LA	DoN-15	Navy	\$ 164.70	9	124.000	44.363	(1.098)	(2.550)	90.452	6.783	(13.939)	(17.881)	\$ (59.47)
65	Naval Air Station Brunswick, ME	DoN-18	Navy	\$ 147.30	100	138.210	7.104	2.921	48.228	51.009	24.444	4.504	(2.159)	\$ 105.34
66	Marine Corps Support Activity Kansas City, MO	DoN-19	Navy	\$ 23.28	5	11.584	0.677	(0.734)	(0.764)	14.557	2.496	(4.648)	(4.342)	\$ (32.04)
67	Naval Station Pascagoula, MS	DoN-20	Navy	\$ 18.42	3	(15.315)	14.422	(0.093)	(7.217)	(7.417)	(7.417)	(7.417)	(7.589)	\$ (87.09)
68	Naval Air Station Joint Reserve Base Willow Grove, PA, and Cambria Regional Airport, Johnstown, PA	DoN-21	Navy	\$ 126.50	4	(44.795)	69.822	4.208	(25.703)	(11.747)	(40.687)	(40.687)	(40.795)	\$ (433.98)
69	Naval Shipyard Portsmouth, Kittery, ME	DoN-23	Navy	\$ 448.36	4	48.267	33.798	63.495	268.171	(102.615)	(107.291)	(107.291)	(108.788)	\$ (1,005.61)
70	Naval Station Newport, RI	DoN-25	Navy	\$ 11.80	13	8.325	0.929	1.016	6.994	1.412	(1.010)	(1.015)	(1.015)	\$ (2.10)

COBRA REALIGNMENT SUMMARY REPORT (COBRA v6.10) - Page 1/2
 Data As Of 8/17/2005 2:45:20 PM, Report Created 8/17/2005 2:45:22 PM

Department : Army
 Scenario File : C:\Documents and Settings\gingrick\My Documents\3A - Fort McPherson, GA\3M - Fort McPherson, GA\3M - USA-0:
 Option Pkg Name: Close Ft. McPherson (3)
 Std Fctrs File : C:\Documents and Settings\gingrick\My Documents\COBRA 6.10 April 21 2005\BRAC2005.SPF

Starting Year : 2006
 Final Year : 2008
 Payback Year : 2012 (4 Years)

NPV in 2025(\$K): -516,350
 1-Time Cost(\$K): 214,033

Net Costs in 2005 Constant Dollars (\$K)								
	2006	2007	2008	2009	2010	2011	Total	Beyond
	----	----	----	----	----	----	-----	-----
MilCon	8,472	84,429	0	0	0	0	92,902	0
Person	0	25	-19,254	-49,271	-49,271	-49,271	-167,044	-49,271
Overhd	4,338	6,658	-12,129	-18,662	-18,662	-18,662	-57,121	-19,486
Moving	1,652	497	48,003	0	0	0	50,152	0
Missio	0	0	0	7,623	7,623	7,623	22,869	7,623
Other	35,118	59	7,008	5,357	7,008	7,008	61,558	7,008
TOTAL	49,580	91,668	23,627	-54,954	-53,303	-53,303	3,316	-54,126

	2006	2007	2008	2009	2010	2011	Total
	----	----	----	----	----	----	-----
POSITIONS ELIMINATED							
Off	0	0	0	0	0	0	0
Enl	0	0	0	0	0	0	0
Civ	0	0	652	0	0	0	652
TOT	0	0	652	0	0	0	652

	2006	2007	2008	2009	2010	2011	Total
	----	----	----	----	----	----	-----
POSITIONS REALIGNED							
Off	0	13	1,244	0	0	0	1,257
Enl	0	8	1,060	0	0	0	1,068
Stu	0	0	0	0	0	0	0
Civ	0	13	1,313	0	0	0	1,326
TOT	0	34	3,617	0	0	0	3,651

Summary:

 USA-0222: Close Ft. McPherson, GA. Relocate the Headquarters US Army Forces Command (FORSCOM), and the Headquarters US Army Reserve Command to Pope AFB, NC. Relocate the Headquarters 3rd US Army to Shaw AFB, SC. Relocate the Installation Management Agency's Southeastern Region HQs and the NETCOM Southeastern Region HQs to Ft. Eustis, VA. Relocate the Army Contracting Agency Southern Region HQs to Ft. Sam Houston.

Several other Service and DOD offices resident on Ft. McPherson are moved to Base X. These include, a Corps of Engineers South Atlantic District office, an Army Audit Agency office, the 3rd CIDC Region office, a JTF 6 office, an Army veterinary unit, elements of the Army Logistics Management Agency, a military history detachment, the US Army Center for Health & Preventative Medicine, and several other small units.

No Milpers.

Department : Army
 Scenario File : C:\Documents and Settings\gingrick\My Documents\3A - Fort McPherson, GA\3M - Fort McPherson, GA\3M - USA-0:
 Option Pkg Name: Close Ft. McPherson (3)
 Std Fctrs File : C:\Documents and Settings\gingrick\My Documents\COBRA 6.10 April 21 2005\BRAC2005.SFF

Costs in 2005 Constant Dollars (\$K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
	----	----	----	----	----	----	----	-----
MilCon	8,472	84,429	0	0	0	0	92,902	0
Person	0	241	25,620	17,612	17,612	17,612	78,698	17,612
Overhd	8,122	10,538	17,739	12,405	12,405	12,405	73,614	12,405
Moving	1,652	564	54,907	0	0	0	57,123	0
Missio	0	0	0	11,798	11,798	11,798	35,394	11,798
Other	35,118	59	7,008	7,008	7,008	7,008	63,209	7,008
TOTAL	53,364	95,831	105,274	48,824	48,824	48,824	400,941	48,824

Savings in 2005 Constant Dollars (\$K)

	2006	2007	2008	2009	2010	2011	Total	Beyond
	----	----	----	----	----	----	----	-----
MilCon	0	0	0	0	0	0	0	0
Person	0	216	44,874	66,884	66,884	66,884	245,742	66,884
Overhd	3,784	3,880	29,869	31,068	31,068	31,068	130,735	31,891
Moving	0	67	6,904	0	0	0	6,972	0
Missio	0	0	0	4,175	4,175	4,175	12,525	4,175
Other	0	0	0	1,651	0	0	1,651	0
TOTAL	3,784	4,163	81,647	103,777	102,126	102,126	397,625	102,950



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
INSTALLATIONS AND ENVIRONMENT
110 ARMY PENTAGON
WASHINGTON DC 20310-0110

SAIE-IA

MEMORANDUM FOR Army Team Leader, BRAC Commission

SUBJECT: Issues/Concerns/Questions on Fort McPherson, GA

The Commission requested a TABS response to several questions regarding the recommendation to close Ft. McPherson, GA.

Question: What will be the disposition of the DISA Regional communications located in building 200 at Fort McPherson? Local estimates to move and reestablish the DISA Regional Communications Hub ranges from \$4,000K to hundreds of millions depending upon final destination. Security cost will be significant if it remains in place once the Garrison and FORSCOM leave Fort McPherson.

Answer: The recommendation to close Ft. McPherson did not specify a destination or the communications hub. However, DISA provided the Army with a certified estimate of \$330,000 for costs to relocate, close down, or by-pass DISA Service Deliver Nodes on Ft. McPherson. This cost was included in the closure recommendation analysis.

Question: Headquarters Forces Command occupies 362,000 SF and Headquarters U.S. Army Reserve Command occupies 214,000 SF on Fort McPherson and 50,000 SF in off-post leased facilities. The original combined cost of these two headquarters facilities was about \$80M. The Headquarters Forces Command and Headquarters U.S. Army Reserve Command facility planned for Pope, AFB is 284,000SF at a cost of \$42.3M. Please explain the significance of the variations between the current and proposed facilities.

Answer: The current space occupied by a unit was not the determining factor when estimating construction requirements. The construction at Pope AFB is based on the Army standard unit requirements found in the Army Real Property Planning System (RPLANS). These indicate that FORSCOM and USARC HQs require 284,000 SF. The cost to construct this requirement is determined using the standard facility cost per square foot found in the DoD Facilities Pricing Guide and the Area Cost Factor 0.88 for Pope AFB (0.93 at Ft. McPherson). The total cost of construction on Pope AFB estimated by the Army recommendation also includes infrastructure improvement costs. \$42.3M only includes the administrative building. The total cost estimated by the Army is \$53.4M.

SAIE-IA

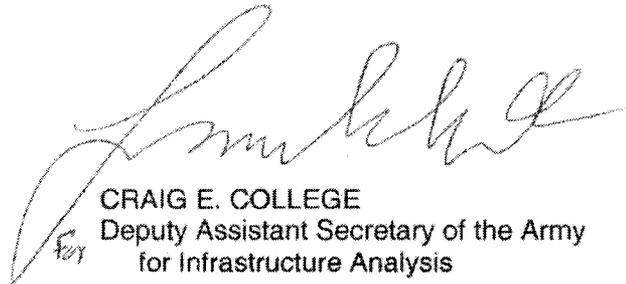
SUBJECT: Issues/Concerns/Questions on Fort McPherson, GA

Question: Headquarters Third U.S. Army occupies 172,000 SF and several mobile trailers and the plan to relocate to Shaw, AFB only provides 130,137 SF. What accounts for the downsizing?

Answer: The current space occupied by a unit was not the determining factor when estimating construction requirements. The construction at Pope AFB is based on the Army standard unit requirements found in the Army Real Property Planning System (RPLANS). These indicate that Third Army HQs requires 128,000 SF. Other administrative SF is constructed for Base Operations support functions per Air Force requirements.

Question: What is the plan for the 85 acre Lake Allatoona Recreational Area that is managed by the Fort McPherson/Gillem garrison?

Answer: There is no current plan for the Lake Allatoona Recreational Area, a Morale, Welfare and Recreation area in Northern Georgia. The area is a Non-appropriated fund facility that receives some garrison function support from Ft. McPherson. This support can be assumed by another Army installation if the Army decides it is to be retained.



CRAIG E. COLLEGE
Deputy Assistant Secretary of the Army
for Infrastructure Analysis



BRAC 2005 - Query Response Manager



Response to E0452

Question:

The Department provided Environmental Restoration cost data for each facility recommended for closure. During a review of the data provided we could not confirm the \$121 million Cost to Complete Environmental Restoration for Fort McPherson, Georgia. The FY2003 Annual Report to Congress shows a Cost to Complete of \$0.12 million for this facility. Is this the correct cost data?

Answer:

The Department's Report is in error in showing \$129.7M in restoration costs for Fort McPherson (Vol III, page 77). The correct estimate should be \$8.905M using costs directly from the FY03 Defense Environmental Restoration Program - Annual Report to Congress (DERPARC) as follows:

Installation Restoration Program, FY04 to Completion Cost Estimate: \$0.121M
Military Munitions Response Program, FY-04 to Completion Cost Estimate: \$8.784M

References:

Approved By:

Date: 15-Jul-05



BRAC 2005 - Query Response Manager



Response to E0521

Question:

1. Please provide certified data on the cost to relocate the Defense Information Systems Agency (DISA) communications hub located at Fort McPherson, GA.
2. Please provide DoD's analysis of the attached community developed alternatives for Forts McPherson and Gillem.

Answer:

1. On 4 August 2005, the BRAC Commission requested the Army provide comments on several community developed scenarios addressing the closures of Forts Gillem and McPherson. The community provided paper contains two alternative scenarios with COBRA cost analyses and a discussion of "critical military value points". The two scenarios proposed by the Atlanta community close Ft. McPherson and move the three major HQs (3rd Army, FORSCOM & USARC) to Ft. Gillem. The first scenario retains all units currently on Ft. Gillem, at Ft. Gillem. The second moves the 1st US Army HQs to Rock Island Arsenal and the 52nd EOD Group to Ft. Benning.
2. The Army cannot comment on the costs and savings the community provided for each of the two alternative scenarios, since the data used was not certified. However, the current recommendation also saves a significant amount of money; it is based on certified data; and it significantly improves military value.
3. The critical military value discussion included with the Atlanta alternatives contains eight issues, each is commented on below:
 - a. Predicting Costs/Savings Effectively. The Atlanta community maintains that the ability to predict cost savings over a 20-year period is problematic and that the COBRA one-time cost and implementation period costs should be used as the cost discriminators in BRAC evaluations. The NPV was one of several types of costs that the Army considered when developing recommendations. The one-time costs and implementation costs were also considered. These costs were used to assess the feasibility of implementing recommendations against the finite BRAC wedge. The 20-year NPV was given lesser consideration because the Army measured its return on investment by improvement in military value, not by the Net Present Value.
 - b. Pain and Risk Versus Potential Gain. The Army did not use COBRA values to define Pain versus Gain. The decision to close Ft. Gillem and Ft. McPherson were

based on the military value of installations to the US Army. Ft. McPherson and Ft. Gillem rank 51st and 52nd, respectively, out of 87 Army installations and both have a limited capacity to accept missions other than the support of administrative organizations. Further, the organizations residing on the two installations can be relocated to other, higher ranking installations (Pope/Bragg-5th, Benning-9th, Campbell-14th, Redstone-30th, Eustis-33rd) that provide the Army with more flexibility to accept other non-administrative missions. The pain of investment in relocating these organizations is not only balanced by monetary savings, but by achieving several of the Army's BRAC objectives. These included the divestiture of excess infrastructure, the positioning of the Army to better support Joint operations and the enabling of better training opportunities for Army units.

c. Budget Projection Versus Funding Requirement. The community paper discusses the need for the Services to use significant portions of each Services' Total Obligation Authority (TOA) to support the difference between the \$25 Billion BRAC implementation estimate and the \$13 Billion BRAC Wedge. The community did not include the savings achieved by BRAC recommendations during the implementation period that must be spent on BRAC implementation (per the FY05 Strategic Planning Guidance). Further, these costs are estimates and will be refined during implementation to best support all of the military's goals and strategic objectives.

d. Co-location Does Not Always Equal Jointness. The community paper states "to divest 3rd Army of the capability to coordinate directly and on-site with its force providers (FORSCOM & USARC) makes no sense". The relocation of 3rd Army to co-locate it with its Air Force CENTCOM counterpart (9th Air Force) is designed to promote a joint relationship. This relationship will foster improved joint war planning and execution efforts in support of CENTCOM operations. This will not have an adverse impact on the relationship between 3rd Army and its force providers. This is illustrated by the relationship between these same two force providers and all other Army Combatant Commands, none of which are located in the Atlanta area.

e. Workforce Availability. During the BRAC Commission hearings in Atlanta on 17-19 May, concern was expressed about the loss of skilled professionals who would not relocate with FORSCOM, USARC & 3rd Army. These three commands are administrative headquarters and the most valuable skill their employees possess is an intimate knowledge of Army operations. Meeting the demand for employees will be accomplished by various Army personnel programs, and the fact that both Fayetteville, NC and Louisville, KY have large dependent and retiree populations to draw on for skilled personnel.

f. Enclaves are Like Islands. The community paper expresses several misconceptions about the units to remain in the Ft. Gillem enclave. Each of the organizations slotted to remain in the enclave has a mission in local area (such as the Reserve units, National Guard units, and Military Entrance Processing Station) or could not be replicated elsewhere. The Army's Installation Management Agency will continue to provide administrative and logistical support to the installation and the recommendation left a

small garrison support staff to do so. Several organizations were moved to "Base X" to await further stationing actions. However, the MEPS and the Army Reserve Military Intelligence Center are not among them. In fact, the Navy is relocating a small Reserve Intelligence unit to the enclave at Ft. Gillem to co-locate with the Army unit.

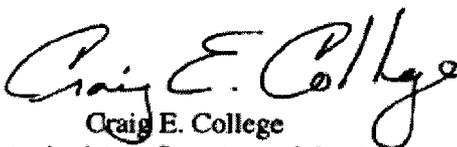
g. **Military Effectiveness Versus Cost Efficiency.** The concerns expressed in the paper that the Army will degrade its ability to effectively manage the deployment and repatriation of forces overseas was addressed at every step of the recommendation development process. The Army G3, force structure and modernization offices were consulted and provided the Army TABS office with information on stationing throughout the BRAC analysis. Deployment and surge capabilities were also considered in order to allow effective continuity of operations and management of war efforts. It is the view of the Army leadership that relocating these Headquarters to installations from which soldiers actually deploy, can only enhance the Army's ability to go to war.

h. **Recruiting an Army.** The Army is currently facing challenges in recruiting. However, the closure recommendations for Ft. Gillem and Ft. McPherson will have little impact on recruitment in the Atlanta area. Local recruiting offices were not considered under BRAC. Their location will continue to be determined by the Army's recruiting Command based on local demographics.

4. The BRAC Commission has also requested new certified data on the cost of relocating the Defense Information Systems Agency (DISA) communications hub currently located on Ft. McPherson. DISA has provided the Army with a new estimate of \$17.09 Million to perform this relocation.

References:

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