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ORIGINAL

DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

OPEN MEETING

8:30 a.m.

345 Cannon House Office Building
Washington, D.C.

Monday, June 12, 1995

COMMISSIONERS PRESENT:

Senator Alan J. Dixon, Chairman
Mr. Alton W. Cornella
Ms. Rebecca G. Cox
General J.B. Davis, USAF (Ret.)
Mr. S. Lee Kling
Rear Admiral Benjamin Montoya, USN (Ret.)
Major General Josue Robles, USA (Ret.)
Mrs. Wendi Louise Steele

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1 P R O C E E D I N G S

2 CHAIRMAN DIXON: Good morning, ladies and
3 gentlemen. The chair is going to begin and the commissioners
4 will be coming momentarily. It will be a long two days and I
5 think it's imperative to honor the schedule.
6 Welcome to today's hearing of the Defense Base
7 Closure and Realignment Commission. My name is Alan Dixon,
8 and I am Chairman of the Commission. With us today are my
9 colleagues, Commissioners Al Cornella, Rebecca Cox, and S.
10 Lee Kling. Other commissioners will be joining us later.
11 As most of you know, this Commission is heading
12 into the final three weeks of its difficult and unpleasant
13 task of recommending to the President which domestic military
14 bases should be closed or realigned.
15 Since we received the Closure List from Secretary
16 Perry 15 weeks ago, the commissioners have held 10 hearings
17 here in Washington, 16 regional hearings around the country,
18 and made 200 visits to some 75 military bases.
19 Today and tomorrow we will hear testimony from
20 members of Congress whose states or districts are affected by
21 the Base Closure List. This is an important part of the
22 process. For the past three-and-a-half months, commissioners

1 and staff have been in regular contact with elected officials
2 and community members. But our hearings today and tomorrow
3 will us one more chance to hear sharply-focused arguments
4 regarding bases on the list.
5 Let me assure members of Congress and everyone
6 else, this Commission has made no decisions yet regarding
7 which bases will close and which will not.
8 Information regarding many installations is still
9 coming in and is still being evaluated by the commissioners
10 and the Commission staff. That process will continue right
11 up to June 22nd, when the Commission begins its final
12 deliberations.
13 That is why we regard these two days of testimony as
14 extremely valuable to each of the commissioners.
15 We have more than 200 members of Congress who have
16 indicated their desire to speak before the Commission on
17 these two days. We will hear testimony state-by-state, and
18 each member will be limited to five minutes. We will be
19 required to enforce that limit strictly.
20 Anyone who has longer remarks or who wishes to
21 submit additional testimony for the record, is welcome to do
22 so.

1 Let me also say that the Base Closure Act requires
2 that all testimony given before the Commission will be made
3 under oath. Our staff counsels, Madelyn Creedon and
4 Elizabeth King, will swear in members before they testify so
5 that we keep things moving.
6 With that, I believe we are ready to begin.
7 Well, a very distinguished member of the United
8 States Senate, Senator Pete Domenici.
9 SENATOR DOMENICI: Thank you very much, Mr.
10 Chairman and members of the Commission. I am pleased to be
11 here with the New Mexico delegation, and I am very hopeful,
12 Mr. Chairman, that the entire delegation will follow your
13 admonition and that hopefully we will yield back, as the
14 Senate says, some of the time.
15 We were shocked in Albuquerque and in New Mexico
16 when we got word of Kirtland Air Force Base realignment.
17 Frankly, my thoughts were something really must be --
18 somebody must have made a bad mistake. Well, it turns out,
19 Mr. Chairman and members of the Commission, that we had a
20 very excellent group of professionals and lay people in our
21 state who got together and put up some resources and set
22 about to get the facts.

1 I think some of you have now grown to know former
2 General Leo Marcus who is the -- our chief spokesman and the
3 director of our BRAC group in New Mexico. He was helped by
4 General Hugh Scott and Sherm McCorkle, John Bootsic and
5 Charles Thomas and Bob Francis and our very distinguished
6 mayor.
7 As a result of their efforts, when you had a
8 hearing in Albuquerque, none of us even testified. We just
9 decided to let you get the facts. It turned out, I thought,
10 it was an exciting and very well prepared presentation. And
11 then might I say to you, that we figured early on after a
12 hearing in one of our subcommittees that somehow or another
13 the Air Force had left out of their equation a very
14 significant portion of the costs that would be left to the
15 Defense Department after realignment.
16 You see, the Department of Energy's money that is
17 spent on Kirtland Air Force Base is Department of Defense
18 money. So it is kind of of interest to me how the Air Force
19 failed to understand that a very big portion of the
20 Department of Energy's residual costs were actually Defense
21 costs, but they are.
22 It turns out, in simple language, they thought they

1 would save $500 million, it turns out they would lose $500
2 million. Put it another way, it would cost the taxpayers
3 instead of saving the taxpayers, and we think that is your
4 primary task.
5 We don't think we are the only ones saying this,
6 but we are very pleased today, and one of the reasons we
7 won't use all our time is that the Secretary of Defense who
8 had been very forthright with us, and said that, "If we are
9 mistaken, we will indicate that."
10 And I think you all now have a letter from the
11 Secretary of Defense who upon review of this and review by
12 the Air Force has concluded that, "After reviewing the
13 results of the site survey, it is my judgment," said the
14 Secretary, "that the recommendations for the realignment of
15 Kirtland Air Force Base no longer represents a financially or
16 operationally sound scenario. I ask that you take these
17 matters into consideration."
18 Mr. Chairman, members of the Commission, obviously
19 this matter is still in your hands, because until you rule,
20 it will be there. But it seems to me the Secretary of
21 Defense has clearly said to you, "We made a mistake. In
22 fact, we made a very big mistake. It will cost us about $500

1 million if we move this, instead of saving any money."

2 I might add, as an aside, I think the mistake was

3 made because while this facility says Kirtland Air Force

4 Base, it is really not an air base. The entire Defense

5 Department should have evaluated it, because it's an Air

6 Force Base plus a lot of other things. And in looking at it,

7 they carved out the Air Force situation and forgot about the

8 rest, yet all the rest belongs to the -- for the most part --

9 belongs to the Defense Department and therefore it should

10 have been looked at in a very different way.

11 I'm very pleased today that we have this good

12 evidence from our Secretary, and I must tell you that the

13 Secretary of Defense is one of the most forthright and

14 honorable men I have dealt with in government. He told us,

15 "If we made a mistake, we will admit it." He has admitted it

16 and hopefully, in short order, you all will acknowledge that

17 they made a mistake and relieve the people of Bernalillo

18 County, Albuquerque, New Mexico, permanently, rather than

19 temporarily, permanently of this very, very serious problem

20 that hangs over their heads.

21 Thank you very much.

22 CHAIRMAN DIXON: Well, I thank the distinguished

1 senior Senator from New Mexico. I thank him for setting the
2 precedent for the day by using only four of his five minutes.
3 The Chair would like to observe anybody can make a mistake,
4 the Chair just forgot to turn on his toggle switch, and so
5 the Chair wasn't on the air when he opened the meeting this
6 morning. I would admonish my commissioners, these mikes
7 aren't live, you have to turn the switch on with your left
8 hand.
9 We thank the distinguished senior Senator and we're
10 pleased to see his colleague and my old friend, a
11 distinguished Senator in his own right, Senator Jeff
12 Bingaman. We're pleased to have him here. Good morning.
13 [Microphone on]
14 SENATOR BINGAMAN: Thank you very much, Mr.
15 Chairman. It's an honor to be here and I'm gratified to see
16 that you keep to your time honored tradition of starting
17 meetings on time, which I certainly commend and it's
18 certainly out of step with the rest of the Senate and the
19 Congress.
20 Let me join Senator Domenici and the other members
21 of our delegation in complimenting our Secretary of Defense
22 for the way he has handled this matter. He did meet with us

1 several times during the process, and he indicated to us that
2 he was going to give this his personal attention.
3 If there had been a mistake made in the
4 recommendation or in the calculation of savings, that he
5 would acknowledge that, and he would not do anything to cover
6 it up or in any way try to wiggle out of it. He did
7 acknowledge that in the letter that Senator Domenici read to
8 you, and he indicated that based on the new information that
9 he has, it does not make sense to proceed with realignment of
10 Kirtland Air Force Base.
11 I think the problem, as was stated, came about
12 because the Department of Defense did not take the
13 recommendations of either the Senate Arms Services Committee
14 or the General Accounting Office in deciding what costs to
15 include when it calculated cost savings or savings to the tax
16 payer.
17 The Armed Services Committee, in an earlier report,
18 in 1993, had said you should include the costs incurred by
19 other agencies, and the General Accounting Office agreed with
20 that. Unfortunately, the Department of Defense concluded
21 that, first, those costs would be very difficult to estimate
22 and, secondly, they would be minimal. I think they concluded

1 they would probably be less than 2 percent of the total
2 savings involved, so that they would just ignore them.
3 That's what caused the problem that we encountered
4 here. When they ignored those costs, they essentially wound
5 up making about a billion dollar mistake in the case of
6 Kirtland Air Force Base. So it was not a 2 percent error in
7 the case of Kirtland, it was a billion dollar error, which
8 was nearly 100 percent error.
9 So that was the basis of the problem. I think it's
10 clear now that the Department has recalculated, they know
11 that it does not make sense to proceed, and I would just
12 point out to this Commission that you have the opportunity
13 here to do a great service to the people of the country early
14 in your deliberations and that is to save them a half-billion
15 dollars by turning down any suggested realignment of Kirtland
16 Air Force Base.
17 So we appreciate the chance to be here today.
18 Thank you.
19 CHAIRMAN DIXON: Well, we thank you, Senator
20 Bingaman, and we appreciate that good comment by both of you.
21 And the Senators are excused if they care to go on about
22 their business.

1 We're delighted to have members of the Congress,
2 distinguished Congressmen from that state, Representative Joe
3 Skeen.
4 REPRESENTATIVE SKEEN: Thank you, Mr. Chairman, and
5 I appreciate you being here and the fellow members of the
6 BRAC, or the BRAC Commissioners. And I appreciate you taking
7 the time to listen to this delegation. I'm sure that you
8 heard many of these stories over and over and over again.
9 In this case I think there was a terrible omission
10 in the data that was provided to you for the proposed closure
11 of Kirtland Air Force Base. I'd like to cover just that one
12 particular issue with you this morning.
13 As you know, from your visit to Albuquerque, one of
14 the most essential and critical missions of the Air Force at
15 the Kirtland facility involved nuclear assurity and safety.
16 And since the Manhattan Project, the Los Alamos National
17 Laboratory has developed our nation's nuclear arsenal. And
18 to complete the process, the Sandia National Lab was
19 established on Kirtland Air Force Base to engineer the
20 warheads and to use the weaponry and to make them into a
21 carrier weapons system.
22 The Atomic Energy Commission and its military

1 counterpart of the Defense Nuclear Agency was based or were
2 based in Albuquerque. In conjunction with the nuclear safety
3 detachment of the Air Force Safety Center and with the
4 Security Police branch of the Air Force, they have been
5 responsible for safety, inspection, and procedures for the
6 safeguard of the warheads and the safe transportation and
7 operation thereof. And these functions rely on a daily
8 interaction between several agencies and are performed solely
9 with our nation's nuclear stockpile management and
10 stewardship mission in mind.
11 Safety is something you plan for, not something you
12 take for granted. Remarkable, under this arrangement, there
13 have been no accidents involving nuclear weapons which
14 involved the nuclear yield, and this is an achievement
15 regarding daily and constant interactive vigilance on the
16 stated condition, not only of the weapons themselves, but on
17 the delivery systems or the infrastructures in which they are
18 made in.
19 The Air Force has subsequently called attention to
20 these matters, noting in May 3rd memo to the BRAC that
21 alternatives are being reviewed to examine the retention of
22 DNA at Kirtland and military security operations at the

1 Kirtland Underground Munitions Storage Center.

2 I ask the Commission to consider the special

3 circumstances surrounding all tenants at Kirtland Air Force

4 Base that relate to the nuclear assurity mission and take

5 these important factors into account when you make your final

6 recommendations. I'm sure that you will, knowing the

7 fairness of which you usually accomplish your work. I

8 appreciate the fact that you folks have a distasteful job in

9 many cases, but you do it and you do it very well. Thank you

10 very much.

11 CHAIRMAN DIXON: Thank you, Representative Skeen,

12 for those excellent remarks. We're delighted to welcome

13 Representative Bill Richardson. Representative Steve Schiff.

14 And may I say, with respect to Representative Richardson, if

15 he arrives by 8:55, we will hear him. I want to say before

16 Representative Schiff makes his remarks. No one has a higher

17 regard or warmer feeling about the Congressmen and the

18 Senators in this great Congress than this Chair, but if you

19 don't arrive on time, you ain't going to be heard. And that

20 word can go out to the House and Senate first thing this

21 morning.

22 Representative Schiff.

1 REPRESENTATIVE SCHIFF: I think that message was
2 just delivered loud and clear, Mr. Chairman. Mr. Chairman, I
3 would like to begin, first, by thanking the staff of your
4 Commission. All during this process, they were always
5 available and open to discuss facts and to exchange
6 information, I'm sure, not only with our state's
7 congressional delegation, but with other states and with the
8 Department of Defense officials. And I think that that
9 ability to exchange information has certainly furthered this
10 process along for all of us who participate in it.
11 Second of all, I would like to emphasize the
12 community view of Kirtland Air Force Base. We have not left
13 this towards the end because it's unimportant, quite the
14 contrary. The potential loss of number of jobs at our
15 state's largest military base, given a population which is
16 one of the smallest in the United States, would have a very
17 strongly adverse impact on our economy.
18 We've left it towards the end of this presentation
19 because we know that every state will present to you the idea
20 that they don't wish to lose jobs in their particular areas,
21 which is most understandable. However, we know that
22 decisions have to be made by the Department of Defense and

1 ultimately this commission, and so we have chosen to
2 emphasize first the exact same approach that the Air Force
3 and the Department of Defense used in terms of bringing this
4 recommendation to the BRAC Commission in the first place.
5 The Air Force argued that by realigning Kirtland,
6 that they could save considerable money and not reduce
7 military efficiency, and the congressional delegation and the
8 community steering committee, which presented the testimony
9 before you in Albuquerque, took the position that if that's
10 true, then we would expect that realignment to go forward.
11 But we analyzed the facts according to the COBRA
12 model with respect to savings and according to military
13 efficiency as we understood it. And we came to the opposite
14 conclusion, that there would be no savings in the realignment
15 of Kirtland, only a cost shifting at best, and perhaps even
16 additional costs as remaining tenants had to struggle for
17 themselves to resupply the support that they were losing.
18 And second, there would be severe degradation of
19 the military mission with respect to nuclear facilities and
20 with respect to other operational tenants, such as the 58th
21 Special Operations Wing. And we believe that the letter that
22 you have just received from the Secretary of Defense, who as

1 indicated, said he would send such a letter if we
2 demonstrated these facts, supports the position that we've
3 taken, that in fact there would not be a cost savings and
4 there would be an adverse effect on military readiness.
5 Mr. Chairman, one final word, we in the
6 congressional delegation are supremely aware that your
7 Commission has an independent responsibility to make a
8 judgment on this matter. We know fully well that this letter
9 from the Secretary of Defense does not end the issue as a
10 matter of law, that you have and you will take a separate
11 vote.
12 What we ask most respectfully, however, is this, we
13 ask that if there are any continuing questions on the part of
14 the Commission, that between today and whenever it is
15 established to take the vote, we ask that the Commission,
16 through its staff, advise us if there are any questions that
17 remain unanswered, so that we have the opportunity to further
18 address this issue.
19 But with that, we again thank the Commission for
20 its time, its attention, and its responsibility. Thank you,
21 Mr. Chairman.
22 CHAIRMAN DIXON: Well, we thank Representative

1 Schiff for those very fine remarks and we are pleased to note
2 that Representative Bill Richardson has arrived precisely on
3 time, and he is recognized. Representative Bill Richardson
4 from the great State of New Mexico.
5 REPRESENTATIVE RICHARDSON: Mr. Chairman, thank you
6 very much, and I appreciate the nice courtesy and welcome to
7 the Commission.
8 Mr. Chairman, I'm glad that Secretary Perry has
9 forwarded a letter to the BRAC recommending the Commission
10 remove Kirtland from the list, and as this Commission
11 convenes for two days to discuss military installations from
12 all around the country. It's good to encounter very good and
13 well developed arguments to preserve various bases.
14 Quite frankly, every delegation that comes before
15 you wants to win, and with that in mind, I ask you to
16 consider the enormous amount of community effort, especially
17 in the City of Albuquerque that is involved in presenting
18 solid, convincing evidence to save an important local
19 commodity.
20 Clearly, the facts are on the side of Kirtland Air
21 Force Base, but more importantly, consider the necessary
22 teamwork of a community that is dedicated to saving a

1 military installation. It is that dedication that has
2 brought out the facts about Kirtland.
3 It is the community that has presented these facts.
4 It is loyalty that not only maintains this base, but
5 preserves the security of our country. The letter confirms
6 what many of us in our delegation have long maintained, that
7 Kirtland is not a good choice for realignment, because it
8 does not save money and it jeopardizes our American security.
9 New Mexico has had a long history of military
10 cooperation and hospitality, and the outstanding relationship
11 between Kirtland and American national security are a big
12 part of our state's military future.
13 Mr. Chairman, when Kirtland was selected as the
14 base for centralized training for all rescue and special
15 operations forces, the climate, the vast, sparsely populated
16 areas for low-level training, mountains, water, desert,
17 forest, designated firing ranges, et cetera. All of these
18 were important factors that consistently rose to the top for
19 Kirtland.
20 And as a result of these natural advantages, DOD
21 has developed appropriate infrastructure at Kirtland to
22 provide the world's most technologically advanced and

1 sophisticated training within the DOD. Besides that, its
2 energy and nuclear components that are so essential to this
3 base lead me to believe, Mr. Chairman, that Kirtland has
4 other values besides the training component.
5 Mr. Chairman, with that, let me conclude. Let me
6 thank you for your courtesy. Let me also state that I hope
7 that the Commission concludes its work with the same
8 excellence that it has developed as we move through this
9 process. But as somebody who has received a letter of good
10 news, at least, from the Secretary of Defense, on their base,
11 my hope is that other communities that have this status, that
12 may be justified in keeping their base, I hope they have the
13 same kind of luck and good sense that the State of New Mexico
14 has. Thank you.
15 CHAIRMAN DIXON: Well, we thank you very much,
16 Representative Richardson. We thank the fine delegation from
17 the great State of New Mexico, and we recommend to the
18 Congress the high regard for brevity demonstrated by the
19 great State of New Mexico this morning. God bless you all.
20 Thank you for coming.
21 The Chair observes that State of New Mexico
22 dispatched its duties so remarkable well that there is a

1 brief time here. But the Chair cautions everyone now that
2 the Chair will be very, very, very rigorous about his
3 devotion to the schedule.
4 And if there are people from South Carolina here,
5 the South Carolina delegation should note that their
6 presentation begins at 9:03 and ends at 9:23 and will be
7 firmly enforced.
8 (A brief interruption to the proceedings.)
9 CHAIRMAN DIXON: May I inquire of my distinguished
10 colleague and old friend, the South Carolina delegation does
11 not have to move forward until 9:03, so that you have about
12 seven or eight minutes. I can accommodate my old friend and
13 hear him now and excuse him, if he is willing to accommodate
14 us, but I can wait.
15 SENATOR HOLLINGS: Mr. Chairman, I was
16 accommodating you and delighted to do so, because we do have
17 the telecommunications bill up and Senator Pressler and I
18 have got to get right back to the floor.
19 CHAIRMAN DIXON: Well, I want to say to my old
20 friend that it is a great and sincere pleasure to welcome to
21 this body -- and I see his colleague coming now. Do you two
22 gentlemen, both of whom are here well in advance of the time,

1 have any order of sequence that you would like to follow,
2 because I will accommodate you, whatever way you want.
3 SENATOR HOLLINGS: I will yield to the Senior
4 Senator.
5 CHAIRMAN DIXON: Well, it is my great pleasure to
6 say to the most senior Junior Senator I ever knew that we're
7 pleased to accommodate his colleague, the great President Pro
8 Tempore of the Senate of the United States, my old friend,
9 the Chairman of the Armed Services Committee, the Senior
10 Senator from the great State of South Carolina, Senator Strom
11 Thurmond.
12 SENATOR THURMOND: Thank you very much, Mr.
13 Chairman.
14 CHAIRMAN DIXON: My pleasure.
15 SENATOR THURMOND: It's a great pleasure to see you
16 again and see the members of this Commission again. I think
17 you're doing a fine job.
18 Chairman Dixon and members of the Base Closure
19 Commission, on behalf of the South Carolina congressional
20 delegation and the citizens of my great state, I want to
21 commend you, the members of the Commission and your staff for
22 the thorough and professional conduct of the proceedings

1 during the past three months.

2 The Commission's openness and willingness to assist
3 our communities and their representatives are a credit to
4 your leadership and dedication to insuring that the base
5 closure process is credible. My appearance before the
6 Commission is in marked contrast to the appearances I made in
7 1991 and 1993.

8 On those occasions, I pleaded with the Commissions
9 to keep open two key South Carolina military bases. To
10 everyone's dismay, the Commission recommended the closing of
11 the Myrtle Beach Air Force Base and the Charleston Navy Base
12 complex. This year South Carolina is fortunate to be on the
13 receiving end of the BRAC list.

14 Although the Department of Defense is recommending
15 some closures or realignments in Charleston and Shaw Air
16 Force Base, it is also recommending the realignment of two
17 additional fighter squadrons to the Beaufort Marine Corps Air
18 Station, proposing the redirect of the Navy's Nuclear Power
19 Training Command to the Naval Weapons Station Charleston and
20 increasing the training load at Fort Jackson.

21 We believe these are sound recommendations and ask
22 for your favorable consideration. Mr. Chairman and members

1 of the Commission, I want to point out that I would not be
2 here today had it not been for the misleading testimony
3 regarding Charleston that was provided to you during the May
4 5th regional hearing in New York.
5 The base closure process is painful enough without
6 adding salt to the wound by making inflammatory speeches
7 about other bases. My sole purpose this morning is to
8 present you with the facts regarding the Naval Weapons
9 Station in Charleston.
10 In my presentation, I will focus on the allegations
11 that the selection of the Naval Weapons Station Charleston as
12 a new home of the Nuclear Power Training Command was faulty.
13 Senator Hollings and Representatives Clyburn and Sanford will
14 respond to other comments at the regional meeting that was
15 slandered against moving the nuclear power school to
16 Charleston.
17 In one grievous statement uttered in New York was
18 that the proposed site for the school at the Naval Weapons
19 Station is all woods and wetlands. It is obvious that the
20 person who made this statement did not do his homework.
21 Although the photos used to illustrate woods and
22 wetlands were taken at the Naval Weapons Station, they were

1 not at the proposed school location. The actual site is
2 located on a superb location that is approximately 100 acres
3 of highland and is immediately adjacent to base housing, a
4 community center, and exchange facilities.
5 Although we have woods and wetlands on the Weapons
6 Station, they will in no way impact, much less hinder, the
7 establishment of the Nuclear Power Training Command. In
8 fact, they provide a beneficial recreational environment for
9 the school facility, students and their families.
10 Those who oppose moving this school to Charleston
11 also throw up the smoke screen that the appropriate
12 environmental studies have not been completed. That
13 statement is misleading when you consider that the Army is
14 currently establishing a strategic mobility logistic base on
15 the Weapons Station and has encountered no environmental
16 problems.
17 I would point out that the Army's facility has a
18 much greater environmental impact than the academic
19 surroundings of the Nuclear Power Training Command.
20 Finally, it was alleged that Charleston did not
21 have the facilities nor the infrastructure to support the
22 Nuclear Power Training Command, anyone who has been to

1 Charleston knows that the Naval Weapons Station Charleston is
2 the host command for the nuclear power training unit, the
3 Army's strategic mobility logistic base, the Navy's
4 consolidated brig, and military traffic management command.
5 To support these commands and their prospective
6 Nuclear Power Training Command, the weapons station has over
7 2,000 family housing units, extensive medical and dental
8 facilities, superb recreational facilities, and most
9 importantly, a community that cares for and supports our
10 nation's military.
11 The last point speaks for itself. Soldiers,
12 sailors, airmen and Marines have traditionally considered
13 South Carolina as one of the most desirable duty stations.
14 We all know that a reasonable cost of living, community
15 membership, and most significantly, security for families are
16 important to our armed forces personnel and for their quality
17 of life.
18 We provide all these criteria in South Carolina,
19 especially in the Charleston area. And Mr. Chairman, you and
20 your colleagues will soon end this strenuous and emotional
21 process. You have heard the facts regarding our facilities,
22 they speak for themselves. We trust your independent

1 commission to render a fair and informed judgment of the
2 Navy's recommendation to relocate the Nuclear Power Training
3 Command to Charleston.
4 We believe that when the facts, the true facts, are
5 known, you will agree with the Navy's recommendation. I can
6 ask no more, nor can the people of South Carolina. We again
7 thank you for your consideration and best wishes to each of
8 you in the important work you're doing.
9 Thank you very much.
10 CHAIRMAN DIXON: Thank you, Senator Thurmond. And
11 we're delighted to have your distinguished colleague, who I
12 know has a great many obligations on the floor right now,
13 Senator Fritz Hollings. Pleased to have you, sir.
14 SENATOR HOLLINGS: Thank you very, very much, Mr.
15 Chairman and distinguished members of the Commission. I'm
16 very, very grateful for this opportunity. What happens here,
17 Mr. Chairman and distinguished commissioners, is that the
18 Nuclear Power School this very minute is split.
19 The school instructional is down in Orlando. The
20 hands-on training in New York and in South Carolina. The New
21 York hands-on training is a mark-up. The fact is, some six-
22 and-a-half, almost seven years ago, we took the -- under the

1 SALT agreements -- submarines, the actual nuclear core out
2 and then anchored these subs out into the stream and we've
3 got two submarines there, nuclear subs for the hands-on
4 training.
5 And so, for six-and-a-half years now, we've had 700
6 faculty members and one-half of the 2225 scholars coming for
7 the hands-on training in Charleston. And if I were on the
8 Commission, and I'm sort of mentally posturing myself as a
9 member of the Defense Appropriations Subcommittee for the
10 past 25 or so years, we're looking for every dollar we can
11 save, and here comes the Navy and saying we can save $71
12 million doing this.
13 The only reason they have suggested back in the '93
14 report that it go up to New London, is they had these
15 submarines repairs up there and thought it would be good to
16 start another branch of the school. This thing ought to be
17 coordinated.
18 If I were King for the day, I would put it all in
19 Charleston, because we've got the facilities. We're closing
20 down a 100-year old Naval base and Navy Yard with buildings,
21 housings and everything else galore and a Naval Weapons
22 Station.

1 Out on those wetlands is an old plantation site,
2 right next to it is the oldest golf course in the world, Mr.
3 Chairman, that you would appreciate, Yeoman's Hole Golf
4 Course. This is beautiful country side down there. And
5 Senator Thurmond and others, we were just down there for
6 another dedication.
7 So right to the point, you can look at the savings.
8 The one time cost of initiating the school in Charleston by
9 record is $147 million. It's $163 million up in New London.
10
11 If you went up to New London, you could go up to
12 the --an officer with no dependents in Charleston, the offset
13 cost of living allowance by the Department of Defense is $69
14 monthly in Charleston, $215 monthly in New London.
15 A sergeant with no dependents is $38 monthly in
16 Charleston, it's $142 monthly in New London. And the
17 construction costs on a national average is 85 percent or
18 122, 85 in Charleston, 122 in New London. And the cost of
19 living index for each area, in Charleston it's 98.9 percent
20 of the average and 126.4 percent.
21 Now, I understand the Commission is to realign and
22 save money. Now, why in the Lord's world are we to start a

1 new facility up in New London when the truth of the matter
2 is, you ought to take that mark-up and close it down, up in
3 New York and bring it to Charleston. Now, there is one thing
4 that I've got that my colleagues -- and I got to greatest
5 respect for Senator Lieberman and Senator Dodd and their
6 testimony up at that regional hearing, but the truth of the
7 matter is, I've got a certificate that I'm telling the truth.
8 They don't have that.
9 I've got the General Accounting Office and the
10 Navy, the Navy's Audit Office. They both have verified these
11 figures. They come out, "The Navy's process and
12 recommendations were sound on the location in Charleston." I
13 quote again, "We believe," this is GAO, "the Naval Audit
14 Service effort enhanced the Navy's process," and on and on.
15 So I ask unanimous consent that my full statement be included
16 in the record.
17 CHAIRMAN DIXON: It's my pleasure to reproduce in
18 the record your entire statement, Senator Hollings.
19 SENATOR HOLLINGS: And I thank you and I thank the
20 Commission. Thank you very much.
21 CHAIRMAN DIXON: I thank you, Senator, and I know
22 your obligations on the Senate floor. If you and the

1 distinguished President Pro Tempore need to go, you're
2 certainly excused. We thank you for your valuable
3 contribution.
4 We're delighted to have here two distinguished
5 members of the house from the South Carolina delegation.
6 We're pleased to recognize Representative Mark Sanford.
7 Representative Sanford, thank you for coming.
8 REPRESENTATIVE SANFORD: It's a pleasure to be
9 here, sir. In fact, I'm delighted to not only be with you,
10 but to be with our two distinguished senators from my home
11 state.
12 The United States Navy for 200 years has enjoyed a
13 close working relationship with the Charleston area, and I
14 think we're all delighted of the Navy's intention to move the
15 Nuclear Power Training Command, NNPTC, into our community.
16 Because of this longstanding relationship, the
17 infrastructure for the school already exists in Charleston,
18 for the most part, and let me again reiterate that, already
19 exists.
20 Personnel support would be handled in existing buildings with
21 no extra cost. This includes military housing, medical and
22 dental support, extensive recreational facilities.

1 The recently renovated Min Riv Facility which I
2 might add is the largest Navy housing complex in the United
3 States, has 2,089 units, is located in very close proximity
4 to this center. I mean, roughly three-quarters of a mile,
5 half-a-mile, just straight through the woods, if you will.
6 In addition, an elementary school, chapels,
7 commissaries already exist and would be convenient for on-
8 base personnel and their families. Building similar support
9 facilities in New London would cost $2.6 million.
10 In addition, Charleston needs to add about 15,000
11 square feet to its existing medical and dental facilities.
12 This would cost around $4 million, however, this is much less
13 than the $6 million proposed that would be required to add
14 the 23,000 square feet to New London medical and dental
15 facilities.
16 It will be necessary to construct new facilities
17 for NNPTC in Charleston. Again, this is much cheaper,
18 though, given the difference in building costs between that
19 new facility and renovating the older facilities in New
20 London, building cost index is .85 in Charleston, 1.25 in New
21 London.
22 As a result, the cost of a new facility in

1 Charleston would be $27.7 million, again, much less than
2 renovation in New London at $42.7 million. And the
3 Charleston facility could be completed by 1999. Because the
4 NNPTC would be operating in the same area as other Navy
5 facilities, there would be fairly significant economies of
6 scale as well as lower operating costs over leaving the
7 school in Orlando.
8 Finally, the Charleston community has a long
9 tradition of working with the Navy, and because of the
10 reasons outlined, existing infrastructure, $2 million savings
11 with existing medical and dental facilities in place, $2.6
12 million savings in personnel support facilities in place, $20
13 million in the construction of a new facility versus rehab of
14 the old facility in New London, and a completion date of 1999
15 combined with the other reasons, I think outlined by my
16 colleagues, such as 50 percent savings the Senator was just
17 getting at by not moving to prototype training to other
18 places, and additionally, overall operating costs, and
19 frankly, the net present value.
20 I think that is the final number you've got to
21 look at, which is $71.1 million cheaper to move into
22 Charleston than to go to New London, says to me in this

1 particular instance, the American taxpayer would be best
2 served by, I guess, capitalizing on the regional
3 infrastructure and advantages that go with the Charleston
4 site.
5 Doing this would continue a relationship with the
6 city whose people, I think, have ably served and welcomed the
7 United States Navy for almost 200 years. Thank you, sir.
8 CHAIRMAN DIXON: And we are indebted to you. Thank
9 you very much, Representative Sanford, and we're delighted to
10 have your distinguished colleague, Representative James
11 Clyburn with us.
12 REPRESENTATIVE CLYBURN: Thank you, Mr. Chairman
13 and members of the Commission. I'm pleased to be here this
14 morning and join my fellow South Carolinians in the Congress
15 as we voice our support of the Navy's recommendation to move
16 the Navy Nuclear Power Propulsion Training Center to
17 Charleston.
18 Let me say from the outset that I appreciate the
19 job before you. Those of us who have been through this
20 exercise know the concern communities experience as they face
21 the possibility of losing military installations.
22 I respect those emotions and I have the utmost

1 respect for your integrity and impartiality in making these
2 very difficult decisions. I understand, though, that in
3 their zeal to advocate for their communities, some
4 individuals may have offered contradictory information in
5 their testimony.
6 I would like to address, myself, very briefly, to
7 the selection process used by the Department of Defense, and
8 hopefully, clarify any contradictions you may have heard.
9 First of all, Charleston was not considered in the
10 1993 BRAC process as a receiving site for the Nuclear Power
11 School. I am told this has been confirmed by the 1993 Base
12 Structure Evaluation Committee. Any implication otherwise
13 would be misleading.
14 Second, other options were considered this year.
15 Again, I am told the Navy Base Structure Analysis Team and
16 the Base Structure Evaluation Committee for 1995 BRAC did
17 consider New London and Orlando as optional site locations in
18 addition to Charleston.
19 Thirdly, I call your attention to the General
20 Accounting Office Report entitled, Military Bases Analysis of
21 DOD's 1995 Process and Recommendations for Closure and
22 Realignment. From Page 87 of this document I quote, "The

1 Navy conducted a generally thorough and well-documented
2 evaluation of its basing requirements in developing its 1995
3 recommendations."
4 The following statement is also found on the same
5 page of the report, "Another improvement in the Navy's
6 process was the BSEC developed alternative scenarios for
7 review." And finally, Page 9 of this report contains the
8 GAO's recommendations to the BRAC regarding the Navy's
9 process, not one of these recommendations makes reference to
10 a problem with moving the Nuclear Power School to Charleston.
11 Again, I repeat, the GAO did not identify any
12 problem with the Secretary's recommendation to move the
13 Nuclear Power School to Charleston.
14 Mr. Chairman and members of the Commission, again,
15 let me express my appreciation for receiving testimony this
16 morning and for the fine work you are doing for our nation's
17 defense. I know that your objectivity will allow you to
18 complete this difficult task. Thank you and I will be happy
19 to respond to any questions you may have.
20 CHAIRMAN DIXON: Thank you very much, Congressman
21 Clyburn. We're indebted to you for this contribution. Are
22 there any questions from commissioners?

1 (No response.)

2 CHAIRMAN DIXON: We thank you very much and we

3 thank the distinguished South Carolina delegation for that

4 important contribution. Thank the President Pro Tempore for

5 giving us his time, great Chairman of the Armed Services

6 Committee.

7 Now, ladies and gentlemen, we're running a little

8 ahead of schedule. The Alabama delegation starts at 9:26,

9 but I note the presence of the distinguished Senior Senator

10 from the great State of Alabama, Judge Howell Heflin. We

11 would like to accommodate him if would care to go on early

12 and then he would be excused to go about his important

13 business for the great State of Alabama.

14 SENATOR HEFLIN: Well, thank you, sir. Maybe

15 you'll let me have a little extra time with that.

16 CHAIRMAN DIXON: Judge, you're always trying to cut

17 an extra special deal for the State of Alabama. Here come

18 the Judge.

19 SENATOR HEFLIN: Mr. Chairman and members of the

20 Commission, I'd like to take a brief period of time to talk

21 about Red Stone Arsenal and the Anniston Army Depot first.

22 In both cases the readiness of our forces will not be

1 jeopardized, instead, the only issue is savings. And in both
2 cases, the Army followed the last Commission's guidance to
3 consolidate the support of similar commodities.
4 Ninety-five percent of the Army's savings from this
5 consolidation at Red Stone Arsenal comes from the elimination
6 of over 1,000 ATCOM personnel whose jobs duplicate those of
7 MICON employees. Only 5 percent of the savings are due to
8 eliminating leased space. Obviously, the consolidation is
9 the issue, not the elimination of leased office space.
10 Furthermore, General Gordon Sullivan, the Chief of
11 Staff for the Army, in his June the 8th letter to me, which
12 the Commission has, stated, "It is not possible to eliminate
13 the same number of personnel by downsizing in place without
14 an unacceptable degradation of mission."
15 I urge the Commission's support of this proposal
16 which will save the Army $434 million over the next 10 years.
17 If the Commission does not approve the consolidation of the
18 Army depots, in 1999, Anniston Army Depot will be operating
19 at 48 of capacity, Red River at 32 percent, and even with the
20 consolidation, Anniston will only be operating at 78 percent
21 of capacity with just one normal shift.
22 With two shifts Anniston can handle the worst case

1 wartime work load. Most importantly, the Army will save $100
2 million a year if the Commission approves this
3 recommendation. I hope the Commission will recognize the
4 importance of the Meridian Air Force Base, for it employs a
5 number of Alabamians.
6 But let me devote the major portion of my five
7 minutes to Fort McClellan and the major points of a detailed
8 position paper I am today filing with the Commission on
9 environmental and permitting issues. Clearly, proper permits
10 are needed. DOD officials have testified that Fort McClellan
11 should remain open if the Army cannot obtain the proper
12 permits.
13 On May 19, 1993, David Shaw the Director of the
14 Missouri Department of Natural Resources wrote the BRAC
15 Commission that the Army would have to have among other
16 permits, a hazardous waste permit. He stated in effect that
17 the hazardous waste permit would take from 17 to 26 months.
18 The Army waited too long to start on the permits. Missouri
19 faced a dilemma.
20 Director Shaw changed his mind and made a decision
21 that a hazardous waste permit was not needed. A local
22 environmental group appealed his decision. Just recently,

1 the Missouri Attorney General filed a motion to dismiss the
2 appeal, arguing that it was not an appealable order and
3 listed among other reasons, that the director did not have
4 the authority to make such a decision.
5 I wish I had time to quote in detail from the
6 Missouri Attorney General's brief. But let me recite just a
7 few lines for emphasis, "The MDNR position," that is the
8 Natural Resource group, "that a permit is not required does
9 not decide anything, because that department is not strictly
10 vested with the power to decide that issue. Second, that the
11 decision such as it is confers no rights on the Army."
12 Read my position paper on this in detail. There
13 are several pages in exhibits that are put here. It now
14 appears that the left hand didn't know what the right hand
15 was doing. Contrast the words between -- the words of
16 Director Shaw at the April 12th regional meeting in Chicago,
17 "A hazardous waste permit
18 is not required for the 34,000th time," and the words
19 contained in the brief of the Missouri Attorney General
20 raises the issue of the rushed and unreliable approach of
21 certain officials in Missouri as well as its timetable
22 consideration.

1 A great number of other deficiencies on the part of
2 the Missouri agency are pointed out in my position paper, and
3 see particularly Pages 14, 15, and 16. The engineer's report
4 that the permit even puts the CDTF in the wrong county, not
5 even on Fort Leonard Wood. There are endangered species
6 problems which have not been addressed in spite of the voiced
7 concern by the Fish and Wildlife Service and the EPA.
8 I am told and understand that the Army has failed
9 to apply for Nuclear Regulatory Commission licenses. The
10 fog-all permit given to the Army in Missouri is grossly
11 inadequate. I am told that an official of the Army's
12 Chemical School recently evaluated the permit and concluded
13 that it will essentially destroy the Chemical School's
14 ability to effectively do smoke training.
15 Mr. Chairman, a vote to close Fort McClellan is a
16 vote to close the live agent facility without any assurance
17 that one can be built. A vote to close Fort McClellan
18 conditionally upon the receipt of permits is a vote to leave
19 the local community in limbo. And finally, most importantly,
20 a vote to close Fort McClellan is a vote to leave us
21 unprepared for the dangerous world we now face.
22 I hope that we will be able to have a classified

1 hearing on the threat of gases, chemical weapons in
2 connection with the world today and terrorist activity. I
3 have faith that this Commission will do the right thing as
4 previous Commissions on two occasions have done the right
5 thing in the past.
6 Thank you, Mr. Chairman.
7 CHAIRMAN DIXON: Thank you, Senator Heflin, and for
8 your information and for the information of your
9 distinguished colleagues, Representative Glen Browder and
10 Representative Tom Bevill that are here with you, the
11 classified hearing will be held Thursday morning at 8:30.
12 And we're pleased to recognize your distinguished
13 colleague, Representative Glen Browder from the great State
14 of Alabama.
15 REPRESENTATIVE BROWDER: Good morning, Mr. Chairman
16 and members of the Commission. Thank you for this
17 opportunity to testify before you here today.
18 I want to talk about Anniston Army Depot and Fort
19 McClellan, both of which are in my district in Alabama. Let
20 me comment briefly on Anniston Army Depot. The primary
21 issue, I understand, before you today, is the capacity issue,
22 whether Anniston Army Depot can handle the work from closing

1 installations. I think that question was settled
2 unequivocally by Army Chief of Staff Gordon Sullivan last
3 week when he wrote, "Of the three combat vehicle maintenance
4 depots, Anniston has the highest military value. Anniston
5 can certainly handle the work load. Anniston is the obvious
6 choice."
7 Let me spend most of my time on the really
8 contentious case, Fort McClellan, home of the Chemical School
9 and the only live agent training facility in the world. I'm
10 not here today to beg you to save Fort McClellan because it's
11 in my district or because it will have a direct, 17 percent
12 job loss impact on this community.
13 I am here to say that the recommendation to close
14 Fort McClellan is a mistake with significant and dangerous
15 ramifications for our military forces and countless American
16 civilians. I do not know why the Army put Fort McClellan on
17 that list again. In fact, I understand that it was placed on
18 the list right before the recommendations were sent to the
19 Commission over the strenuous objections of the top Defense
20 Department official with responsibility for dealing with the
21 threat of weapons of mass destruction.
22 Today I ask only two things of you, and you've

1 granted one of them. First, I ask that you focus your
2 attention to what others, others that are more qualified and
3 impartial than I, say about Fort McClellan.
4 President Bill Clinton, "Fort McClellan will play a
5 special role in support of the Chemical Weapons Convention as
6 a training center for U.S. troops under our chemical defense
7 program." Our Commander in Chief wrote this statement after
8 the Commission had voted, had acted for the second time to
9 remove Fort McClellan from the Army's recommended list.
10 The Henry L. Stimson Center, "In closing," they
11 have written to you, "we believe that it would be wise for
12 the Commission to once again reject the recommendation to
13 close Fort McClellan." The Stimson Center is one of the most
14 respected arms control institutions in the world, located
15 here in the Nation's Capital.
16 Third, "The Commission should again act to keep
17 Fort McClellan open," writes to you a representative of
18 another of Washington's most prominent defense policy
19 institutions, the Center for Strategic and International
20 Studies."
21 Next, "We join with others in believing the
22 Commission should reject the recommendation to close Fort

1 McClellan." That comes from representatives of another
2 leading institution, the Chemical and Biological Arms Control
3 Institute.
4 These are not the pleadings of parochial
5 congressmen for you to save my base. These are serious
6 policy statements from some of the -- from the President of
7 the United States and some of the premier national defense
8 and arms control organizations in the world.
9 Thus, I come to my second request, which you have
10 granted. I ask that you convene this classified session of
11 the Commission to ask some of our key defense and
12 intelligence officials about the threat of proliferation,
13 proliferating chemical weapons over the past two decades,
14 about our chemical defense training program, about our
15 international treaties and agreements regarding chemical
16 weapons, about our urgent initiatives to deal with terrorism,
17 about the role that Fort McClellan plays in this incredible
18 array of concerns, and about the disruption and degradation
19 that inevitably would accompany the closure of this
20 installation.
21 Twice before, in 1991 and 1993, the Army made
22 similarly shortsighted and dangerous recommendations to close

1 Fort McClellan. Consequently, twice before, the Base
2 Realignment and Closure Commission demonstrated extraordinary
3 vision and courage and guaranteed the continuation of a
4 critical resource for America's men and women who are
5 required to fight and survive chemical warfare.
6 Mr. Chairman and members, you face this same
7 challenge. You have my support and my prayers as you face
8 this challenge, and I appreciate the opportunity to address
9 you today.
10 CHAIRMAN DIXON: Thank you very much, Congressman
11 Browder, and let me tell you and your entire distinguished
12 delegation that we will have a hearing Thursday morning at
13 8:30, it will be a classified hearing, neither state, Alabama
14 or Missouri will be invited. The Commissioners will hear the
15 classified questions on merit and we thank you for your
16 request.
17 And we're delighted to welcome Congressman Tom
18 Bevill.
19 REPRESENTATIVE BEVILL: Thank you, Mr. Chairman and
20 members of the Commission. I appreciate your inviting me to
21 participate in your efforts to determine the best interests
22 of our defense needs and our economy regarding the military

1 limitations recommended for closing or realignment. And I
2 want to let you know about my support for keeping Fort
3 McClellan open.
4 Though Fort McClellan is not in my district, I have
5 many constituents that are employed there and working there
6 and certainly it would have a very large -- the closing of
7 this base would have a very large negative impact for keeping
8 Fort McClellan open -- have a large support for keeping it
9 open.
10 And so I realize of course that's not the
11 controlling factor in your decision and they are certainly
12 not the only concern, but it is -- Fort McClellan is a
13 respected, productive and much needed military facility. It
14 provides essential training for defense against chemical
15 warfare and efficient and effective training for our military
16 police.
17 I think that in placing Fort McClellan on a list of
18 possible bases to be closed, the Defense Department
19 concentrated too much on estimated numbers and their page and
20 not enough on the real world circumstances.
21 Today more than ever the threat we face in chemical
22 weapons brings fear into every aspect of society. We need

1 only to look at the terrorist nerve gas attack on the Tokyo
2 subway system to see that chemical weapons, that they have
3 not gone away. They are an essentially and easily obtained -
4 - they are an easily obtained threat to peace and safety.
5 Now is not the time for us to dismantle and move
6 the world's finest chemical warfare school. Now is the time,
7 however, to strengthen this base to better preserve our
8 defense, our security and our future.
9 As you know, Anniston Army Depot is one of several
10 sites in the country which soon will be destroying outdated
11 chemical weapons. From the outset, the people of North
12 Alabama have been told they would have Fort McClellan and its
13 experts standing by to assure safety in the destruction of
14 these weapons.
15 Now, this relationship uniquely binds Anniston and
16 Fort McClellan and its demise could threaten the continued
17 well-being of communities in this area. The BRAC report
18 estimates a net savings of $316 million closing Fort
19 McClellan, and all these estimates and so forth, but that too
20 is not really, in my judgment, the key point in your
21 consideration.
22 Frankly, I think if this -- if this base -- if Fort

1 McClellan is closed, this commission will be opening a can of
2 worms that will be living with us for a long time to come,
3 because we've got this nerve gas stored there nearby. It's
4 got to be disposed of, and it's one that we don't have any
5 choice about, and it's one that deals with the nuclear waste
6 that I initiate the funding on my panel, that I've chaired
7 for 17 years. We're dealing with nuclear waste,
8 and I can tell you now, this will open up a can of worms to
9 close this base and the security that is going to be
10 necessary for disposing of the nerve gas that has to be
11 disposed of there, and it's just a question of whether it's
12 going to be done on site or whether it's going to be hauled
13 away, and it looks like it's going to be on site.
14 And an experiment is going on right now in the
15 Pacific to make this decision. So I'm just -- the fact is
16 that Fort McClellan is working not only for Alabama, but for
17 the military and we have a bond of trust there and we are
18 proud to house this important facility in our state.
19 I do not want to lose this existing partnership
20 while chasing doubtful benefits of what I feel are overstated
21 and paper savings. At the same time, we would be weakening
22 our chemical warfare defenses in the face of increased

1 terrorist threats. For the economy of North Alabama, the
2 continued safety of our communities and the defense of this
3 nation, I request that the BRAC keep Fort McClellan open.
4 Thank you for allowing me to present this testimony
5 and thank you for your important efforts.
6 CHAIRMAN DIXON: Well, Congressman Tom Bevill, we
7 thank you for your important contribution and we thank the
8 distinguished Alabama, the State of Alabama and their
9 delegation for their excellent presentation.
10 Now, at this time, the time slot is the State of
11 Alabama, the great State of Alabama -- pardon me, the great
12 State of Alaska, Alabama having concluded. And we are a
13 little ahead of schedule and we are going to wait momentarily
14 for the distinguished congressman from the State of Alaska
15 who will be here well in advance of the slotted time for the
16 State of Alaska.
17 So the Commission and the room will be in temporary
18 recess until we resume with the State of Alaska.
19 (A brief recess was held.)
20 CHAIRMAN DIXON: our friends from the House and the
21 Senate were briefed that we had a little bit of time. But I
22 have to continue to remind everybody that when 220-some

1 members of the House and Senate want to testify, you just
2 have to be very tough about adhering to the schedule. The
3 Chair is going to be tough.
4 The State of Alaska has a time frame that extends
5 through 9:59 this morning. And the Chair will honor that
6 time frame. At 9:59, the gavel falls on Alaska, and we go to
7 the State of Arkansas. But we will have Congressman Don
8 Young here in plenty of time. And there may even be some
9 time left over.
10 But I hope the word is going back through staff
11 people -- I see staff people coming in and out -- to both the
12 House and Senate. You have to be in your time frame. We
13 cannot possibly accommodate people that aren't here in their
14 time frame.
15 (A brief recess was taken.)
16 CHAIRMAN DIXON: Will the Commission come to order,
17 please. And we are pleased to have the distinguished
18 Congressman from the great State of Alaska, Representative
19 Don Young here. And the Chair has instructed that your fine
20 colleagues from the Senate have clothed you with the
21 authority, Representative Young, to speak for the great State
22 of Alaska.

1 And I would like to tell you to return to your
2 Senators and tell them that I read their book, "The One
3 Thousand Mile War." Fifty-three years ago this week, the
4 Japanese attacked Alaska on June 3, 1942, bombed the barracks
5 and killed 25 Americans. And I was moved to find that next
6 to Iwo Jima, the greatest lives lost on both sides in a war
7 on the Pacific Theater was a war on our soil in the great
8 State of Alaska.
9 I read the book, was enthralled by the book. Not
10 many Americans remember that remarkable chapter in our
11 history. And I am indebted to you and your colleges from the
12 Senate for making that information available to the Chair.
13 One learns something new every now and again in one's life,
14 and I found that book to be a remarkable documentary on a
15 phase in a history period in our existence that is something
16 remarkable for America.
17 And Congressman Don Young from the great State of
18 Alaska, we're delighted to have you here, sir.
19 REPRESENTATIVE YOUNG: Thank you, Mr. Chairman. I
20 noticed in this little cheat sheet here it says, "Please
21 announce your name, state, and district." You've done all of
22 that. And, as you've mentioned, for the whole State of

1 Alaska, I am the Congressman. I do thank you, the
2 Commission, and you, Mr. Chairman, for allowing me to appear
3 before you today. I'm delighted to offer my strong support
4 for Fort Greely, the Delta Junction, and the community of
5 Delta Junction.
6 Mr. Chairman, as you mentioned, Alaska has played a
7 major role in our military presence in this world during War
8 World II, during the Cold War, and even today. Billy
9 Mitchell said that we were the center, we were the axis. We
10 were -- the person that controlled the Alaska could control
11 this world.
12 Well, I don't think we're seeking control, but at
13 least we're seeking the ability to defend our great nation.
14 Fort Greely is one of the most important parts of our
15 military structure. I am concerned about the implication of
16 BRAC's decision to realign Fort Greely, though, and the
17 effects upon the force closings will have upon the Delta
18 Junction community.
19 The Delta Junction community, in fact, was a
20 creation because of Fort Greely. The people have, in fact,
21 built their lives or careers around Fort Greely, as Fort
22 Greely has built its reputation around the community. They

1 are a good working team.

2 As many of you know, Fort Greely was established in

3 1942, right after Pearl Harbor, as a land leased transfer

4 point. And, Mr. Chairman, may I bring this to the attention

5 of the Commission: Those 5,500 aircraft that went through

6 the transfer points from the United States to Russia, the

7 original MIG, was an American-built airplane.

8 If it had not been for the ability to transfer

9 those airplanes to Russia so they could combat the Nazis, I

10 doubt if we would have victory today. As I mentioned, the

11 Delta community grew up around and with the base itself.

12 And, very frankly, as I've mentioned, they have been good

13 neighbors.

14 The proposed realignment of Fort Greely will have a

15 disastrous impact. And may I suggest again to the BRAC

16 Commission, a large community that has what I call economic

17 and social structure makeup sometimes is not impacted as

18 hardly as the smaller communities. There not only are many

19 people dependent upon the variety of human service that Fort

20 Greely provides, but Fort Greely also provides jobs,

21 schooling, recreation, and hospital care for this expanding

22 population.

1 By realigning Fort Greely or moving the core
2 function of this unique training and testing base 120 miles
3 away to Fort Wainwright, the Delta Junction community is
4 expected to suffer an economic impact or job loss of 70 to 80
5 percent. With this expected economic impact, many of the
6 citizens who call Fort Greely and Delta Junction home will be
7 required to move on.
8 I know you've heard these words many times, but
9 Alaska, I still think, is unique and different. The
10 estimated reduction in population will mean that the school
11 system will lose approximately 75 percent of a student
12 enrollment and will shred the fabric of this community.
13 While economic impact is not one of the highest
14 evaluation criteria, it remains a criteria for the BRAC
15 Commission to consider. In the view of the crushing impact
16 this proposed impact would have on the community of Delta
17 Junction, the Commission must consider alternatives to the
18 realignment suggested by the Army; in essence, by realigning
19 Fort Greely, you are realigning the community of Delta
20 Junction.
21 The second concept I will discuss is the proposed
22 use of Safari operations from Fort Wainwright. This idea

1 simply does not make sense. I must ask the Commission
2 members, what are the operational benefits of moving the coal
3 rigging testing activity to Fort Wainwright? Because the
4 testing still will be conducted at Fort Greely.
5 By virtue of its unique, sustained arctic winter
6 weather conditions, many of the soldiers would require to
7 commute the 120 miles back to Fort Greely when conditions are
8 best for testing and worse for traveling. The concept was
9 tried once, if I can remind the Commission, and it failed. I
10 believe there's no need to repeat this experiment now.
11 By continuing the permanent retention of CRTA at
12 Fort Greely, the program will continue to become more
13 effective, reduce safety hazards associated with transit of
14 personnel, and provide for the oversight group of employees
15 who are proficient in the knowledge of the ranges and the
16 equipment.
17 Implementing Safari and distancing the assertive
18 mission for Fort Greely, abundant ranges will reduce the
19 familiarity of Army personnel with ranges and dramatically
20 increase the prospects of accidents associated with
21 unexplored munitions and hazard transportation.
22 The costs associated with Safari and the Army's

1 proposed realignment do not correlate. The Army is trying to
2 save money by realigning Fort Greely to Fort Wainwright. But
3 while the quarters at Fort Greely will be closed and declared
4 excess, this move will require the construction of more
5 quarters at Fort Wainwright. The Army will incur costs in
6 the form of TDY pay, the families will be separated by having
7 to test or train at Fort Greely.
8 Essentially, this will cause logistic problems,
9 delays in testing, and additional burdens on the soldiers and
10 civilians who have a mission to accomplish. When added to
11 the hazard of their travel during poor conditions and the
12 costs associated with reduction in training time, this
13 proposed realignment places significant costs on the Army and
14 their mission.
15 In closing, Mr. Chairman and fellow commissioners,
16 please consider the dramatic impact that the Army's proposed
17 realignment will have on the community of Fort Greely and
18 Delta Junction. Consider the integral link and strategic
19 cooperation that exists between Fort Greely, the military,
20 and the community. And continue to look for a viable
21 solution to the community's needs, should you decide to
22 realign Fort Greely.

1 As you consider the value Fort Greely possesses and
2 the troublesome issue this realignment presents, please
3 remember that by realigning Fort Greely, you're dramatically
4 affecting the lives of those who live in Delta Junction.
5 I appreciate the opportunity to testify here today,
6 Mr. Chairman, and thank you for your opening statement.
7 Alaska's proud of its military heritage. Alaska's proud of
8 the military activity in the past, present, and the future.
9 I suggest respect for this realignment will have a severe
10 impact on a small community that grew up because of the
11 creation of Fort Greely.
12 Fort Greely has worked well as a testing site,
13 primarily for arctic equipment. Before the Cold War
14 collapsed, that was the area that we suggested that should be
15 testing all our equipment and the proficiency of our
16 personnel itself. Now, just because the Big Bear has now
17 gone a little bit dormant, I can't take that for granted
18 forever, nor can I accept the Army's suggestion that it is
19 so.
20 I suggest respectfully that we keep Fort Greely
21 active as it is today. Thank you, Mr. Chairman.
22 CHAIRMAN DIXON: We thank you, Congressman Young.

1 And we thank the great State of Alaska.

2 REPRESENTATIVE YOUNG: And I love it. I timed that

3 just right. Thank you, Mr. Chairman.

4 CHAIRMAN DIXON: Now, the Chair takes note of the

5 fact that the great State of Arkansas is not up for hearing

6 until 10 o'clock. But in his usual manner, my old friend

7 Senator Dale Bumpers from the great State of Arkansas is here

8 on Lombardi time, a little early. And I am much aware of the

9 obligations of that Senator and the Senate on a day like

10 today. And we would hear him now, if he's ready. He's going

11 to do a little show and tell here. He has got some displays.

12 SENATOR BUMPERS: I'm going to make it easy for

13 you, Mr. Chairman.

14 CHAIRMAN DIXON: We're delighted to recognize my

15 old friend, Senator Dale Bumpers, from the great State of

16 Arkansas.

17 SENATOR BUMPERS: Mr. Chairman, I thank you very

18 much and the members of the Commission for allowing us to

19 come over and make these presentations. And I'm going to

20 make it easy. But first, let me say, we have sort of

21 allocated the time between the Texas delegation and the

22 Arkansas delegation on Red River. Others are going to be

1 very forceful on that. I'm going to mention Red River and
2 talk about it for just a moment, and then I'll go to Fort
3 Chaffee.
4 First of all, Mr. Chairman, I want to remind this
5 Commission that in the last Base Closing Commission,
6 Arkansas, outside of Arizona and California, took the biggest
7 hit of any state in that base closing. And I know the
8 Chairman's home state took a big hit, too.
9 Secondly, Red River arsenal will cause the loss of
10 over 7,000 direct and indirect jobs. Now, I understand that
11 you're charter does not include economic circumstances. But
12 if you're a Senator from the State of Arkansas and
13 representing Texarkana, Arkansas, you don't overlook things
14 like that. So we once again find ourselves at the top of the
15 totem pole this time at Red River arsenal taking the biggest
16 hit of anybody in the country.
17 And secondly, let me say, it is a strange thing
18 that Red River arsenal, which has won the most prestigious
19 award of any military facility in the United States, as being
20 the very best -- not just the best arsenal in America,
21 probably the best arsenal in the world. And it makes no
22 sense whatever.

1 Bear in mind that if Red River is closed, the
2 entire Western and the Northern part of the country will have
3 to come all the way to the East, Letterkenny in Philadelphia,
4 to get any assistance. Now, I won't pursue that any further.
5 Senator Hutchinson, Senator Pryor will talk about it. But
6 let me go to Fort Chaffee.
7 Just take that one down. First of all, Mr.
8 Chairman, the primary responsibility -- and I don't have to
9 remind this Commission -- the primary responsibility of this
10 Commission is to do two things: Number one, save money;
11 number two, do it without impairing readiness. Now, at Fort
12 Chaffee, I give you not just a win-win situation, but add an
13 additional win. Because it leaves 10,000 acres for community
14 use.
15 Now, here's what we're doing. We're saying, keep
16 50 percent of the cost and 100 percent of the value. Bear in
17 mind -- Brian, just go ahead and put all of those up and let
18 me pull them off, okay? That's okay. Put them up in any
19 order you want.
20 There's 72,000 acres at Chaffee. My home is two
21 miles from the border of Fort Chaffee. Lake Charleston,
22 where our water supply comes from, abuts it. So I've known

1 this place for 50 years. Seventy-two thousand acres. If you
2 leave 62,000 acres and scale back the use of that, close the
3 PX, closing the swimming pool, close the movies -- and I'll
4 come back to the cost savings in a minute -- but leave 62,000
5 of that 72,000 acres for maneuvering, you can do the same
6 thing you're doing right now there.
7 If we went with the Army's proposal -- and I think,
8 frankly, everybody's willing to back off of this, the Guard,
9 the Army, everybody -- I think the Army and the Guard are
10 both now willing to accept this proposed realignment. I
11 would like to believe that, anyway. But the way they
12 proposed it, there can be no weekend training there, or there
13 can be some weekend training, but you can't fire 135
14 Howitzers.
15 Fort Chaffee is the only place in Arkansas where an
16 artillery brigade can train. It's the only place big enough.
17 And believe you me, I laid awake a lot of nights back during
18 the wars listening to the pounding of those artillery shells.
19 But my point is, we can do everything we're doing right now
20 at Fort Chaffee.
21 And this brigade, the 39th Brigade, that's one of
22 those round-out brigades, you know, for a division -- I know

1 the Commission understands that. If you were to close Fort
2 Chaffee and leave a small enclave there only for small arms
3 fire, here's what you do. You're going to send all those
4 organizations -- there are about 20 of them that train there,
5 including the razor-back bombing room.
6 We have the 188th Fighter Group in Fort Smith,
7 Arkansas, which is 12 miles from their bombing run. You
8 close Fort Chaffee, they have to fly 250 miles before they
9 can start their bombing runs. It's 150 miles average around
10 Arkansas for all of our brigades, the 39th Brigade and
11 others, to get to Fort Chaffee. If we have to go to Fort
12 Polk, there's the mileages. Fort Riley, 512 miles.
13 The 142nd Field Artillery Brigade, which I jus
14 mentioned, it's 63 miles for them to go up there for their
15 summer training. And to go to Fort Sill, which is the plan,
16 326 miles. And I'll just mention, the fighter group in Fort
17 Smith would have to go to Fort Leonardwood, which you can
18 see how far it is.
19 Let me just -- I see my time is running very short.
20 Here's the proof, Mr. Chairman, on the other side. Can you
21 see these numbers okay?
22 CHAIRMAN DIXON: Yes, sir, and we have got this.

1 SENATOR BUMPER: The small enclave plan was 13.4
2 million savings. The National Guard Bureau and the Arkansas
3 National Guard, the Missouri National Guard, and the Oklahoma
4 Guard, which also train there, did a study which shows it
5 will cost 11.9 million to send all of these organizations,
6 Fort Riley, Fort Polk, Fort Leonardwood, wherever. The
7 actual savings under the Army plan is $1 million and-a-half.
8 We're saying, scale it back to a large enclave of
9 62,000 acres, spend $6.9 million, and save 6 and-a-half
10 million. If you want to subtract the 1 and-a-half million
11 from that, the minimum savings would be 5 million. Now, Mr.
12 Chairman, how can you beat that? You save 3 and-a-half
13 million, minimum, more than the Army's proposing to save, and
14 you train all the same units that are training there now
15 without swimming pools, movies, and what have you.
16 Just quickly, as I said a moment ago, you have an
17 additional 10,000 acres there other than 62,000 that the
18 community can use and offset some of the economic dislocation
19 that's going to be caused even by the reduction in the use of
20 the fort.
21 Mr. Chairman, I've already run over my allocation.
22 I appreciate your indulgence, allowing me to make this

1 presentation.

2 CHAIRMAN DIXON: And may I say to you, my old

3 friend, Senator Bumpers, that all of this material you've

4 given us will be placed in the record and will be reviewed by

5 staff. And should you and your distinguished colleague,

6 Senator Pryor, and the others in your delegation care to send

7 us any correspondence further developing this theme, that

8 will be reviewed by staff, as well.

9 SENATOR BUMPERS: Thank you very much.

10 CHAIRMAN DIXON: I thank my old friend.

11 SENATOR BUMPERS: It's good to see you again, Mr.

12 Chairman.

13 CHAIRMAN DIXON: Good to see you, Senator Bumpers.

14 We're delighted to see your distinguished

15 colleague, Senator David Pryor. Good morning, old friend.

16 SENATOR PRYOR: Thank you, Mr. Chairman, and ladies

17 and gentlemen of the Commission. I want to thank you for

18 allowing me to participate this morning and for the

19 invitation to speak and to speak briefly.

20 I would like to first state that I am here today,

21 Mr. Chairman and our commissioners, on behalf of two

22 installations -- one, the Red River Army Depot in Texarkana,

1 and Fort Chaffee in Fort Smith, Arkansas. First, I would
2 like to associate myself with the remarks of my friend and
3 colleague, Senator Dale Bumpers. I concur fully with the
4 information and the opinions that he has relayed to this
5 Commission.
6 I understand my time is short. I will be brief,
7 and I will get right to the point. First, to each
8 commissioner on this panel, I want to express our sincere
9 appreciation and deep gratitude for the time and attention
10 you have given to the Red River Depot. I know that most of
11 you have been to Texarkana and that Commissioners Cox and
12 Davis will be going on Thursday. And on behalf of the Red
13 River family, we would like to thank you for your interest
14 and your time in dedicating yourselves to this.
15 Although Red River is physically located in the
16 State of Texas, over 1,000 Arkansans work at this facility.
17 We are so proud of Red River. We're proud of its
18 achievements, its awards, its efficiencies, its performance
19 in the Persian Gulf, and its overall contribution to the
20 security of this great country of ours.
21 By now, you have visited bases all over this land.
22 Across the United States in undoubtedly each city, each

1 politician and each leader has told you how the various
2 economies would suffer if this Commission chose to close
3 their particular base. However, I feel compelled to address
4 the economic impact of closing Red River, simply because it
5 would be much greater than most, if not all of the bases
6 currently under consideration by this Commission.
7 Closing Red River Army Depot would be devastating
8 to the economy of this area. It is the largest employer in
9 this region. One out of five Texarkana area jobs is a Red
10 River job. Red River expenditures account for 15 percent of
11 the Texarkana economy. If Red River closes, local
12 unemployment would rise from the current rate of 8 percent to
13 over 21 percent.
14 Today, there are only 3,000 unemployed citizens
15 living in the Texarkana area. If Red River would close, that
16 number will rise almost overnight and dramatically to some
17 8,500 citizens. Since this Commission is required by law to
18 consider the economic impact of each closure, I truly hope
19 this distinguished Commission will take into account the
20 disastrous impact of closing Red River.
21 Because most of you have visited Red River
22 personally, you know firsthand the outstanding military value

1 of this facility. You know its geographic location. My
2 colleagues in the Texas delegation will testify tomorrow in
3 detail as to how Red River is an asset, and the Army simply
4 cannot afford to lose this asset.
5 Switching gears for a moment to Fort Chaffee. I
6 first want to thank Commissioner Robles for visiting Fort
7 Chaffee. This 72,000 acre installation has helped train
8 American soldiers since 1941. The people who train there
9 swear by this unique terrain and immeasurable opportunities
10 it affords in training facilities.
11 I was surprised and, I must say, confused when the
12 Army recommended closing Fort Chaffee. I have two issues to
13 highlight in that regard. The first, I believe, is slowing
14 resolving itself. I hope so. This issue involves the
15 concept of an enclave that the Army has proposed locating at
16 Fort Chaffee.
17 The proposed enclave is simply too small to
18 accommodate the training needs of the National Guard and the
19 Army Reserves. The Army initially proposed closing Chaffee
20 and sending Arkansas Guard and Reserves to Fort Riley, as
21 Senator Bumpers has stated, and Fort Polk in Louisiana to
22 train.

1 However, any savings realized from closing Fort
2 Chaffee are going to be spent transporting our troops over
3 long distances to receive their training. In short, closing
4 Fort Chaffee simply makes no sense.
5 Oddly enough, it appears the Army actually agrees
6 with this position. In a meeting last Thursday, June the
7 8th, at your Commission headquarters, Brigadier General James
8 Shane, Jr., of the Office of Army Chief of Staff and Mr. John
9 Nerger, the deputy director of the Army Basing Study,
10 admitted that the Army had erred by recommending that Fort
11 Chaffee should not be used for annual training.
12 I have a copy of those minutes, Mr. Chairman and
13 members of the Commission, from this meeting. And I am
14 respectfully requesting that they be inserted in the record
15 following my remarks.
16 CHAIRMAN DIXON: Those will be inserted in the
17 record, Senator, if you convey those to us.
18 SENATOR PRYOR: In closing, Mr. Chairman and
19 members of the Commission, I'm so pleased that the Army now
20 feels that the training area at Fort Chaffee can remain in
21 use. I have been informed by the Arkansas National Guard
22 that they will require 62,000 of the 72,000 acres for their

1 annual training. The remaining 10,000 acres can be returned
2 to the local community for development.
3 I urge this Commission to take the necessary steps
4 to ensure that annual training at Fort Chaffee can continue
5 for years to come. Mr. Chairman, I have gone beyond my time.
6 I would ask unanimous consent of our members of the
7 Commission that the balance of my remarks be placed in the
8 record. And once again, I thank the Commission for allowing
9 me to appear.
10 CHAIRMAN DIXON: We thank the distinguished Senator
11 from the great State of Arkansas. And his remarks will be
12 reproduced in the record in full. We're indebted to him and
13 his colleague, two great Senators from the great State of
14 Arkansas.
15 And we're pleased to have their ally, Congressman
16 Representative Jay Dickey. Congressman Dickey, we're
17 delighted to have you, sir.
18 REPRESENTATIVE DICKEY: Thank you, Mr. Chairman. I
19 represent the Southern part of Arkansas, which includes the
20 Arkansas part of Texarkana. And I want to wish you all a
21 good morning, each of you.
22 I appreciate the opportunity to testify before you

1 about the Red River Army Depot and the Defense Distribution
2 Depot Red River, sometimes referred to collectively as "Red
3 River."
4 Red River is a true military complex. It needs to
5 be considered as a whole, rather than the separate parts.
6 Red River employs 3,700 persons directly, including around
7 1,200 persons from my district. The mission of Red River is
8 one that is very important to the Army. Red River performs
9 77 percent of the Army's maintenance support for mechanized
10 division tracked vehicles.
11 Red River is the Army's most profitable depot. It
12 performs its mission in a highly sufficient manner. Eighty
13 percent of Red River's distribution mission is for external
14 customers, including the following major Army installations:
15 Fort Hood, Texas; Fort Sill, Oklahoma; Fort Carson, Colorado;
16 and Fort Riley, Kansas.
17 Over 50 percent of all stateside military posts,
18 camps, and stations are located in the Red River central
19 distribution area. It is a modernized, responsive depot that
20 has ample and immediate expansion capacity, including 2,139
21 acres of land available for unrestricted development.
22 We believe that the Army needs two combat vehicle

1 maintenance depots. We further believe that the 1995 BRAC
2 Commission should recommend closure of the Letterkenny Army
3 Depot, rather than Red River. Army COBRA shows that the
4 largest net present value savings will occur if Letterkenny
5 is closed. The figure is $144 million greater from the
6 closure of Letterkenny than Red River.
7 The Department of Defense has recommended that the
8 combat vehicle maintenance mission at Red River be moved to
9 the Anniston Army Depot. We think that this is a mistake,
10 because it will overload Anniston, limit surge capacity, and
11 jeopardize readiness.
12 In 1995, information collected during the BRAC data
13 call ranked Red River higher in military value than
14 Letterkenny. In fact, Letterkenny ranks dead last in
15 military value, and Red River's score is more than double
16 that of Letterkenny.
17 The Department of Defense has substantially
18 understated the cost to close Red River by $382 million, as
19 well as the recurring savings of $116 million. The return on
20 investment for closing Red River is in the range of 60 years,
21 rather than immediately as claimed by the Army. The Army
22 also completely overlooked the missile recertification

1 mission that is performed at Red River.

2 Finally, Mr. Chairman and members of the

3 Commission, let me take a moment to emphasize the devastating

4 effect that the closure of Red River would produce in the

5 Texarkana area. According to the March 1995 Department of

6 Defense Base Closure and Realignment report, closing Red

7 River would result in the loss of 7,256 direct and indirect

8 jobs.

9 Unemployment in the Texarkana area is already above

10 the nation's average, at 8.1 percent. If BRAC proceeds to

11 close Red River, unemployment is expected to swell to over 21

12 percent. That is a disproportionately harsh result for this

13 economically depressed part of the country and, of course, it

14 would be the burden of this country to make up for the

15 employment.

16 In fact, under the Department of Defense plan, Red

17 River sustains the largest job loss in the entire country.

18 The largest in the entire country. Congressman Jim Chapman

19 of the first district of Texas has previously provided the

20 Commission with a detailed analysis of the cost in terms of

21 unemployment compensation that would be associated with the

22 closing of Red River, a staggering $52 million.

1 The chances of these displaced workers being able
2 to find comparable, permanent employment is slim, indeed, and
3 the cost to our government is unbelievable.
4 I hope that the Commission will take a close look
5 at the actual ability of Anniston to accept the massive work
6 requirements that are performed at Red River. I mm confident
7 that a fair review will result in a recommendation that will
8 close Letterkenny and retain two combat vehicle maintenance
9 depots for the Army, Anniston and Red River. This would keep
10 the military readiness at the needed level.
11 Mr. Chairman and members of the 1995 BRAC
12 Commission, thank you for your time and your consideration in
13 this matter.
14 CHAIRMAN DIXON: Thank you for that fine
15 presentation, Congressman Dickey. And this Commission is
16 indebted to you and Senators Bumpers and Pryor for your
17 excellent presentation on behalf of the great State of
18 Arkansas.
19 Now, ladies and gentlemen, the great State of
20 California is to be here for their presentation at 10:20. We
21 stand in temporary recess, the Commission and the room, until
22 10:20, unless either of the two Senators should arrive prior

1 to that time and want our indulgence on an early basis.

2 (A brief recess was taken.)

3 CHAIRMAN DIXON: I want to say to my friend, the

4 distinguished Senator from the great State of California,

5 that we will be happy to accommodate her and start a minute

6 or two early. She is, as usual, early. We're indebted to

7 her for that. But I'm sure she would like to have a few

8 commissioners here.

9 I'm notifying them that, as usual, the Senator from

10 the great State of California is early. And as soon as I can

11 get a couple more commissioners here, we're going to hear

12 from Senator Barbara Boxer from the great State of

13 California, if she'll be patient with me.

14 (A brief recess was taken.)

15 CHAIRMAN DIXON: The hour of 10:20 has arrived. We

16 are indebted to the great State of California for being here

17 prepared to make its presentation. And I wonder if my

18 friend, Senator Barbara Boxer, is prepared to go forward.

19 We're appreciate of your being here, Senator. And please

20 begin your presentation.

21 SENATOR BOXER: I even brought my little stand with

22 me so I could actually see you.

1 CHAIRMAN DIXON: Senator, fortunately, for a short
2 man, I make the observation that height has nothing to do
3 with intellectual capacity or ability to serve. We're
4 pleased you're here, and we thank you for your great service.
5 Senator Barbara Boxer.
6 SENATOR BOXER: Thank you so much, Mr. Chairman and
7 members of the Commission. I'm going to skip over the thank
8 yous and the niceties, because I'm so concerned about
9 California, I want to get right to the heart of the matter.
10 Mr. Chairman and members of the Commission,
11 California has taken more than its fair share of base
12 closures, 22 major base closures and realignments, far more
13 than any other state. And when these closures are completed,
14 I think conservative estimates show that we're going to lose
15 200,000 jobs and $7 billion in economic activity.
16 Of course, I know that you're aware, Mr. Chairman
17 and members, that you are charged with looking at the
18 cumulative economic impact on each state. And I just urge
19 you to do that to the best of your ability. And I'm
20 convinced if you do that, you'll recognize that what I'm
21 saying is accurate.
22 We're looking at possibly another two dozen bases

1 in California. In the worst case scenario, this BRAC could
2 be as bad as any other to our state.
3 I want to discuss some of the bases under
4 consideration very quickly, because in addition to the
5 cumulative economic impact, these base closures are ill-
6 advised on the merits. And I think you're looking for that,
7 as well.
8 McClellan. In the strongest possible terms, I urge
9 the Commission to abide by the recommendations of the
10 Secretary of Defense and keep McClellan open. I understand
11 several commissioners have concerns about the Air Force's
12 recommendations and believe that at least one depot should be
13 closed.
14 However, I would make one observation for your
15 consideration. In my extensive experience dealing with base
16 closures from the time I was in the House and served on the
17 Armed Services Committee, I learned that there is only one
18 constant in this process, and that is that closure costs are
19 underestimated, and projected savings are overestimated. And
20 in this reality, I think you really need to hear that I think
21 the Air Force has made sense in its plan.
22 McClellan is a facility for the future, high tech

1 depot services pioneering the way for private industry, joint
2 ventures, and partnerships with nonDOD customers. President
3 Clinton has praised McClellan many times because it is truly
4 forward-thinking and forward-acting.
5 I urge the Commission to consider cumulative impact
6 in the Sacramento area. In 1988, nearby Mather Air Force
7 Base was closed. And three years later, the 1991 BRAC
8 Commission closed Sacramento Army Depot. This would be
9 devastating to do McClellan. So on the merits and cumulative
10 impact, please keep it open.
11 Long Beach Naval Shipyard. From a military value
12 perspective, I have serious reservations about the Defense
13 Department's recommendation to close Long Beach. It's
14 strategically located, only 80 miles from San Diego Megaport,
15 home to nearly 70 percent of the Pacific Surface Fleet. If
16 it's closed, the nearest public shipyard, Mr. Chairman and
17 members, would be Brimmerton, Washington, three days'
18 steaming time from San Diego.
19 Colin Powell said about Long Beach, "Closure would
20 seriously degrade dry dock capability for all large ships in
21 the Southern California area." The Long Beach community
22 already lost 100,000 jobs -- 100,000 jobs, Mr. Chairman -- as

1 a result of the closure of naval stations in '91.

2 I would make one final observation, Mr. Chairman

3 and members, that I made to you when you were so kind to

4 visit California. What kind of message do we send to our

5 young people, to our workers, to our business, when we close

6 the only Naval shipyard that is consistently making money for

7 the military? You told them to shape up in the last round.

8 They did. To have them closed, I think, would be a huge

9 mistake.

10 Onizuka Air Force Base. I must also question the

11 Department's recommendation to downsize to only one satellite

12 control facility by realigning Onizuka. If this

13 recommendation is enacted, Mr. Chairman, a single failure

14 could leave us unable to control scores of orbiting military

15 satellites.

16 One computer error, I say to my friends, one

17 natural disaster, one terrorist attack, could separate us

18 from our satellites for hours or even days. At Onizuka, we

19 have a private sector work force second to none. We lose

20 that by closing Onizuka.

21 Mr. Chairman, Sierra Army Depot. I have to say,

22 the recommendation was based on a faulty study. Because I

1 don't have enough time to go into it, I would ask unanimous
2 consent that my statement be included in the record. It
3 would be a shame to close an Army depot that was based on a
4 faulty study.
5 And on Point Magu, I would simply say, the cost of
6 moving facilities from there greatly outweigh any savings. I
7 urge the Commission to abide by the recommendations of the
8 Secretary of Defense, Secretary of the Navy, and chief of
9 Naval operations and not close Point Magu.
10 In my last 12 seconds, Mr. Chairman, I do want to
11 thank all of you. It is difficult for my state. It is tough
12 for us to deal in only 5 minutes, when we're such a large
13 state with 32 million people. And we're hurting from these
14 base closures. We simply cannot brutalize the largest state
15 in the nation like this, a state that represents nearly 14
16 percent of GDP and a state whose unemployment is more than 2
17 percent above the national average.
18 And finally, Mr. Chairman and members of the
19 Commission, we're a state that is proud that its bases make
20 an extraordinary contribution to our national defense. Thank
21 you very much, Mr. Chairman. Please think of California, the
22 impacts that you would have on this state, and also the great

1 military value the state affords to our country. Thank you
2 very much.
3 CHAIRMAN DIXON: Senator Boxer, we thank you for
4 that excellent presentation. I'm sure I speak for the entire
5 Commission when we all say we recognize the inadequacy of the
6 time. We recognize the devotion of each of you to your great
7 state, the largest state in our union.
8 And I know that you all understand that the time
9 frame for what these commissioners has done is a short one,
10 too. And we apologize. You have served your state, as
11 usual, in this whole process in an excellent and exemplary
12 way, and we thank you.
13 SENATOR BOXER: Thank you, Mr. Chairman and
14 members.
15 CHAIRMAN DIXON: And we're privileged to have your
16 distinguished colleague, the distinguished senior Senator
17 from the great State of California. We thank her for coming
18 and thank her for her past contributions, as well.
19 SENATOR FEINSTEIN: Thank you very much, Mr.
20 Chairman.
21 CHAIRMAN DIXON: Senator Diane Feinstein.
22 SENATOR FEINSTEIN: Thank you very much. I would

1 like to concentrate my comments on three things. One is the
2 cumulative impact. The second is, really, the two big bases,
3 the biggest bases. And that would be McClellan and Long
4 Beach.
5 No state has had the cumulative economic impact of
6 base closure as California has. I think it might be helpful
7 for the Commission to know that today, California has 363,000
8 fewer jobs than it did in 1990. It's a state that gains
9 about 700,000 people a year, and yet has 363,000 fewer jobs
10 than it did in 1990.
11 The impact of both defense downsizing and base
12 closure is not to be underestimated. In defense downsizing
13 alone, we have lost 250,000 jobs to date. And the estimate
14 is that before the process is completed, we will lose another
15 250,000 jobs. My plea to you today is to raise cumulative
16 economic impact above what you do today when you look at the
17 base closure situation in California.
18 We have had 22 bases closed. We have another list
19 of bases before us now. The total job loss, civilian and
20 military, direct job loss, is 36,000 from those bases listed
21 today. The three big bases alone, McClellan, Magu, and Long
22 Beach, have a total of 27,000 jobs. That's military and

1 civilian jobs directly employed on those bases.

2 My point to you is, with the job loss that we have

3 had of 363,000, there really is no other employment for these

4 people today in defense-related industry in California.

5 California, as you can see -- and these are net, net, net

6 jobs. This is a slightly different figure. This is taking

7 into consideration jobs that have remained in the state in

8 this figure.

9 Of the 148,859 nationally, almost 89,000 of those

10 net, net jobs lost have come from California alone. So

11 California alone in net, net, net job loss has lost more than

12 half of the total of the nation. I think that this is my

13 case to elevate net cumulative economic impact of this round

14 of base closures on the State of California.

15 Let me say one thing. The unemployment rate, which

16 my colleague mentioned to you is 8 and-a-half percent today,

17 unemployment in the state has gone up each of the past three

18 months. This would indicate that California could tip back

19 into a recession. And I think you must consider this job

20 loss, in view of what is now rising unemployment once again.

21 If I may, I would like to speak on the two bases.

22 I know we have 25 members of the House who will eloquently

1 speak on many of the bases in their district. I want to
2 touch on McClellan.
3 Following the Oakland testimony, my staff
4 introduced into the record a letter by General Mormon. And
5 if I might just briefly quote from it. "The skilled workers
6 and leadership at McClellan are essential to the United
7 States Air Force. The Air Force strongly opposes the closure
8 of any of our depot installations, including McClellan Air
9 Force Base."
10 Now, with regard to McClellan's prohibitively high
11 closure costs, let me make these points. The one-time cost
12 to close McClellan is estimated at more than $500 million.
13 That does not include environmental cleanup. There are 254
14 sites at McClellan being investigated for potential
15 contamination. That represents 80 percent of the entire
16 base. So if you close it, they will not be able to reuse it
17 unless the military is willing to come up with a cleanup cost
18 in the range of 1.4 billion to $2 billion.
19 The cost to close one of the ALCs would be greater
20 than the total cost the Air Force has budgeted over the next
21 six years for all of its base closures and realignments. It
22 would cost 2.7 billion to replace McClellan's state-of-the-

1 art facilities. Any purported savings would be wiped out by
2 the high closure and cleanup cost of McClellan.
3 One specific matter that I believe deserves the
4 Commission's attention is McClellan's one-of-a-kind
5 industrial nuclear reactor. There is presently no nuclear
6 reactor operating in the United States quite like the one at
7 McClellan. Its costs were not considered in the COBRA
8 analysis.
9 In a nutshell, I believe it makes no sense to close
10 McClellan, because you will not recover those costs from the
11 closure, and it will cost more than virtually all of the
12 other bases together for the Air Force.
13 Let me speak for a moment on Long Beach. As I said
14 in my prior testimony, it's a marvel to me why Long Beach has
15 been put on this list. It's strategically located. It's
16 close to the Pacific Fleet, where 70 percent of the fleet is
17 concentrated. It is the most cost-effective shipyard.
18 My understanding is that based on the rumors that
19 have come out of this process, the Commission is prepared to
20 maintain a shipyard that is not nearly as cost-effective as
21 Long Beach and yet close Long Beach. In just the last six
22 fiscal years, Long Beach has been consistently under budget

1 and 102.7 million has been returned to the Navy's budget.

2 It has the largest dry dock capability South of

3 Puget Sound, and it's large enough to accommodate every class

4 of ship in the entire fleet. New information recently

5 presented to me by Long Beach Mayor Beverly O'Neil details

6 examples of where the Navy substantially deviated from the

7 force structure plan and established BRAC selection

8 criteria.

9 According to this document, which I would like to

10 submit for the record, the Navy ignored a $100 million offer

11 by the Port of Long Beach to consolidate facilities from the

12 Naval station for shipyard convenience.

13 Two, it did not include Long Beach in the regional

14 maintenance center concept, even though Puget Sound and Pearl

15 are included. And three, it lowered the military value of

16 Long Beach, which had a military value of 48.7 in 1993 and

17 only 38.04 in 1995. And it underestimated the cost of

18 closure by $758 million. I will submit those papers to your

19 Commission for your consideration.

20 I completely agree with former Chairman of the

21 Joint Chiefs of Staff Colin Powell, who said in 1991, "The

22 closure of Long Beach Naval Shipyard would seriously degrade

1 the dry dock capability for all large ships in the Southern
2 California area. Alternatives in Hawaii and Washington simply
3 could not provide the services found at Long Beach."
4 What perplexes me is, a closure of Long Beach would
5 mean that all of the ships located at San Diego, which will
6 become the major home port on the Continental U.S., will
7 either have to go to Puget Sound or to Pearl for their work.
8 In just steaming time alone, in family dislocation, that does
9 not seem to me to make very good sense. So I would urge the
10 Commission to look carefully at Long Beach.
11 I have previously testified on behalf of other
12 California bases on the closure list. But bottom line, Mr.
13 Chairman, I think the argument -- no state can make an
14 argument of cumulative economic impact like the State of
15 California can -- 363,000 fewer jobs than 1990, unemployment
16 up three months in a row, two points above the national
17 unemployment figure.
18 Over 50 percent of the net, net, net jobs from base
19 closure have occurred in the State of California, and the
20 three big bases alone, representing 27,000 of the some 38,000
21 jobs affected in this base closure. The 1988 and 1991 rounds
22 and the third round are now beginning to take place in

1 California.

2 I would urge this Commission to consider net

3 economic impact and leave out the State of California from

4 this round of base closures. I thank the Commission.

5 CHAIRMAN DIXON: I thank you, Senator Feinstein.

6 And we're delighted to welcome a distinguished

7 member of the House, my old friend, representative Vic Fazio.

8 Vic Fazio, we're glad to see you again.

9 REPRESENTATIVE FAZIO: Thank you, Mr. Chairman.

10 The four members from our region are going to try to

11 integrate our testimony during the 20 minutes that have been

12 allocated to us.

13 That mountain of mail over there, I think,

14 testifies to the degree to which we have support in our

15 community. I know the degree to which all of you who have

16 paid attention to our problem makes that perhaps unnecessary.

17 You understand that. We do appreciate all of the attention

18 you've given.

19 But as we enter the last weeks of deliberations, I

20 want to emphasize just a couple of points. First, the world

21 continues to be a dangerous place, and events are changing

22 rapidly. Recent activities in Bosnia simply underscore that

1 we live in a dynamic world and that we must be prepared to
2 respond to any contingency.
3 Our military forces, including depot facilities,
4 must be in position to respond to the dynamic nature of world
5 events. In this regard, DOD and the Air Force have spent a
6 lot of time working on force structure issues, infrastructure
7 requirements, and budget considerations, to arrive at an
8 appropriate balance that will permit our military forces to
9 meet the challenges of the future.
10 On the Air Force depots in particular, I believe
11 the downsizing recommendation is a reflection of the
12 difficult nature of balancing each of these considerations.
13 Ultimately, the Air Force and DOD selected what they believed
14 to be the best alternative available to them at this time.
15 The downsizing option recognizes that each ALC has unique
16 capabilities and characteristics that are essential elements
17 of supporting the war fighters.
18 Further, it recognizes that closing any ALC is an
19 extremely costly proposition. And finally, it recognizes
20 that certain capabilities at each of the ALCs could be lost
21 for years under a closure scenario.
22 If anything, as a whole, DOD needs to maintain its

1 flexibility and preserve its capabilities to respond to an
2 ever-changing world environment. The downsizing option
3 maximizes both flexibility and capabilities of DOD.
4 I have seen no evidence which refutes the Air
5 Force's and DOD's downsizing recommendation. Nothing
6 presented to me so far diminishes the rationale behind the
7 downsizing alternative. And nothing suggests to me that the
8 Air Force and DOD did not do their job.
9 A second point I want to make is that military is a
10 changing entity, becoming more reliant on technology. The
11 world of high technology is here, and we believe McClellan is
12 positioned to provide critical mission support for the Air
13 Force and DOD well into the next century. McClellan's
14 emphasis is on technology. It's widely recognized as the
15 high tech depot. Its focus is on space systems and
16 communications in electronics.
17 McClellan is also host to a one-of-a-kind nuclear
18 radiation center that Senator Feinstein mentioned, an
19 unequalled state-of-the-art hydraulics facility, and the
20 foundry of the future.
21 This slide illustrates what are McClellan's unique
22 capabilities. We break them down into three categories:

1 unique product or service, centers of excellence, and only
2 DOD source of repair, indicating, as well, where our cross-
3 service capabilities are greatest.
4 Understanding these unique characteristics of
5 McClellan is important, because closure will have a
6 significant negative impact on the Air Force's and DOD's
7 mission support capabilities. McClellan's capabilities as a
8 depot are captured very well in the joint cross-service group
9 analysis of functional value. Congressman Matsui will
10 address specific issues in this area for the Commission.
11 CHAIRMAN DIXON: We're delighted to have our good
12 friend, Congressman Robert Matsui, here.
13 REPRESENTATIVE MATSUI: Thank you, Chairman Dixon
14 and members of this Commission. We would like to thank you
15 for giving us this opportunity.
16 We would like to raise some concerns regarding the
17 Air Force's military value analysis, because it fails to
18 accurately portray McClellan's value to our nation's defense
19 industrial base.
20 I am here because McClellan has proved over and
21 over again in workload competitions that it is the strongest
22 depot. McClellan is leading the way in cross-servicing and

1 cost-efficient production. Cross-servicing was, indeed, the
2 cornerstone of BRAC '95. DOD acknowledged in the Weant study
3 that the greatest amount of excess capacity was between
4 services and not within the individual services.
5 So DOD set up the joint cross-service group to
6 establish a fair and impartial process to eliminate excess
7 capacity between services. The JCSG developed functional
8 value to measure a depot's capacity to do cross-servicing.
9 Here's a slide which breaks down the relative weights that
10 the JCSG gave various depot functions.
11 The JCSG defined "functional value" as "The merit
12 of performing a cross-service function at a given site or
13 activity." As a reflection of the importance of cross-
14 servicing, functional value comprised 56 percent of the first
15 Base Closure criteria on military value.
16 Now, as this second overhead slide shows, the JCSG
17 found that of over 50 commodity groups that were evaluated,
18 McClellan scored highest in 6 of the groups. McClellan was
19 only surpassed by one other depot. In order to develop an
20 overall ranking of functional value, we combined the
21 individual JCSG commodity scores using the Air Force's
22 methodology.

1 As you can see on the left-hand side of this slide,
2 the results show that McClellan scored the highest among all
3 5 ALCs and the second highest among all 22 depots evaluated.
4 The JCSG then plugged its data into six different
5 optimization models.
6 Ultimately, two alternatives were submitted for
7 consideration. Despite McClellan's high ranking and
8 functional value, JCSG recommended in one alternative that
9 Kelly and McClellan be closed.
10 How did this happen? The GAO found that in this
11 model, the JCSG had included a determination of military
12 value that was developed by the Air Force. The Air Force
13 estimation of military value was developed in secret and is
14 based upon subjective judgement.
15 After considerable review, the GAO concluded that
16 they could not audit the methodology for developing this
17 military value. This subjective factor is what wrongly makes
18 McClellan a closure candidate under JCSG alternative number
19 two.
20 In contrast, the Air Force decided to alter the
21 impartial model developed by the JCSG and did a separate
22 analysis, ending up with different results. And let me

1 identify just some areas of bias.

2 First, the Air Force included depot capacity as a

3 primary factor, attributing 40 percent of the overall score,

4 which favors, of course, large depots. But why are they

5 giving bonus points for capacity, when excess capacity is

6 what the BRAC is trying to cut?

7 Second, no credit was given to core cross-service

8 workload. McClellan performs more core cross-service

9 workload than any other ALC.

10 Third, the Air Force combined seven separate ground

11 communications electronic commodity groups into but one

12 category, which further reduced McClellan's overall score.

13 In conclusion, I ask that the Commission consider

14 the independent evaluations of the JCSG and the GAO in

15 determining McClellan's value to the nation's defense

16 infrastructure. Their objective measurements show

17 indisputably that McClellan has critical skills and

18 productivity rates that are not duplicated elsewhere in DOD.

19 Our desire to save McClellan derives not from a

20 parochial interest to keep our local communities intact, but

21 from an even greater interest in keeping our national defense

22 infrastructure strong.

1 Now, I would like to introduce Congressman
2 Doolittle, who will discuss another area in the Air Force
3 analysis which lowers McClellan's overall military value
4 ratings.
5 CHAIRMAN DIXON: Thank you, Congressman Matsui.
6 And we are delighted to have the distinguished Congressman
7 from California, Congressman John Doolittle.
8 REPRESENTATIVE DOOLITTLE: Thank you very much, Mr.
9 Chairman and members. That area that I shall discuss
10 pertains to the costs of depot operations. Under the Air
11 Force's criteria in one analysis, the cost of depot
12 operations represents 14 percent of the overall rating.
13 The Air Force used two indicators, annual operating
14 costs and labor rates, to rate the ALCs on costs. McClellan
15 was rated red plus for cost of depot operations. We believe
16 this rating and the indicators used to derive the rating
17 completely belie McClellan's true value in terms of cost-
18 effectiveness and productivity.
19 We are convinced that McClellan should be green for
20 costs of depot operations. Here's why. The use of annual
21 operating costs as an indicator captures the total cost of
22 depot operations, but it ignores the complexity of work and

1 does not account for any variance in skills, equipment,
2 training, and overhead costs for differing workloads.
3 It is interesting to note that the two high tech
4 depots, Hill and McClellan, received red plus ratings for
5 annual cost of operations. This fact underscores the impact
6 of high tech workloads and highly skilled employees in the
7 cost of depot operations.
8 The other indicator used to determine the cost of
9 depot operations was labor rates, which do not reflect
10 productivity, efficiency, or performance. McClellan's basic
11 wage rates are higher than the other ALCs, but our
12 performance and efficiency are better.
13 We looked at the AFMC's own performance indicators
14 to assess efficiency, productivity, and overall performance
15 of the ALCs. These indicators have been documented by the
16 U.S. General Accounting Office since 1988. Since 1988,
17 McClellan is the number one Air Force depot in meeting annual
18 operating results which measures costs versus revenues.
19 The goal is not to make a profit, but to achieve a
20 zero balance on an annual basis. This indicator is a primary
21 measurement of management effectiveness. For other
22 performance indicators, McClellan is number one in direct

1 labor efficiency. McClellan is number two in output per paid
2 man day. McClellan never ranks lower than third for any
3 standard performance indicator aggregated over the 1988 to
4 1994 time frame.
5 By way of summary, then, McClellan is at the top
6 among Air Force depots, both in terms of functional value and
7 cost-effectiveness. McClellan gives its DOD customers more
8 bang for the buck. The Air Force analysis does not capture
9 the full value of McClellan as a depot. McClellan should be
10 green for depot evaluation and green for criterion one.
11 If these issues had been evaluated to capture
12 McClellan's true criterion one value, McClellan's overall
13 military value would be higher, and we believe that the
14 JCSG's alternative DM number 2 would not have identified
15 McClellan as a closure candidate.
16 I would like to indicate now that Congressman Pombo
17 will shed some additional light on McClellan's value as a
18 depot on a cross-servicing basis.
19 CHAIRMAN DIXON: Thank you very much, Congressman
20 Doolittle.
21 And we are delighted to have the distinguished
22 Congressman from the State of California, representative

1 Richard Pombo.

2 REPRESENTATIVE POMBO: Thank you. We understand
3 that our friends at Tobyhanna Army Depot have been making
4 claims that Tobyhanna should be the DOD source of repair for
5 all communications and electronics work. We believe that a
6 review of the evidence will clearly indicate that if there is
7 to be a single DOD source of repair for ground communications
8 and electronics, that it would not be Tobyhanna, but, in
9 fact, it would be McClellan.

10 One need only review the JCSG functional evaluation
11 to understand why. The information I will present comes
12 directly from JCSG's depot maintenance study. It represents
13 the closest apples-to-apples comparison you will find,
14 because we are talking about communications and electronics
15 categories defined by the JCSG and performed by Tobyhanna and
16 McClellan.

17 As the next slide indicates, in the JCSG functional
18 value scores for communications and electronics commodities,
19 Tobyhanna only ranks higher than McClellan in one instance.
20 McClellan ranks higher than Tobyhanna in the other six
21 commodities, as well as in software support commodities,
22 which are essential to supporting communications and

1 electronics workloads.

2 The software support capability is particularly

3 important, since it is an essential component of supporting

4 communications and electronics workload. Virtually

5 everything that DOD uses today is software-driven. Radars

6 track using software. Satellites are controlled using

7 software. And test equipment is software-driven.

8 A level 3 classification of software development

9 capabilities is mandatory in order to do business with the

10 Air Force. McClellan has a level 3 classification.

11 Tobyhanna has no classification.

12 Further, the next slide shows that for doing

13 communications and electronics work, McClellan is the better

14 buy. Our budgeted labor hour costs for communications

15 electronics, which is what is charged to the customer, is

16 lower than Tobyhanna's.

17 In this next slide, we illustrate Tobyhanna and

18 McClellan's current capabilities to support core

19 communications and electronics work load. The JCSG study

20 reveals that McClellan is the only DOD facility with core

21 capability in all communications and electronics categories.

22 What this means is that McClellan has the technology in place

1 to support all commodity types.

2 The final slide clearly demonstrates that McClellan
3 has existing capacity to support all of DOD's communications
4 and electronics depot maintenance workload requirements. The
5 bottom line is that if this Commission wants to take an
6 historic step and implement cross-servicing on a significant
7 scale in the area of communications and electronics, then the
8 evidence clearly demonstrates that McClellan should be the
9 DOD single source of repair for communication and electronics
10 workload.

11 Congressman Fazio will now conclude our
12 presentation by discussing certain costs of closure issues.

13 CHAIRMAN DIXON: Congressman Fazio.

14 REPRESENTATIVE FAZIO: Mr. Chairman, our review of
15 closure costs in the COBRA model for McClellan reveals
16 significant errors. The next slide highlights the errors and
17 what their impact is on steady state savings.

18 We provided your staff with information on this
19 subject earlier. What we are presenting today represents an
20 update of the numbers based on the latest COBRA runs and the
21 best available information we could obtain.

22 We understand that personnel reductions have

1 already been taken within the Air Force Materiel Command
2 programs which are not reflected in the unit manpower
3 document. The UMD was the source of the personnel numbers
4 used by the Air Force in the COBRA model.
5 Essentially, the UMD had not yet been updated.
6 AFMC even alerted the ALC manpower offices that the numbers
7 were suspect. We have attached a letter from headquarters on
8 this subject for your reference. We are not certain of what
9 the impact of this discrepancy will be on one-time costs and
10 steady state savings, but bring it to your attention because
11 the closure savings estimates ought to be accurate.
12 The other errors relate to base operation support,
13 or BOS, personnel. We have identified 76 positions counted
14 as BOS for the base, when these positions are actually
15 mission support positions that will relocate with the 940th
16 Air Refueling Group.
17 This is the same scenario for 91 positions that
18 were counted as BOS but which are actually mission support
19 and will move with the communication squadron. The other 32
20 positions are already eliminated as part of the F-111
21 drawdown unrelated to BRAC. However, they were included in
22 the COBRA personnel eliminations column.

1 So after correcting for these errors using standard
2 factors from the COBRA model, we estimate that McClellan's
3 steady state savings are reduced approximately 8.5 million.
4 We have also uncovered several areas where errors occurred in
5 one-time costs. The three most significant errors involve
6 McClellan's nuclear radiation center, the cold-proof
7 facility, and the hydraulics facility.
8 First, the radiation center. The COBRA assumptions
9 used by the Air Force provide a shut-down cost of 20 million
10 and an annual maintenance cost of 300,000. In reality, one-
11 time decommissioning costs will run as high as 55 million.
12 Annual recurring costs will be $700,000 per year.
13 The capabilities of the nuclear radiation center
14 provide critical support for DOD for nuclear treaty
15 verification purposes, as well as strategic materials
16 production. These capabilities must be replicated to support
17 national security requirements. The costs to replicate this
18 capability is 48 million, which does not consider the length
19 of time and difficulty in getting the regulatory licenses and
20 permits needed to operate a nuclear reactor.
21 For the cold-proof facility, the Air Force included
22 zero in its COBRA analysis for this capability, even though

1 the facility will be needed to support our fall in military
2 sales obligations with Australia and may be required to
3 support the EF-111s if they remain in the inventory. The
4 cost to replicate the facility is 8.1 million.
5 I would ask you to talk to General Fogleman when he
6 appears before you on Wednesday about the role these planes
7 are now providing. The F-111 is back up over Bosnia just in
8 the last week.
9 Finally, on the hydraulics facility, the Air Force
10 included just under 1 million in the COBRA model for
11 replicating this capability elsewhere. As many of you saw
12 firsthand when you visited McClellan, the state-of-the-art,
13 high-pressure hydraulics capabilities at McClellan need
14 specialized facilities. These facilities are not currently
15 found anywhere else in DOD. The cost to replicate them is
16 $21.7 million.
17 So when added together, we find a total
18 underestimate of one-time costs of 111 million just on these
19 facilities alone.
20 The next slide demonstrates the impact of these
21 corrections on the cost of closure. We see McClellan's one-
22 time cost increase to 683 million, steady state savings

1 decrease to 76 million, payback increased from 8 years to 11
2 years, and the net present value decrease from 370 million to
3 169 million. We're most anxious to have all of this data
4 updated on all five of the ALCs.
5 We encourage the Commission to look closely at
6 these costs of closure and other issues. We must have a full
7 understanding of what the impacts of closure are on mission
8 readiness and sustainability and the Air Force and DOD
9 budgets, as well. We ask that you not foreclose the Air
10 Force and DOD's flexibility to respond to changing national
11 security requirements.
12 We want to emphasize our people, the workforce that
13 many of you found unique, located in Northern California
14 close to the centers of excellence in their areas of
15 professional capability.
16 Please allow Secretary Perry's recommendation to go
17 forward, sending more work and more missions to McClellan in
18 the areas of composites, instruments and displays, hydraulics
19 and newdraulics, retaining our expertise in microelectronics,
20 ground communications, electronics, and neutron radiography.
21 We are the second most modern in terms of assets
22 and equipment facility in the ALC, $450 million invested in

1 the last decade. We understand how tough the task is, but we
2 do it better, faster, and cheaper. And so we would once more
3 make our argument that McClellan is a unique national asset,
4 not just another Air Force base.
5 In closure, let me say that we believe that you
6 need to look at all the five logistics centers in terms of
7 focused COBRA runs. Put all of us on a level playing field
8 before you make a final decision. We are not taking shots at
9 any of our colleagues. We believe we all have a role to
10 play.
11 But what we hope you will do is be the umpire, the
12 arbitrator that this Commission has been so often in the
13 past. We wish you well in what is a very difficult task and
14 thank you for the degree that you have given attention to
15 this particular facility.
16 CHAIRMAN DIXON: Thank you very much, Congressman
17 Dick Fazio.
18 And we're delighted to welcome the Honorable Wally
19 Herger, distinguished Congressman from the State of
20 California.
21 REPRESENTATIVE HERGER: Thank you very much,
22 Chairman Dixon and members of the Commission, for this

1 opportunity to testify on behalf of the Sierra Army Depot.

2 I wish to acknowledge the tremendous effort that

3 each member of the Commission has devoted to the BRAC

4 process. I wish to especially thank Commissioner Steele, who

5 spent a full day at Sierra Army Depot viewing the facility

6 and gathering data about its mission.

7 In the final analysis, it is firsthand observations

8 like this which will enable this Commission to reach an

9 intelligent and informed conclusion regarding the future of

10 Sierra Army Depot.

11 Today, I would like to again draw the Commission's

12 attention to a few specific points which are crucial to a

13 fair evaluation of Sierra. These factors are critical to

14 both the efficient operation of the Department of Defense and

15 the overall military readiness of our country.

16 The facts about Sierra speak for themselves. The

17 facility is ideally located. It is cost-effective. It has

18 unmatched transportation capabilities. It has storage

19 conditions that rate fourth overall in the Army system. It

20 is unparalleled demilitarization capability. It stores and

21 services three of the Army's largest operational stocks.

22 Significant realignment would be costly to the

1 taxpayers. Combined, these factors alone present a
2 compelling case against realignment of the facility.
3 Unfortunately, however, these facts have been consistently
4 understated and manipulated in the data which has been
5 provided to this Commission. I wish to cite a few examples.
6 First, Sierra's demilitarization capability has
7 been grossly understated by the Army and misconstrued in both
8 Navy and Air Force reports. The fact is that Sierra has the
9 largest and most cost-effective demil capacity in the
10 country.
11 Furthermore, it has the flexibility to decommission
12 START I and START II, thereby enabling the United States to
13 expeditiously fulfill its military-related treaty
14 obligations.
15 Secondly, Sierra has been repeatedly evaluated
16 strictly as an ammunition depot when, in fact, 55 percent of
17 its mission is to store and maintain three of the Army's
18 largest operational stocks. These operational stocks are
19 critical to the Army force projection and were used
20 extensively during the Gulf War.
21 Thirdly, Army reports have frequently
22 underestimated Sierra's ideal location and transportation

1 facilities. Sierra is the most proximate of any depot to the
2 West Coast military seaports. It is traversed by two major
3 rail lines and is the only depot with an air field capable of
4 supporting C-5 aircraft. Closure or realignment would
5 dramatically increase transportation costs for shipping
6 munitions to port.
7 Furthermore, closure of the facility would
8 eliminate a source of virtually unlimited munitions, storage,
9 and training space.
10 Fourthly, although Army data suggests that
11 realignment of Sierra would save taxpayers dollars, the
12 opposite, in fact, is true. The initial cost of transporting
13 Sierra's ammunition to other bases, combined with subsequent
14 increases in the cost of redeployment and demilitarization
15 will negate any one-time savings and, in the long run, cost
16 taxpayers more money.
17 These four examples suggest that this Commission
18 should carefully reexamine all the data regarding Sierra Army
19 Depot. As it does so, I urge the commissioners to give
20 particular credence to the information gathered by
21 Commissioner Steele.
22 With the national security and a growing deficit

1 hanging in the balance, it is imperative that any final
2 determination regarding Sierra be predicated upon
3 unimpeachable information. I am confident that such
4 information is now available to the Commission, and I ask
5 that it be given the weight that it deserves.
6 In closing, I again thank you, Chairman Dixon, and
7 your associates for your dedicated efforts. Your decisions
8 over the next few weeks will affect our country's military
9 capabilities for decades. I urge you to consider all the
10 facts, particularly your firsthand knowledge, and predicate
11 your decisions on what is best for our country.
12 I'm confident that as you do so, you will elect to
13 retain Sierra Army Depot as a fully operational facility.
14 Thank you.
15 CHAIRMAN DIXON: Thank you very much,
16 Representative Herger.
17 And we're delighted to have the distinguished
18 Congressman from the State of California, Representative Sam
19 Farr here. Representative Farr.
20 REPRESENTATIVE FARR: Good morning, commissioners.
21 Thank you very much. I'm pleased to have this opportunity to
22 discuss the DOD's recommendation to realign TEXCOM

1 Experimentation Center at Fort Hunter, Liggett, California,
2 to Fort Bliss, Texas.
3 First, I would like to take this opportunity to
4 mention the presence of two highly qualified experts in both
5 operational testing and the capabilities of Fort Hunter
6 Liggett who are with me this morning, Dr. Marion Bryson,
7 director of TEXCOM Experimentation Center, and Colonel Eldee
8 "Red" Walklee, retired Army garrison at Fort Hunter Liggett.
9 They're working closely with the Commission's staff
10 on the military aspects of the terrain and isolation of Fort
11 Hunter Liggett for conducting operational testing and the
12 significant flaws that are in the COBRA model analysis.
13 First, under operational testings, operational
14 testing is the final phase of DOD's testing for evaluating
15 materiel, doctrine, tactics, training, and organization. And
16 this phase must be accomplished in an operationally realistic
17 combat environment. This environment must include total free
18 play of the opposing forces involved in the test.
19 More importantly, this combat environment must
20 challenge the minds of the soldiers and the officers to
21 ensure the systems and technology are thoroughly evaluated.
22 Free play and varied terrain challenge the minds of our

1 fighting forces. The more varied the terrain, the higher the
2 probability of the quality of testing.
3 There are few restrictions to the creation of an
4 appropriate environment in the hills and valleys of Fort
5 Hunter Liggett. For example, high energy lasers can be used
6 360 degrees. But they can be used in the arid desert
7 environment only, where sufficient hills can back stop their
8 energy.
9 As such, free play is lost at a place such as Fort
10 Bliss, which lacks the appropriate terrain to facilitate two-
11 way, unrestricted laser use.
12 Another example is the ability to use the broad
13 spectrum radio jamming at Fort Hunter Liggett. Broad
14 spectrum radio frequency jamming reduces the ability of the
15 leader to communicate with the forces and produces a
16 realistic battlefield condition of confusion, thus requiring
17 individual initiative, thereby contributing to the quality of
18 the test.
19 Broad frequency radio jamming can interfere with
20 television and AM/FM radio reception, emergency networks, and
21 foreign frequency usage. There are few restrictions at Fort
22 Hunter Liggett on jamming, many at Fort Bliss.

1 Finally, the terrain is both friend and foe to
2 forces engaging in testing. Again, leadership and initiative
3 only come into play when forces are confronted with hills,
4 valleys, rivers, lakes, manzanita thickets, and oak forests.
5 In addition to the terrain, the vegetation, the possibility
6 of a wild line fire or wild variants of climatic conditions
7 at Fort Hunter Liggett relates to the vast regions of the
8 nondesert world.
9 The weapons, mobility, and technology provided to
10 our forces are key to the success on the battlefield. I
11 believe our soldiers deserve the very best that industry,
12 innovation, and research can provide. I also believe that
13 the place for ensuring this quality is on the proving grounds
14 and testing areas, not on the battlefield.
15 An example of this would be the testing of the
16 Apache Long Bow. Equipped as a state-of-the-art mast mounted
17 radar fire control system along with navigation and
18 communication systems, the Long Bow Apache was designed to be
19 affordable 21st century Army weapon to detect and engage
20 multiple targets on the battlefield.
21 This test was conducted at Fort Hunter Liggett. It
22 had been originally scheduled at Fort Bliss and was switched

1 for many of the reasons I just stated above.

2 The analysis that COBRA prepared for you. DOD made

3 a recommendation based on the COBRA analysis that there would

4 be a substantial return on investment if you realign TEC.

5 Their analysis led to the following results: They said there

6 would be a one-time cost to realign TEC to Fort Bliss of 6.6

7 million. All costs would be recovered in one year, and the

8 Army says there will be accumulated savings of 67.6 million

9 at the end of the BRAC period, 2015.

10 Return on the investment. Let's look at this. The

11 Army's COBRA analysis was flawed in that it made assumptions

12 in salary and base operations costing data. Assuming the TEC

13 element to be bigger than it actually will be, the Army

14 anticipated moving 384 personnel in FY '98. Due to the

15 planned force structure, which is independent of the BRAC

16 process, the TEC will only be 206 personnel.

17 Omitting the costs of moving the TEC element to

18 Fort Bliss, including the conversion of office space,

19 laboratory facilities, and recalibration of the replacement

20 of TEC instrumentation to avoid frequency interference were

21 not calculated in the Army COBRA analysis.

22 I am submitting for the record copies of the Army's

1 working papers -- they're attached to my testimony here --
2 from 30 May '95, technical assessment cost estimate meeting
3 at Fort Ritchie, Maryland, which illustrates that there is a
4 one-time cost of 40.9 million to move TEC element. This data
5 was compiled by TEC, Fort Bliss, and Fort Ritchie, Maryland,
6 working groups planning the proposed realignment of TEC from
7 Fort Hunter Liggett to Fort Bliss.
8 Again, this data adds 34.4 million to the Army
9 COBRA projections of the 6.5 million one-time cost, for a
10 total of 40.9 million or a 620 percent increase in the COBRA
11 projection. I'm providing this data in the form of a TEC
12 working document and a Fort Ritchie summary page from its
13 cost assessment meeting.
14 I strongly believe that we have shown that the
15 military value of Fort Hunter Liggett for operational testing
16 is vastly superior to that of Fort Bliss and that there will
17 be a one-time significant cost to the taxpayer, with no -- no
18 recurring savings.
19 As the Army downsizes, technological advancements
20 play an even greater part in the role of battlefield success.
21 Throughout history, victory has gone to the side that makes
22 the best use of available technology. Even if this proposed

1 move made operational sense, there is no return on the
2 investment. The Secretary of Defense substantially deviated
3 from the BRAC criterion number 5.
4 Therefore, I urge the Commission to reject the DOD
5 recommendation to realign TEC from Fort Hunter Liggett to
6 Fort Bliss. Thank you very much.
7 CHAIRMAN DIXON: Thank you very much, Congressman
8 Farr.
9 We are delighted to have the distinguished
10 Congresswoman from the great State of California,
11 Representative Andrea Seastrand.
12 REPRESENTATIVE SEASTRAND: Mr. Chairman,
13 distinguished members of the Commission, thank you for the
14 opportunity to come before you today and address the
15 recommended realignment of the TEC's COM Experimentation
16 Center at Fort Hunter Liggett, California, to Fort Bliss,
17 Texas.
18 As you have just heard from Congressman Farr's
19 testimony, Fort Hunter Liggett is of great value to our
20 military. Technology has been and will continue to be
21 America's military advantage. This fact was proven in the
22 Gulf War. Although the coalition forces were smaller than

1 those of Iraq's, our men and women were able to achieve a
2 decisive victory over the aggressor.
3 They won because of the superior training, weapons
4 systems, and technologies provided them through a demanding
5 developmental and operational test and experimentation
6 program. The Gulf War was the first real test of the Apache
7 helicopter, the Kiowa Scout helicopter, the improved tow
8 vehicle, the Hummer, and the Marine Corps' light armored
9 vehicle. All of these systems were operationally tested and
10 certified at Fort Hunter Liggett.
11 Another combat system that used Fort Hunter Liggett
12 as its proving ground was the Sergeant York anti-aircraft
13 gun. However, the $3 billion system did not appear in the
14 Gulf War. Although the Sergeant York tested favorably at
15 Fort Bliss in the early '80s, when this system was sent to
16 Fort Hunter Liggett for a confirmation operational test, it
17 failed.
18 The system failed because the acquisitional radar
19 became confused among the vegetation and variation or the
20 varied terrain of Fort Hunter Liggett. The system could not
21 successfully engage enemy aircraft in this type of
22 environment. And so, because of this failure, the program

1 was eventually canceled, thus saving millions of dollars.
2 Fort Hunter Liggett again proved its worth.
3 Now, I would like to also move on to the COBRA
4 analysis. I want to stress the fact that even if the
5 recommended realignment of TEC at Fort Hunter Liggett made
6 military or operational sense, there is no return on
7 investment. In developing its return on investment analysis,
8 the Army began with data that was inaccurate.
9 It failed to accommodate force structure changes
10 for the TEC element, and next, the Army analysis failed to
11 provide for the mission essential costs, instrumentation,
12 reprogramming, and laboratory facilities. These all must be
13 borne at Fort Bliss to enable the TEC element to perform its
14 mission at that location.
15 It makes no sense to move the element if it saves
16 no money and cannot perform once moved. The community
17 analysis merely rectifies these errors.
18 In summary, the 20-year savings do not equal the
19 one-time costs of moving the TEC from Fort Hunter Liggett to
20 Fort Bliss. As a result, the recommendation for realignment
21 represents a substantial deviation from BRAC criterion 5.
22 As you deliberate the possible realignment of the

1 test and experimentation command from Fort Hunter Liggett to
2 Fort Bliss, I trust you will reexamine this issue based on
3 the testimony you have heard today. I believe it is in the
4 best interest of our military, our community, and our nation
5 to keep the test and experimentation command in its current
6 configuration at Fort Hunter Liggett.
7 In closing, I want to repeat the DOD's own words
8 from the report it sent to the Commission, Volume III, page
9 78. And I quote: "As the enemy downsizes, technological
10 advances play an even greater role in battlefield success.
11 Throughout history, victory has gone to the side that makes
12 the best use of available technology."
13 I believe these new technological advances can best
14 be operationally tested at Fort Hunter Liggett. Thank you so
15 very much.
16 CHAIRMAN DIXON: Thank you very much,
17 Representative Seastrand. And you know how to appeal to the
18 Chair. I was the one that killed the Sergeant York.
19 Chairman Barry Goldwater chaired the Senate Armed Services
20 Committee in those days, and I was the freshman member on the
21 minority side.
22 Flew to El Paso, Texas, in February. Thought we

1 would play golf while we were there, but it was snowing. And
2 came back and reported to the chairman that the thing was
3 supposed to be an idiot gun, but even I couldn't shoot it.
4 And we killed the Sergeant York, saved the taxpayers $4
5 billion. Thanks for coming here, Representative Seastrand.
6 We're delighted to have a distinguished Congressman
7 from the State of California, Representative Tony Beilenson.
8 Congressman Beilenson.
9 REPRESENTATIVE BEILENSON: Thank you, Mr. Chairman
10 and members of the Commission. I am Congressman Tony
11 Beilenson from California, the 24th district. I appreciate
12 very much your making time for me in your schedule today. I
13 had hoped to be able to speak to you when you held your
14 regional meeting in San Francisco a couple of weeks ago, but
15 scheduled votes in the House and a very important family
16 commitment made it impossible for me to come to San
17 Francisco.
18 I did submit a report for that hearing, Mr.
19 Chairman. I'm here today to emphasize, albeit very briefly,
20 my strong, continued support for Point Magu. I also want to
21 say that we who live out that way appreciate very much the
22 fact that two of the commissioners were kind enough to spend

1 a full day of their time out there just a couple of weeks
2 ago. It was good seeing them, and we appreciate their having
3 come out there.
4 I hope very much that after you've studied all of
5 the information, Mr. Chairman, that you'll decide that adding
6 Point Magu to the closure list was ill-advised and should be
7 reversed.
8 We all assumed that the potential cost savings was
9 a major reason you decided to add Point Magu to your closure
10 list. I followed very carefully the debate over the
11 potential cost savings that might result from closing or
12 realigning Point Magu, and I believe that it's pretty clear
13 that these presumed savings will not be realized.
14 As Congressman McGallagly, I think, mentioned in
15 his testimony in San Francisco two weeks ago, I was present
16 at a meeting with the DOD Inspector General's Office, at
17 which time my staff and I, as well as representatives from
18 Mr. McGallagly's office and from our two Senator's offices,
19 heard the IG's office acknowledge that the data in their
20 frequently quoted report is out of date.
21 They also conceded that events have overtaken the
22 report, so that its findings probably no longer reflect an

1 accurate picture of the situation today. I shan't belabor
2 that point here today. I know that you've heard from the
3 community and from the Navy in detail about this matter and
4 that you'll study their interpretation of the one-time
5 closure costs and the recurring annual costs of your plan.
6 The essence of our argument, Mr. Chairman, was
7 spelled out at your San Francisco hearing by Admiral McKinney
8 that Point Magu -- and I quote him -- "has an exceptionally
9 high military value and that the Navy does not agree with the
10 savings that the IG report predicted."
11 And I continue the quote, that "the redundant
12 facilities and idle workers envisioned in the DODIG report do
13 not exist, nor do the savings claimed in that report, that
14 the proposed scenario will not reduce the excess capacity in
15 DOD test and evaluation, and in my opinion" -- that was the
16 admiral speaking -- "will not result in an acceptable return
17 on investment.
18 "If executed, it will result in the fragmentation
19 of an efficiently integrated research development test and
20 evaluation center resulting in cost inefficiencies that will
21 jeopardize a national test and evaluation asset which
22 supports a significant fleet concentration." And that was

1 the end of the quote from his testimony.

2 From all the evidence, Mr. Chairman and members of

3 the Commission, Point Magu is a necessary base in strategic

4 and military terms. In fact, it ranked so high in military

5 value that its closure would seem to make no good sense at

6 all.

7 Again, I appreciate very much having this

8 opportunity to speak with you. I hope very much that Point

9 Magu will be preserved in the manner and for the purposes for

10 which it currently operates. And, as you're well aware, it

11 has been changed a lot over the last few years. The

12 redundancies have been obliterated, and it has been brought

13 down to its proper size.

14 And that you'll find that you're in agreement with

15 the Navy and the Department of Defense, both of which

16 specifically decided against recommending Point Magu for

17 closure in the first place for what I believe -- and I hope

18 you come to believe, too -- were very sensible and good

19 reasons. And I thank you very much for letting me stop by

20 today to see you.

21 CHAIRMAN DIXON: Thank you very much,

22 Representative Tony Beilenson, for a very fine presentation.

1 We thank you, and we're delighted to have your distinguished
2 colleague from the great State of California, Representative
3 Walter Tucker.
4 Representative Tucker.
5 REPRESENTATIVE TUCKER: Good morning, Mr. Chairman
6 and members of the Commission. My name is Walter Tucker, and
7 I represent the 37th Congressional district. And I want to
8 speak to you this morning about the Long Beach Naval
9 Shipyard.
10 I had the pleasure of speaking with several of your
11 colleagues upon their site visit out to the Naval shipyard a
12 few weeks ago. And today, I would like to tailor my comments
13 specifically to the area of economic impact.
14 The Department of Defense in its recommendation of
15 military base closures to the BRAC Commission stated that the
16 closure of the Long Beach Naval Shipyard could result in a
17 maximum reduction of 13,261 jobs in the five-county Southern
18 California primary measurement statistical area in that
19 economic area. This represents just three-tenths of 1
20 percent of the total area employment.
21 But by blending the number of job losses into the
22 PMSA economic area, the DOD has greatly -- it mitigated the

1 actual economic impact that would occur in the Long Beach
2 area. I think that economic impact has to be put into its
3 proper perspective, Mr. Chairman.
4 In 1991, the closure of the Long Beach Naval
5 Shipyard, Long Beach Naval Station, I should say, and
6 hospital cost the city over 16,000 Navy personnel and
7 additional 1,000 civilian jobs. The total direct and
8 indirect economic losses from that decision exceeds $1
9 billion.
10 If the decision to close the Long Beach Naval
11 Shipyard is allowed to stand, we will lose an additional
12 6,600 civilian jobs, either associated directly with the
13 shipyard or with shipyard-based tenant commands. These jobs
14 generate another 3,500 secondary jobs within the immediate
15 area surrounding Long Beach, not in communities located in
16 other counties 60 miles from the shipyard.
17 The total economic impacts of the shipyard are
18 estimated to be over $750 million. Now, the DOD may feel
19 that 27,000 jobs and almost $2 billion in combined economic
20 impacts are not significant. Let me set the record straight.
21 With the economic impact problems that have burdened the Long
22 Beach area for the last five years, every job that is

1 threatening us is significant.

2 I was astounded to learn that if all civilian job
3 losses from previous BRAC rounds were added together to those
4 proposed for 1995, Long Beach would not only lead all cities
5 in California but would also lead 46 states. Long Beach
6 would trail only Virginia, Pennsylvania, Texas, and its own
7 State of California.

8 The City of Long Beach does not mind being out
9 front in many areas of endeavor, I might add. Indeed, we
10 strive for it. But in this particular instance, we feel that
11 it's a dubious distinction, at best.

12 I must tell you that I am troubled with the Navy's
13 methodology for selecting the facilities to place on their
14 list of facilities recommended for closure, Mr. Chairman. As
15 you will hear, there have been unbelievable but no less real
16 apparently accidental oversights in the Navy's estimated
17 costs for closure of the Long Beach Naval Shipyard.

18 And let me add at this point, I believe that some
19 of my colleagues, such as Steve Horn, will be addressing this
20 issue of the undervaluation, shall I say, of the cost of
21 closing the Long Beach Naval Shipyard, which we believe at
22 this point is up to the tune of $900 million.

1 In light of the Navy's apparent gross oversight, I
2 am troubled that they have used different economic data and
3 thresholds in their analysis of installations for closure.
4 The Secretary of Defense's guidance in the BRAC process
5 stipulates that economic impact is to be assessed at the
6 economic level of that economic area, metropolitan
7 statistical area or county.
8 The Navy evaluated the potential impact of closing
9 the Long Beach Naval Shipyard based on this criteria.
10 However, Mr. Chairman and members of the Commission, four
11 California installations were removed from the BRAC closure
12 list by the Navy due to cumulative total direct and indirect
13 job change, even though military value considerations
14 presented them as viable candidates for closure.
15 I don't need to recount for you all, all of
16 Southern California's disasters in the recent years. And we
17 certainly understand the need to downsize the military
18 infrastructure in our country to meet the realities of the
19 21st century. But why must the people of Long Beach carry
20 this burden?
21 We believe, as you have stated to us, that military
22 value should be paramount and should be the dispositive

1 criteria in this particular instance. And so with that, I
2 hope that you will take another very serious look at the Long
3 Beach Naval Shipyard. And with that as the criteria, I
4 believe that you'll believe, as I do, that it should not be
5 closed. I thank you very much for your time on this day.
6 CHAIRMAN DIXON: Well, we thank you very much,
7 Representative Walter Tucker, for your fine presentation.
8 We're delighted to welcome the distinguished
9 Congressman from the State of California, Representative Ken
10 Calvert.
11 Representative Calvert.
12 REPRESENTATIVE CALVERT: Thank you, Mr. Chairman.
13 I want to thank you and the Commission for your hard work and
14 diligence in doing an extremely difficult job. Commissioners
15 Cox and Montoya made a thorough and fair evaluation of NWAD
16 in Corona, California, and the community certainly thanks
17 you.
18 NWAD Corona is a one-of-a-kind organization. It
19 should be evaluated based upon its unique mission of
20 providing independent assessment of military systems and
21 fleet readiness. NWAD should not be evaluated as a warfare
22 center. Relocating its mission to a warfare center raises a

1 possibility of a conflict of interest.

2 In addition to military value, with the proposed
3 closure of the warfare assessment lab at NWAD, the Department
4 of Defense would lose the ability to provide real time
5 assessment of fleet readiness for up to 6 to 10 years. When
6 the considerations of retaining an independent organization
7 and the warfare assessment lab are reviewed, the proposed
8 cost savings also become questionable.

9 For these reasons, I urge the Commission to retain
10 the Naval warfare assessment division, Corona, at its present
11 location.

12 Also, this BRAC is in a unique historical position
13 to clean up and make the most of the three previous rounds of
14 BRAC. One such possibility is what we call the March
15 opportunity. We propose moving Marine helicopters to March
16 Air Force Base instead of the proposed location at Miramar.

17 From an operational and safety perspective, the
18 single setting of fast-moving, fixed-wing, and rotary
19 aircraft is undesirable. The attempt to relocate more than
20 100 Tustin helicopters to Miramar, where approximately 150 F-
21 18s will be flying tens of thousands of annual airfield
22 operations in congested air space, is an invitation, in my

1 mind, to disaster.

2 Never before in peacetime has an attempt been made
3 to permanently combine so many aircraft with such dissimilar
4 performance characteristics in such a confined air space.
5 Collocating helicopters with the relatively few larger and
6 slower and less frequently flown cargo and tanker aircraft at
7 March does not pose a similar problem.

8 Marine helicopters stationed at March would be much
9 closer to training areas in Cleveland National Forest and 29
10 Palms than if flying from Miramar. The Marines would,
11 therefore, be able to operate at existing mountainous area
12 landing sites and confined area landing sites located in the
13 March vicinity.

14 Additionally, March would reduce helicopter
15 transient time to training ranges located at the Marine air
16 ground combat center, 29 Palms, which would result in better
17 utilization of flying hours for operational training.
18 Redirecting helicopter assets to March tremendously improves
19 the worldwide rapid deployment posture of these assets by
20 collocating them at the first Marine Force aerial port of
21 embarkation.

22 For example, having March helicopters based at

1 March would save 12 to 18 hours deployment time over the
2 first scenario. Also, as a consequence of March becoming a
3 Marine facility, elements of the first Marine Corps
4 expeditionary force can preposition supplies, ammunition, and
5 people to further facilitate rapid deployment.
6 The 1st MEF is tasked with rapid mobility missions
7 throughout the Pacific Theater of operations. The Marine
8 March opportunity is safer, cheaper, and more efficient. I
9 ask you to take a very close look at it.
10 I would also like to thank Congressman George
11 Brown, who could not be with us today, for his help in this.
12 And I would like to submit his statement for the record.
13 CHAIRMAN DIXON: His statement will be admitted in
14 the record, Congressman.
15 REPRESENTATIVE CALVERT: Thank you very much, Mr.
16 Chairman.
17 CHAIRMAN DIXON: We're indebted to you, Congressman
18 Calvert, for your fine presentation. I'm greatly pleased to
19 see your distinguished colleague from the State of
20 California, Representative Dana Rohrabacher, here.
21 Congressman Rohrabacher.
22 REPRESENTATIVE ROHRABACHER: Thank you very much,

1 Mr. Chairman and commissioners. I'm here today to join with
2 several of my other Southern California colleagues on behalf
3 of retaining the Long Beach Naval Shipyard. Unlike some of
4 my other colleagues, however, I would not oppose shutting
5 down the shipyard if it were the best course of action for
6 our nation's Naval effectiveness and for fiscal health.
7 I believe that the jobs that might be lost and actually
8 could be lost there at the Long Beach Naval Shipyard could be
9 made up through other waterfront uses, provided there the
10 entire base, including dry dock number 1, was made available
11 for reuse.
12 So, in fact, if it wasn't for what the Navy needs
13 and what's best for the Navy, I would think the shipyard
14 should actually be shut down, and other uses could be brought
15 to play that would be better used for the benefit of the
16 local community. However, I am here to argue that, in fact,
17 for the benefit of the Navy and for the best use of limited
18 tax dollars, it's better to keep the Long Beach Shipyard
19 open. And I will discuss that.
20 After examination of the pertinent facts, I believe
21 that realignment rather than closure of the shipyard makes
22 the most sense for the Navy and for the taxpayers.

1 Realignment by converting the shipyard to a ship repair
2 facility would allow substantial budget savings without huge
3 expenses that are involved in recreating Long Beach's unique
4 capabilities in other locations.
5 With realignment, the Navy would save by
6 consolidating redundant overhead functions at Puget Sound.
7 It could increase those savings by similarly reducing the
8 Pearl Harbor Shipyard on its own. Production capacity would
9 also be reduced in both locations as necessary.
10 On the other hand, simply closing the shipyard, the
11 Long Beach Naval Shipyard, shows a savings only when the
12 costs of duplicating its necessary capabilities elsewhere are
13 disregarded. Dry dock number 1 is often described as
14 necessary for "emergent or unexpected repair work." But as
15 four of you learned on your visit to Long Beach, the dry dock
16 number 1 is on the regular ship repair schedule.
17 In other words, the Navy can't even handle at this
18 time the routine work without the dry dock, and much less try
19 to handle the work that's unexpected. The Navy has to have
20 this capability. And if they can't have it at Long Beach
21 with dry dock number 1, they will have to bear the huge
22 expense of recreating it someplace else.

1 Closing Portsmouth Naval Shipyard, on the other
2 hand, makes sense. Its submarine repair work can be easily
3 absorbed by Norfolk Naval Shipyard and Newport News
4 Shipbuilding and Electric Boat. In fact, moving repairs from
5 Portsmouth to Electric Boat would produce additional savings
6 by reducing the amount of unnecessary submarine construction
7 work that we are giving to Electric Boat just to keep them
8 alive.
9 In fact, it appeared that the Navy had agreed that
10 Portsmouth was the right shipyard to close, until President
11 Clinton mentioned his preference in a speech in New
12 Hampshire.
13 In closing and in conclusion, in conclusion and
14 closing to Portsmouth Yard and realigning the Long Beach Yard
15 makes the most sense for the nation and for the taxpayers.
16 And let me just reiterate by saying this. There is no sense
17 at all for us to be building submarines with the excuse that
18 we have got to keep our capacity to build submarines alive
19 and then end up building unneeded submarines at a time when
20 we are actually retiring submarines that have a long life
21 still on them.
22 If the only excuse is basically keeping our

1 capacity alive, that capacity can be kept alive by giving
2 submarine repair work to the facility that is constructing
3 submarines. Thus, in the future, if they have to construct
4 submarines, that infrastructure will be available.
5 But to spend billions and billions of dollars on a
6 weapons system that not only is unnecessary but is already
7 retiring submarines is a total waste of the taxpayers' money.
8 I say when you look at the Long Beach Naval Shipyard, in
9 terms of the big picture, in terms of what it will cost to
10 reproduce the necessary situation with dry dock number 1,
11 that it makes much more sense for the American taxpayer and
12 the Navy to keep that open and to focus on realignment.
13 CHAIRMAN DIXON: I want to thank you very much,
14 Congressman Rohrabacher, for that excellent presentation.
15 And may I say on behalf of the Commission that we thank you
16 and all the distinguished members of the California
17 delegation. You are the largest state with the largest
18 delegation, and your entire delegation have made a very fine
19 presentation. We thank you for it.
20 REPRESENTATIVE ROHRABACHER: Mr. Chairman, members,
21 thank you very much.
22 CHAIRMAN DIXON: Thank you very much, Congressman

1 Rohrabacher. And we are going to stand in recess until about
2 11:45 or so to permit the Colorado delegation to get here.
3 We are in recess.
4 (A brief recess was taken.)
5 CHAIRMAN DIXON: May I inquire about my
6 distinguished friend, the Senator from Colorado, Senator Hank
7 Brown? You are here, as is your usual habit, a little ahead
8 of time. I would like to accommodate you, if you're prepared
9 to go, but we'll not rush you.
10 SENATOR BROWN: Thank you, Mr. Chairman.
11 CHAIRMAN DIXON: Well, we're delighted to have with
12 us the distinguished Senator from Colorado, Senator Hank
13 Brown, on behalf of the great State of Colorado.
14 SENATOR BROWN: Mr. Chairman, it's a privilege to
15 see you again and appear before the Commission. I want to
16 wish you well in your endeavors. It's a job I wouldn't have.
17 And frankly, Mr. Chairman, it was a job I thought you were
18 too smart to take.
19 CHAIRMAN DIXON: Your observation is well taken,
20 and I have no defense.
21 SENATOR BROWN: I would like to submit at this time
22 the testimony of Senator Campbell and Senator Heflin for the

1 record, if we may.

2 CHAIRMAN DIXON: That will be admitted in the

3 record in full, Senator. Thank you.

4 SENATOR BROWN: Mr. Chairman, you have a tough job.

5 The Commission has a very tough job. I simply want to extend

6 one concern that I hope you will be willing to look at.

7 The Colorado delegation has been different than

8 some. We have welcomed the Base Closing Commission. We have

9 welcomed the review. We understand the need to control

10 defense expenditures. We have had a number of bases in our

11 state shut down. And we have supported, by and large, with

12 very few exceptions, the Base Closing Commission's

13 recommendations, as we have supported the Commission.

14 We do find ourselves, though, somewhat shocked at

15 what has happened with regard to Fitzsimons. And let me be

16 specific.

17 While most states have reacted to this process by

18 saying, "Don't close anything in our state," Colorado has

19 said, "Look, let's have an objective look at it. If it can

20 be done more cost-effectively somewhere else, we'll support

21 that. But if it is most cost-effective here, we want to know

22 the facts. And if it is, it should stay open." In other

1 words, help the taxpayer.

2 In that regard, this delegation itself was backing

3 a series of cost analyses looking at Fitzsimons. In 1987, an

4 analysis was done by the Assistant Secretary of Defense for

5 Health Affairs. Fitzsimons passed. In 1991 in March, an

6 economic analysis of Fitzsimons Army Medical Center was done.

7 Fitzsimons passed.

8 In November of '91, that analysis was updated.

9 Fitzsimons passed. In the BRAC Commission of 1993,

10 Fitzsimons was examined. Fitzsimons passed. Mr. Chairman,

11 what we're looking at are four studies that have looked at

12 Fitzsimons that we have backed, and all have come back from

13 an objective analysis and said it makes sense to have it

14 open, and it saves money.

15 My question is simply this -- because it comes out

16 of a very unhappy discussion with the Secretary of the Army

17 and the Administration over this. We met with them and asked

18 what was wrong with the previous studies. If there was a

19 factor that said this was worth keeping open, what did the

20 studies miss? Because what has happened is, the Army simply

21 said, "Close Fitzsimons."

22 They haven't said, "Here's what's wrong with the

1 other studies." Now, we think it's reasonable -- and we hope
2 this Commission will do this -- look at the other studies.
3 If there's something wrong with them, let us know what's
4 wrong with them.
5 This is a tough decision. You have to make tough
6 decisions. But we think the areas affected ought to at least
7 know the facts. In making the recommendation, the
8 Administration has not chosen to deal with the facts or deal
9 with the studies. They have simply offered a conclusion.
10 Mr. Chairman, I hope the Commission will do a
11 couple things. One, they will read the studies about
12 Fitzsimons and know the facts before they make a decision.
13 And if their decision is they have to reduce hospital beds or
14 health care for the military, that they'll be willing to take
15 an objective look at all the resources.
16 There's one last factor I know other members of the
17 delegation will cover, but I hope you'll pay special
18 attention to -- veterans from a wide range, one of the
19 biggest, I think, in our nation, need health care and need it
20 at Fitzsimons. It is the closest facility to a large number
21 of veterans. And I hope that will be considered when the
22 Commission makes its decision. Thank you, Mr. Chairman.

1 CHAIRMAN DIXON: Well, Senator Brown, we thank you
2 for your usual fine presentation on behalf of your great
3 State of Colorado.
4 And we're delighted to have here with you your
5 colleague, the outstanding representative from the State of
6 Colorado, who I had the great privilege of conferencing with
7 through several sessions of the Congress when I chaired
8 Readiness in the Armed Services Committee on the Senate side.
9 And she was always a great advocate of her positions and a
10 fine person to deal with.
11 And the Chair on behalf of the Commission is
12 delighted to welcome the distinguished Representative from
13 the State of Colorado, Pat Schroeder.
14 REPRESENTATIVE SCHROEDER: Well, thank you very
15 much, Mr. Chairman and commissioners. I don't envy your job
16 at all, as the distinguished Senator said. But let me just
17 try and summarize why this is so troubling to those of us in
18 Colorado.
19 We thought base closure was about excess capacity.
20 And I don't know how the Army defines "excess capacity," but
21 we don't define it the way they're defining it vis a vis
22 Fitzsimons. Fitzsimons serves almost one-third of this

1 country. One-third of this country. It is the only military
2 tertiary hospital in one-third of this country.
3 And suddenly, they decided it was excess capacity,
4 but Walter Reed in Washington, D.C., wasn't, where there's
5 all sorts of duplication of federal facilities. I would just
6 like the Commission to go down and count the number of
7 retirees that go to Walter Reed every day and match them
8 against those who rely on Fitzsimons.
9 Because here, you've got all sorts of other places
10 that you could go. Here, that's it. That is what the
11 federal government has in that region. And what we're really
12 saying is, they don't want to bother that region.
13 Our mayor wrote a wonderful letter to you, the
14 Mayor from Aurora, in which they went through all the
15 details. And I really hope the commissioners look at this
16 letter. Because what we think this whole thing is based on
17 -- it's like if you pull the top plank off, the top of the
18 plank might look great. But underneath that plank, there's a
19 gazillion termites that totally undermine, I think, the
20 Army's decision.
21 The mayor points out, they use this basis on square
22 footage. I mean, no private sector ever looks at a medical

1 facility and bases it on square footage. They never did that
2 before in any of the other reports that Senator Brown looked
3 at.
4 And not only did they look at it in square footage,
5 but they also left out a whole lot of square footage that
6 they had been using for four decades for instruction. And
7 they said they left those out because they were temporary.
8 Well, four decades doesn't sound too temporary to me. I
9 mean, that really looks like you're doing everything you
10 possibly can to skew the data.
11 Then, they used the deployment formula, which had
12 never been used before, vis a vis hospitals. They're using
13 the deployment formula that they use for regular bases on how
14 many train lines come in.
15 Well, when did we start moving people who are ill
16 by train? We move them by plane. If you look at plane, we
17 have got the best, most advanced airport and air facilities
18 in the country. Not only that, it is inland, where it is
19 more protected, rather than on the coast.
20 And they also look at whether or not we have a
21 port. Well, there's also a reason to have it internally,
22 where it is more protected. So all of those things make us

1 think that they just were looking for a real reason.

2 We have got many faxes -- they have kind of been

3 sub-rosa faxes -- from installation personnel who were

4 engaged in these preliminary measurements. And they beg the

5 Commission to please peel off this top plank and look at the

6 discrepancies between what they sent in and what the Army

7 sent you and ask, "Why?" Ask, "Why?"

8 We also want to know why, when they looked at the

9 cost of duty personnel, why they only used a 40-mile radius

10 around Fitzsimons, rather than the entire region. Because it

11 serves the whole region. That also didn't make sense.

12 The stand-alone facilities. They decided they

13 would only compare those, which left them with Tripler in

14 Hawaii -- and we understand why it's very important in that

15 Pacific region -- Walter Reed in Washington, D.C., and

16 Fitzsimons in the middle. Well, if you do the stand-alone,

17 shouldn't you look at what stands around it? And Walter Reed

18 has a whole lot of things standing around it, whereas we

19 really do stand alone. We're much more like Tripler in that

20 mindset.

21 Or why don't we look at things that are on bases

22 that are duplicating facilities? I don't think I need to

1 tell this distinguished group that there's all sorts of
2 duplications all over Texas.
3 I think bottom line, Colorado feels and our
4 retirees in this region feel, they're just being told, "Move.
5 If you don't like it, move. We're done with you. We have
6 thrown you out." That may be the Army's position, but I
7 never thought that that was the United States government's
8 position. And I must say, I am very dismayed by this
9 decision.
10 I have been supportive of base closure when it's
11 excess capacity. But to say to people, "We're done with you
12 now; have a nice day" -- none of these people subscribe to
13 Medicare Part B. Nobody has got an answer for them as to
14 where to go, and they're saying, "Move." If your family
15 lives there, if your plans were there, I think that's wrong.
16 And I would really hope that the Base Closure
17 Commission could peel off that top plank, study those
18 termites that they have put so well in that letter to you,
19 and we can document this every way from the moon. And thank
20 you very much for letting me be here.
21 CHAIRMAN DIXON: Well, Representative Schroeder,
22 thank you for that fine presentation. You and Senator Brown,

1 your distinguished senior Senator, are to be congratulated on
2 the fine job you've done for the State of Colorado, and we're
3 indebted to you, ma'am. Thank you.
4 REPRESENTATIVE SCHROEDER: Thank you, Mr. Chairman.
5 CHAIRMAN DIXON: Ladies and gentlemen, the
6 Commission is going to stand in adjournment for about 15
7 minutes. The next state to be heard will be the great State
8 of Connecticut. And we will be in recess now for about at
9 least 10 minutes or so, maybe as much as 15 minutes.
10 (A recess was taken.)
11 CHAIRMAN DIXON: Ladies and gentlemen, the
12 Commission will come back to order. I'm delighted to have an
13 old and dear friend, the distinguished senior Senator from
14 the great State of Connecticut, in this room. He and I came
15 to the Senate together in a very small class in 1980 in the
16 great Reagan landslide, and he has proved that he is, if
17 anything, certainly a survivor. And he's also a very fine
18 Senator.
19 And we're delighted to have him here on behalf of
20 the great State of Connecticut, that state's great senior
21 Senator, Chris Dodd.
22 SENATOR DODD: Thank you very much, Mr. Chairman.

1 Mr. Cornello, we thank you very much for the opportunity to
2 appear before you again today. And, Mr. Cornello, I want to
3 personally thank you again for taking the time to visit our
4 State of Connecticut and to visit the two facilities that are
5 under discussion here today.
6 So, Mr. Chairman, let me begin by saying on behalf
7 of myself, our entire delegation, and our state, we deeply,
8 deeply appreciate the opportunity to appear before this
9 Commission and also to thank you and the Commission publicly
10 for the tremendous amount of hard work that you and your
11 staffs have done. I don't think people realize how much work
12 goes into these efforts to comply with the Base Closure
13 Commission law.
14 And so I didn't want to miss the opportunity within
15 these five-minute times to express that gratitude to you and
16 to the members of the Commission and the staff, who I know do
17 a tremendous amount of work.
18 Mr. Chairman, this is my third Congressional
19 appearance before the Base Closure Commission, yet I've never
20 found myself to say, very candidly, so strongly opposed to
21 the recommendations by the Department of Defense. The basis,
22 Mr. Chairman, of my reaction, is very simple. The closure

1 recommendations in Connecticut simply do not meet or adhere
2 to the selection criteria as prescribed by law, period.
3 Without question, one of the most important aspects
4 of this entire base closure process is the anticipated or
5 projected return on investment. It is the fiscal soul, if
6 you will, of this entire five-year exercise that we have been
7 going through. But what do you do when the figures are
8 incorrect, and what do you do when the initial assumptions
9 are flat-out wrong?
10 That is the precise situation, Mr. Chairman, we
11 face with respect to the Naval Underwater Warfare Center in
12 New London, Connecticut. The projected return on investment
13 claims to save money by consolidation to Newport, Rhode
14 Island.
15 What is compelling, however, is the unfortunate
16 lack of flexibility in the recommendation to look at the
17 bigger picture and say, "There is a very unique synergy here.
18 The Navy can retain this facility at less cost" -- and the
19 numbers bear that out -- "while keeping our technical center
20 of excellence alive and retaining some of the greatest
21 acoustic engineers and engineering in our entire nation. To
22 me, that is a return on investment on all points.

1 The same argument, Mr. Chairman, is true for the
2 Stratford Army Engine Plant. When considered for closure,
3 Stratford was placed in the awkward position of being
4 compared with other unrelated industrial facilities within
5 the Army structure. You talk about apples and oranges.
6 What is even worse, however, is the terrible
7 dilemma of having to tear apart a unique industrial facility
8 that supports both Army tank and aircraft engine repair.
9 Because of the shared operations between the two production
10 lines, the Army has placed itself in the dreadful, awkward
11 position of having to make a Solomon's choice.
12 You really cannot save or move one line without
13 completely killing the other. In light of the recent $47
14 million public investment, taxpayer investment in the
15 Stratford Physical Plant, again, I ask, where is the return
16 on the taxpayer investment in that decision?
17 And finally, Mr. Chairman, in what has been one of
18 the most curious, curious recommendations from the Department
19 of Defense of this entire base closure round, the Navy has
20 now decided to redirect its nuclear power school from one
21 previously closed installation to another previously closed
22 installation.

1 What makes that decision even more puzzling is the
2 complete reversal of an ongoing construction plan at the
3 original receiving site, the Groton submarine base. More
4 than $11 million of taxpayer money has already been expended
5 at Groton, and existing classroom space is available. That
6 is the truth, Mr. Chairman and members of the Commission.
7 That is why the 1993 BRAC correctly recommended placing the
8 school in Groton initially.
9 Mr. Chairman, members of the Commission, the decisions
10 before you are critical to the structural health of our
11 nation's military. Connecticut, as you both know, has
12 historically played a very critical role in that effort, and
13 we will continue to do so in the years ahead.
14 And as you prepare for final deliberations, I know
15 that you will take every possible opportunity to review the
16 complete return, the complete return on investment on all
17 three of these vital Connecticut and United States
18 installations. Mr. Chairman, I thank you for the opportunity
19 to appear before you.
20 CHAIRMAN DIXON: Well, my dear friend, I thank you,
21 Senator Dodd, for that fine presentation on behalf of the
22 great State of Connecticut. And I appreciate your giving us

1 your time. And we're delighted to have here your
2 distinguished colleague, Senator Joe Lieberman.
3 SENATOR DODD: My much older colleague, but my
4 junior.
5 CHAIRMAN DIXON: That's true. I apologize for that
6 joke the last time. I've been hearing ever since that you
7 don't look a day older than Joe Lieberman, and I just wanted
8 to make the record clear on that.
9 SENATOR DODD: Thank you, Mr. Chairman.
10 CHAIRMAN DIXON: Senator Lieberman, we're delighted
11 to have you, sir.
12 SENATOR LIEBERMAN: Mr. Chairman, Senator Dixon,
13 great to see you again. Commissioner Cornella, thank you
14 very much for your extraordinary devotion of time, both of
15 you, to this effort.
16 I appreciate the opportunity to testify and to
17 follow my friend and colleague, the young, vibrant
18 Christopher Dodd.
19 It is my firm belief that the three recommendations
20 before you which Senator Dodd has discussed are not in the
21 national interest and, in fact, threaten the operational
22 readiness of our forces. And I say that as a member of the

1 Committee and the Senate Armed Services which you, Mr.
2 Chairman, were such a stalwart and productive member of for
3 so many years.
4 Each of these three recommendations, in our
5 opinion, will cost the American taxpayer more than has been
6 predicted by the Pentagon in dollars and, more critically, in
7 knowledge, skills, and expertise lost. These are intangible
8 but essential qualities that will not just move to another
9 location. They will be gone forever.
10 I'm not going to try to repeat all the details
11 you've been given at the New York regional hearing or from my
12 colleague a few moments ago, but I want to address
13 particularly those issues relating to the military value of
14 these three facilities.
15 First, the nuclear power school. As you know, the
16 1993 BRAC Commission upheld the Secretary of Defense's
17 recommendation to close the Naval training center in Orlando
18 and to relocate the nuclear power schools to the Naval
19 submarine base in New London.
20 Now, less than two years later, after having spent
21 over $11 million for planning and design of the training
22 facility in New London, the Navy has recommended changing the

1 receiving site to Charleston, though Charleston was
2 considered and rejected during the 1993 process.
3 You may recall those famous photographs -- we hope
4 they were memorable -- from our hearing before you in New
5 York, that the site of the proposed power school in
6 Charleston currently consists of not available buildings to
7 move into but 400 acres of woods and possible wetlands. No
8 design work has been done to determine the real costs of
9 constructing facilities and infrastructure there.
10 This recommendation, in short, does not take
11 advantage of existing capacity in New London, which will
12 require minimal new construction and offers full
13 infrastructure to meet the needs of the students who will be
14 coming there. So we ask you to reject the requested redirect
15 of the nuclear power school to Charleston and leave in effect
16 the 1993 decision.
17 Second, the Naval Underwater Warfare Center. The
18 Navy has recommended closing Newark and New London and
19 relocating its facilities to Newport. This recommendation
20 destroys the synergy, the productive interaction which exists
21 at New London, where scientists, where the people who work on
22 the submarine fleet at the great base there and the submarine

1 builder, Electric Boat, are all located within a five-mile
2 radius.
3 The fact is that the customer is in New London, not
4 in Newport. And that's where the Underwater Warfare Center
5 ought to be. The Navy's cost estimates to implement the 1995
6 recommendation, in our opinion, are understated, much as they
7 were in 1991 when, in fact, the record shows the costs of
8 moving to Newport have nearly doubled.
9 But as important as the dollars are, even more
10 importantly, our nation stands to lose many of the finest
11 acoustic scientists and engineers in the business, who simply
12 have told us that they will not pick up their families, sell
13 their homes, and move to another site. So we urge you to
14 reject the Navy's recommendation and allow the Underwater
15 Warfare Center in New London to continue to be the acoustic
16 research and development center of excellence for the Navy.
17 And finally, I want to address the Stratford Army
18 Engine Plant. In the recommendation to close Stratford, the
19 Army does not question the military value of the
20 installation. They simply suggest that the tank and
21 helicopter engine work which the Army admits it needs and is
22 being done well in Stratford could be moved to depots at

1 Anniston or Corpus Christi.

2 Respectfully, I say to you that the Army is wrong
3 in this case. Splitting the manufacturing capability will
4 simply not work. Stratford is an integrated, dual use
5 facility operated for the government by Allied Signal. The
6 equipment and the plants produce military and commercial
7 products for both aviation and ground use.

8 The Army will not be able to replicate these
9 capabilities without paying a very significant price, which
10 is not included in their estimated savings of closing the
11 plant.

12 February 14, 1995, just four months ago, the
13 Assistant Secretary of the Army, Gil Decker, announced a plan
14 to maintain a strong engine industrial plant base by
15 investing $47 and-a-half million in a three-year program at
16 Stratford, which a short while later, another section of the
17 Army came along and said, we think mistakenly, ought to be
18 closed.

19 When this Decker proposal is implemented, Stratford
20 Army Engine Plant will be realigned as a smaller, more cost-
21 competitive facility which preserves key components of the
22 tank engine industrial base.

1 Mr. Chairman, commissioner, the Army's
2 recommendation to close Stratford is short-sighted, when you
3 consider the military value of the Stratford facility and the
4 understated cost of closing the plant. A realigned Stratford
5 Army Engine Plant is the most cost-effective decision.
6 Mr. Chairman, harkening back to an earlier stage of
7 your own distinguished career in public service, I note the
8 clock. And, therefore, I would ask that the full text of the
9 remainder of my statement be submitted and printed in the
10 record.
11 CHAIRMAN DIXON: Your statement will be reproduced
12 in the record in full, Senator. And we thank you and your
13 distinguished colleague for that outstanding presentation on
14 behalf of the State of Connecticut by Senators Dodd and
15 Lieberman.
16 SENATOR LIEBERMAN: Thank you, commissioner.
17 CHAIRMAN DIXON: Thank you very much.
18 Ladies and gentlemen, we are going to be in recess
19 until 12:30, when we will hear from the great State of
20 Florida.
21 COMMISSIONER CORNELLA [Presiding]: Representative
22 Scarborough, would you please come to the podium? And we

1 would like to move ahead, if you don't mind.

2 REPRESENTATIVE SCARBOROUGH: I don't mind at all.

3 Thank you very much, Mr. Commissioner. Mr. Chairman, members

4 of the Commission, I thank you for the opportunity to come

5 before you to testify in opposition to the DOD's proposed

6 consolidation of electronic combat test evaluation

7 facilities.

8 In my opinion, this proposal is not only flawed,

9 but it also seriously undermines the intent of the laws

10 passed by Congress in the 1995 authorization.

11 I'll explain that view in a moment, but first, let

12 me assure you that I certainly understand the awesome

13 responsibility that has been entrusted to this Commission.

14 Fiscal realities demand that tough decisions be made to

15 reduce the cost burden of our nation's military

16 infrastructure.

17 But at the same time, however, the world situation

18 makes it clear that we must sustain a strong national defense

19 posture. I'm here today because I'm convinced that the DOD

20 recommendations for realignment of Air Force infrastructure

21 for electronic combat test and evaluation will not produce

22 savings but will actually, in fact, result in a serious risk

1 to this nation's war fighting capabilities.

2 Only one of three EC units on the BRAC list,

3 specifically, the EC open air range at Eglin Air Force Base,

4 is located in my district. My remarks, however, will also be

5 applicable to the nation's other two facilities, the Air

6 Force Electronic Warfare Environmental Simulator facility in

7 Fort Worth, Texas, and also the real time digitally

8 controlled analyzed processor, our Red Cap facility, in

9 Buffalo, New York.

10 After studying the recommendations supporting

11 BRAC's analysis provided by the DOD, my position is in

12 opposition to these recommendations and is based upon the

13 answer to three critical questions. The first question is,

14 are the DOD recommendations on EC test and evaluation

15 facilities consistent with the 1995 DOD authorization

16 requirement that an EC consolidation master plan be submitted

17 to Congress prior to any reorganization of the facilities?

18 Now, Congress originally had asked for the plan,

19 because none of the services had wished to consolidate their

20 EC test facilities. And its formulation was deemed to be

21 necessary to overcome the interservice dispute on the matter.

22 The absence of this plan is troubling to me, especially as a

1 member of national security. And taking action in this area
2 without the guidance of this plan that was requested in the
3 1995 authorization bill is unwise.
4 The second question we need to ask is, do the
5 proposals protect the needs of our war fighters? In other
6 words, would consolidation have a measurable impact on the
7 quality of EC facilities which would, in turn, impact the
8 ability of our forces in the field to meet a variety of
9 combat and noncombat situations in which electronic warfare
10 would be encountered.
11 Thirdly, do the proposals reduce the cost to the
12 taxpayer? Quite frankly, we have to ask ourselves whether
13 we're getting the best bang for the buck. Are the savings
14 that are proposed in consolidation the types that would bring
15 forth sufficient and significant savings, or would they
16 actually cost more both in the long and the short term?
17 As I've previously noted in my remarks, the
18 direction to develop an EC master plan was the result of
19 DOD's demonstrated inability to pursue joint cross-service
20 realignments in the EC infrastructure. The intent was to
21 motivate cross-service reductions in T&E infrastructure and
22 provide a context within which to judge DOD recommendations

1 impacting electronic combat facilities.

2 DOD BRAC documentation clearly shows that a
3 rigorous analysis plan to pursue such cross-service
4 opportunities was approved by all the service departments.
5 This plan was to identify those facilities most appropriate
6 for cross-service consolidation, with the intention being
7 that such analysis would be used as the basis for the final
8 BRAC recommendations.

9 Inexplicably, however, the Office of the Secretary
10 of Defense decided not to use the data revealed by the cross-
11 service consolidation study. Instead, OSD opted to pursue
12 another approach without any statistical analysis to back it
13 up.

14 Clearly, in my view, this approach is noncompliant
15 with the intent of the EC master plan that was called for
16 under the 1995 Defense Authorization Act, and, therefore, it
17 would be inappropriate to act on it.

18 As to the question of meeting the needs of our war
19 fighters, I wish to point out that DOD ranked Eglin's EC air
20 range as number one in this country for military value. But
21 against that assessment, the OSD recommendations to
22 consolidate EC test facilities at the Nellis range failed to

1 define a crucial concept. Specifically, it failed to show
2 how its proposal for combining Air Force open air ranges
3 could accommodate the needs of real world EC operations.
4 Accessibility of the Nellis range complex, distance
5 of the range from Edwards Air Force Base, and other known
6 obstacles appear to have been simply wished away. Based on
7 these facts, it seems that we're unnecessarily putting our
8 proven support capabilities at risk for no obvious return.
9 I ask the Commission, what is the purpose in fixing
10 something that is clearly not broken and that has worked for
11 so long at Eglin Air Force Base, and again, at a range that
12 was ranked number one in this country for EC capabilities?
13 This brings me to the reported cost-benefits
14 associated with the consolidation of various Air Force
15 ranges. There is no evidence out that at all to suggest that
16 there would be any significant savings to the taxpayer from
17 the proposed consolidation. In fact, in the long run, it's
18 more likely that there would be an increased cost burden.
19 This conclusion can be drawn from the fact that the
20 costs of dismantling Eglin were not only underestimated, but
21 the increase in those costs of using Nellis for testing
22 purposes were ignored, as well. The result is an estimated

1 cost savings based on highly dubious assumptions.

2 Given these considerations, one is left with a very

3 strong impression that the sole objective of dismantling

4 Eglin's EC test range is to solve an Air Force materiel

5 command operations and maintenance funding issue. This is

6 rather surprising, in that it will come even at the expense

7 of procurement programs and other Air Force commands, such as

8 air combat command and Air Force special operations command.

9 My conclusion is that none of the three EC T&E

10 recommendations represent true reductions in infrastructure

11 cost burdens. All will disrupt our ability to meet the needs

12 of our forces in the field and will ultimately serve to

13 undermine Congressional directions as far as the 1995

14 Authorization Act goes.

15 Respectfully, I would strongly urge the Commission

16 to reject the proposed EC realignments. This would allow

17 Congress to have more time to carefully review DOD's EC

18 master plan before any changes are made which could seriously

19 impact this nation's war fighting capability. Let's keep the

20 best EC range in America open and also save the taxpayers

21 money at the same time. And I thank you all for your time.

22 COMMISSIONER CORNELLA: We thank the distinguished

1 representative from Florida, Mr. Joe Scarborough.

2 Ladies and gentlemen, I apologize for the starting

3 and stopping of the hearing, but remember that we're trying

4 to accommodate over 200 members of Congress over these 2

5 days. And that does cause a small bit of confusion. But

6 things are really moving along very well, and we beg your

7 indulgence.

8 So we will resume that break for about another four

9 or five minutes. Thank you.

10 (A brief recess was taken.)

11 MADAME COMMISSIONER COX [Presiding]: We will come

12 back to order from our brief recess. And we're very pleased

13 to recognize the distinguished Congresswoman from Florida,

14 Congresswoman Carrie Meek.

15 REPRESENTATIVE MEEK: Thank you, Commissioner Cox,

16 Mr. Chairman, and commissioners. I'm Carrie Meek, a member

17 of the United States Congress, 17th Congressional district.

18 I'm here to talk about Homestead Air Reserve Base, which is

19 in my district.

20 We welcome the recent visit to Homestead by General

21 Davis. Today, I'm asking you again to keep Homestead, our

22 reserve base, open. It's a model base realignment. As you

1 know, BRAC '93 ordered the realignment of Homestead into a
2 reserve base and a joint military civilian airport, an
3 extremely cost-effective arrangement for the Air Force.
4 Since that decision two years ago, the realignment
5 process has been moving forward smoothly and efficiently. By
6 all accounts, the realignment of Homestead has included
7 first-rate planning, optimal use of resources, and tremendous
8 support and involvement from citizens' groups, our Dade
9 County government, and the City of Homestead.
10 In fact, Defense Secretary Perry declared Homestead
11 a model base realignment for the entire nation. This is a
12 significant point. Other bases around the country come to
13 Homestead and learn how to manage their realignment process
14 as well as ours. Every base in the country has wanted to
15 duplicate Homestead's success, its professionalism, and the
16 results of our realignment process.
17 We have done all that BRAC has asked us to do. We
18 ask now that you let us continue to do what we have already
19 proven that we could do so well. It has been cost-effective.
20 Proponents of some bases, notably those from Bergstrom Air
21 Reserve Base, have presented material to this Commission
22 which purports to show that the Defense Department will save

1 millions by closing Homestead. I say to you, Commission,
2 that is not correct.
3 The Bergstrom presentation widely overstates the
4 so-called "savings" to the government from closing Homestead.
5 In addition, it grossly understated the dual use economies of
6 DOD of operating out of Homestead's joint use airport. To
7 support our position, we presented detailed financial
8 estimates on these points to you last Friday in Atlanta.
9 The MILCON for the 482nd Fighter Wing and the 301st
10 Rescue Squadron are already fully funded out of a special
11 supplemental appropriations bill that Congress approved in
12 1992 for hurricane relief at Homestead. In addition, Dade
13 County will be subsidizing the operation of Homestead
14 beginning on October 1st of this year, the first installment
15 of 1.4 million.
16 In addition to that, Dade County will also expand
17 24 million in capital construction for air field improvements
18 that will benefit the Air Force. The bottom line,
19 Commission, looking at it directly as a financial
20 transaction, keeping open Homestead Air Reserve Base is a
21 bargain for the Defense Department.
22 Community support is there. Our entire community

1 is overwhelmingly supportive of Homestead Air Reserve Base,
2 in terms of money, time, and effort. Dade County has
3 formally agreed to pay the $1.4 million. Support for our Air
4 Force Reserves is so high that the F-16 Falcons of the 482nd
5 Fighter Wing could probably fly low over downtown Homestead
6 and not even get a noise complaint.
7 Hurricane Andrew destroyed a large part of our
8 community. The realignment of Homestead Air Reserve Base is
9 an essential part of our rebuilding and recovery. If you
10 vote to close Homestead Air Reserve Base, you would devastate
11 our community in a way much worse than Hurricane Andrew ever
12 did.
13 I have here in writing promises that the 301st
14 Rescue Squadron would return to Homestead just like BRAC
15 ordered. I have written assurances from an Air Force
16 colonel, major general, Deputy Assistant Secretary of the Air
17 Force, and even from the Secretary of the Air Force herself.
18 Why is it true that the 301st Rescue Squadron
19 supports the space shuttle? Its primary mission is combat
20 rescue. The MILCON needed for the 301st at Homestead is
21 completely funded. I ask that you return the 301st Rescue
22 Squadron back to Homestead. Homestead Air Reserve is located

1 in a fantastic recruiting area. It has over 2 million
2 people. The aviation industry is the largest employer in
3 Dade County.
4 Homestead has training areas and training equipment
5 which are the best of any reserve fighter base in the country
6 and superior to most of them. Because of the location,
7 Homestead is like an aircraft carrier in the Caribbean.
8 Military actions in Grenada, Panama, and Haiti were largely
9 supported from Homestead.
10 Also, as you know, Dade County is the new site of
11 the United States Southern Command. And currently, Homestead
12 Air Force Base is being evaluated for potential support
13 functions.
14 I want to thank you for having me return in front
15 of you again and to say that Homestead Air Force Base is
16 worthy of being kept open. It is a reserve station that will
17 be a credit to the BRAC and to this country. Thank you very
18 much.
19 MADAME COMMISSIONER COX: Thank you very much,
20 Congresswoman.
21 And now, we're very pleased to recognize the
22 distinguished Senator from Florida, Senator Bob Graham.

1 SENATOR GRAHAM: Thank you, Madame Commissioner,
2 General Davis. It's a pleasure to be able to meet with you
3 this afternoon and discuss some of the issues of particular
4 relevance to our state.
5 First, my colleagues from Florida from the House
6 have or will already provide to you specific remarks
7 concerning facilities and operations within their district.
8 Unfortunately, due to a Joint Economic Committee hearing, my
9 colleague, Senator Connie Mack, is not able to be with us
10 today. He chairs that important committee, and they have a
11 long scheduled hearing.
12 Senator Mack has drafted written testimony for the
13 Commission, and I provide a copy of that to you on his
14 behalf.
15 MADAME COMMISSIONER COX: Thank you. We'll be
16 happy to include it.
17 SENATOR GRAHAM: Also, Madame Chairperson, I will
18 be providing a full statement of my remarks and will
19 summarize them orally.
20 I would open with the following remarks, which I am
21 certain are shared by all of the members of the Florida
22 delegation. I am very pleased that the Defense Department

1 and your Commission have already recognized the high military
2 value of many Florida installations.
3 Included in this are MacDill, Patrick, and Tindell
4 Air Force Bases, Naval Air Stations Whiting Field, Pensacola,
5 Key West in Jacksonville, Naval Station Mayport, the Panama
6 City Coastal Systems Station, and the Army and Navy's
7 simulation training operations located in Orlando.
8 I'm also pleased that the efficiency and cost-
9 effectiveness of the Naval aviation depot in Jacksonville
10 have been acknowledged and affirmed. I heartily endorse and
11 concur with these sound decisions that you have made.
12 However, let me just highlight a few concerns which
13 the Commission will be considering in the next three weeks,
14 issues that are of particular strategic relevance to our
15 nation. Although I am pleased that the military and the
16 Commission appreciate the value of Eglin Air Force Base, I am
17 concerned that the decision to relocate electronic combat
18 test and evaluation assets from Eglin could significantly
19 impact our Air Force's ability to properly test and evaluate
20 weapons systems.
21 It takes many years and significant investment in
22 developing effective weapons systems. Having just

1 experienced a downing of an American fighter jet and having
2 seen during the Gulf War the amazing capabilities of our
3 weapons, we should be ever sensitive of the need for our
4 military to remain on the cutting edge of technology in
5 testing and evaluation.
6 The services must preserve their ability to fully
7 and rigorously test and evaluate our weapons systems. If the
8 electronic combat assets are moved from Eglin's test ranges,
9 which are endowed with unique land-water contrast along the
10 shoreline, the Air Force will lose a critical testing
11 environment.
12 Any consolidation of weapons testing and evaluation
13 assets should be deferred pending the completion of a
14 Congressionally mandated Department of Defense electronic
15 combat master plan.
16 While acknowledging that the Commission is
17 considering numerous issues in many facilities nationwide
18 which do not meet the BRAC personnel threshold for
19 consideration, in the case of Eglin's realignment, choosing
20 to not act on the Air Force recommendation pending a
21 definitive Department of Defense study as directed seems to
22 be both logical and intelligent.

1 Regarding Homestead Air Force Base, I am surprised
2 -- frankly, sadly surprised -- to see that we are again
3 forced to consider the future fate of Homestead, a facility
4 which has been repeatedly proven for its military value. In
5 1993, your predecessor, the Base Closure Commission of that
6 year, stated that the military value of Homestead was "indeed
7 high, due to its strategic location."
8 Even as the base was being repaired from the
9 devastation it suffered during Hurricane Andrew, it met the
10 challenge of providing valuable logistical and operational
11 support for the Haiti invasion operations for Army Blackhawk
12 helicopters and Air Force KC-135 tanker support cells.
13 And we cannot forget or ignore that approximately
14 100 miles off the coast of Homestead stands the only
15 Communist nation in our hemisphere. Cuba remains a threat to
16 the slow but very successful democratization of the Western
17 hemisphere. Our military and security planners will only be
18 hampered should they need to prepare for future operations in
19 the region without Homestead to rely upon.
20 To use the words of Major General Sherrod, Vice
21 Commander of the Air Force Reserve, during his testimony
22 before you last week, "Homestead Air Force Base is most

1 certainly one of our better locations, and its closure would
2 be most unfortunate."
3 I see that my time has expired. If I could just
4 take a few moments to mention one last item. Since the
5 original 1993 BRAC mandated receiving site at New London,
6 Connecticut, for the Navy's nuclear propulsion training
7 center has been determined to be unavailable, careful
8 consideration should be given to the high cost of moving and
9 rebuilding this expensive, sophisticated training facility.
10 We should not inadvertently through miscalculation
11 be found that we have been led to a negative impact on the
12 Naval Research Laboratory's underwater sound reference
13 detachment in Orlando. I hope the Commission will see to it
14 that such errors are corrected, with the reversal of any such
15 recommendation, and that the BRAC 1991 mandate to move
16 Armstrong Labs to Orlando is fulfilled.
17 Thank you very much for your courtesies today and
18 throughout this process. It is my full expectation that you
19 will continue to focus keenly on strategic military value. I
20 am confident the Commission will reach the best decisions
21 based on what is in the interest of our nation's defense.
22 Thank you.

1 MADAME COMMISSIONER COX: Thank you very much,
2 Senator. And we would be happy to have your additional
3 remarks for the record, as well.
4 SENATOR GRAHAM: Thank you very much.
5 MADAME COMMISSIONER COX: Thank you.
6 And now, I'm most pleased to recognize the
7 distinguished Congressman from Florida, Congressman McCollum.
8 REPRESENTATIVE McCOLLUM: Thank you very much,
9 Commissioner Cox, Commissioner Davis, and all of the
10 commissioners. I would like to spend my brief five minutes
11 with you discussing the three items that Senator Graham just
12 mentioned very briefly at the end of his statement. They're
13 all three related to Orlando. And I'm going to be as
14 succinct as possible.
15 Later today or tomorrow, you'll be receiving a copy
16 of a detailed report on all three of these we prepared with
17 COBRA runs, et cetera, for your consideration, as well as a
18 copy of a formal statement in detail.
19 First of all, let me talk about the underwater
20 laboratory in Orlando. This is called the Navy Research
21 Laboratory Underwater Sound Reference Detachment. It's a
22 huge mouthful. There are no active duty Navy personnel

1 associated with it. It has been there for 51 years, and the
2 reason why it's being recommended for closure and realignment
3 is, I guess, a consolidation of the research capacities that
4 are located there.
5 It does sonar research. It does transuser
6 research. It does calibrations, very highly sophisticated
7 calibrations of a technical nature for submarine purposes in
8 terms of development of those items that are important to our
9 submarine warfare.
10 The recommendation is to move this laboratory up to
11 Newport, Rhode Island. There is just one catch to this, and
12 I would urge you to have your staff really look at this from
13 a technical standpoint, as a technical matter.
14 There is a lake associated with this called The
15 Lake at Leesburg which is unique. It's spring-fed. It is
16 one that if you, according to all of the sources we've talked
17 to, take the testing away from this lake the calibrations
18 will not be nearly as accurate.
19 It is a fundamental question not so much of what is
20 good for Orlando but what is going for the Navy that I'm
21 arguing this case. This particular laboratory has a very
22 limited impact on my community. It employs a very few

1 personnel, but I'm very concerned that the Navy's interest
2 isn't going to be served by this.
3 We also don't believe that the Navy or the Defense
4 Department looked at the question of possibly realigning to
5 Orlando some similar functions, and if they did, we've done a
6 COBRA run to show you there would be a $30 million greater
7 present value over 20 years savings and a $10.3 million less
8 one-time cost, and therefore we think there was substantial
9 deviations from Criteria 1, 2 and 5.
10 Now, the remainder of my time I want to devote to
11 Nuclear Power Training Command at Orlando and to the
12 Armstrong Laboratory. They're very much related. They're
13 both redirects on your list, the redirect from -- actually,
14 it's from New London, Connecticut, for the Navy Nuclear Power
15 School to Charleston, South Carolina, from Orlando
16 originally, from the base closure of last time.
17 And this simply doesn't make sense. There is no
18 common sense involved with it. We don't think -- and I think
19 your staff has looked at this, and I don't believe they think
20 the Navy ever really seriously considered keeping the nuclear
21 power school in Orlando and cordoning it off.
22 If they had looked at it that way, and we've

1 calibrated this with regard to COBRA runs, you could have
2 over 20 years a savings of over $157 million just by keeping
3 it in Orlando versus $71 million 20-year savings but putting
4 it in Charleston instead of New London on the basis of moving
5 it from New London to Charleston is cost in the first place.
6 In the second place, there is only an $8 million
7 one-time cost expenditure for keeping nuclear power in
8 Orlando versus $147 million in one-time cost in new
9 construction in Charleston of the Navy's own figures.
10 And again, your Base Closure staff have looked at
11 our figures. We believe they'll confirm the $8 million
12 figure, and all of this extrapolates out to a huge dollar
13 savings by bringing home the matter that is already there,
14 just not making the move.
15 New construction is silly and foolish. There are
16 facilities there. There is a Navy exchange that is going to
17 stay in Orlando long after NTC Orlando is closed, and there
18 are facilities of all types that are available, and they've
19 all been factored into these figures that I've given you.
20 As a consequence, there are a number of the
21 criteria that, in my judgment, that are violated, but
22 certainly Criteria 5 has been, and just boldly looking at it,

1 it is. And I really, really, in the strongest terms, ask you
2 to look at this.
3 This is a gross dollar and cents mistake that just
4 doesn't make any sense. Armstrong Laboratory is a much
5 smaller dollar and cents matter, but it's similar. In 1991,
6 the Base Closure Realignment Commission directed Armstrong to
7 be moved to Orlando.
8 The Armstrong Laboratory from Arizona is an Air
9 Force simulation center. It is the research and development
10 arm for the Air Force. The Navy and the Army research
11 facilities are already in Orlando at the Orlando Research
12 Park.
13 The idea was to consolidate all training, all
14 simulation training centers of the three branches of the
15 service in Orlando. Made sense then. Makes sense now. The
16 problem is the Armstrong Laboratory, according to the Air
17 Force now, couldn't find a home there. It costs too much.
18 It's too expensive.
19 There is no evidence in any of the data calls that
20 they really looked. They assumed they'd have to build a
21 building for $13.6 million. The fact of the matter is that
22 we have a building in the research park partly now leased by

1 the Army for its simulation center they would have acquired,
2 bought for 4.5 million, still on the market today.
3 They didn't look either at the closing Orlando
4 Naval Training Center for facilities. Their cost analysis is
5 just plain wrong. They didn't do the job, and in addition to
6 that, they have made the allegation that there are no fighter
7 pilots in the area since Cecil Field Naval Air Station is
8 being closed in the future for use in their training
9 facilities.
10 They didn't take into account you still have
11 fighter pilots at Homestead, at Eglin Air Force Base in
12 Florida, for a period of time at MacDill, not to mention the
13 potential for bringing them out of Georgia.
14 There is absolutely no basis for the kind of
15 presentation that they made to you for the redirect. And the
16 last comment, and I know my time has expired, there is an
17 irony in this, Commissioner Cox and Commissioner Davis and
18 Commissioner Steele.
19 And that is the very argument, although at a much
20 lower dollar level being made for not going ahead with the
21 Armstrong move is precisely the reverse of the argument being
22 made with regard to the Naval Training Center's Nuclear Power

1 School.

2 In other words, they're saying, "We're going to

3 save money, and therefore, we should not make this move from

4 Armstrong at all. We ought to leave it out there in the Air

5 Force."

6 On the other hand, a much bigger dollar amount

7 involved with Nuclear Power School in Orlando, they're

8 saying, "We've got to make this move. We're closing Orlando,

9 and we've got to make the move regardless. We didn't even

10 look at keeping it in Orlando."

11 DOD wearing two different hats, I guess, with two

12 different branches of the service have come to diametrically

13 opposite conclusions. Again, the dollar amount with

14 Armstrong is very small compared to the dollar amount with

15 nuclear power.

16 The savings of keeping Orlando's Nuclear Power

17 School in Orlando is enormous, and I really urge you to look

18 at it. The savings, as we've said, for keeping Armstrong in

19 Arizona, if you really looked at it, is very, very, very

20 minimal. And at the very least, tit for tat we're getting

21 the short end of the straw in Orlando. The military service

22 is getting the short end of the straw, both services in this

1 case, and I think it's an ideal thing.

2 I know redirects are not your number one priority,

3 but it's an ideal thing to look at for the bottom line

4 criteria, and I thank you very, very much for letting me have

5 my time today.

6 COMMISSIONER COX: Thank you very much for those

7 excellent remarks, and now the Base Closure Commission will

8 stand in recess until 1:20, when we will pick up with the

9 State of Georgia.

10 (A brief recess was taken.)

11 COMMISSIONER COX: Good afternoon. We are now

12 ready to begin with testimony on behalf of the Great State of

13 Georgia, and I'm very happy to note Congressman Barr is here

14 to speak. Welcome.

15 REPRESENTATIVE BARR: Thank you very much,

16 Commissioner Cox and Commissioner Davis and Commissioner

17 Steele. It's an honor to be here today. I represent the

18 Seventh Congressional District in which NAS Atlanta is

19 located, and I would first like to thank all of the BRAC

20 Commissioners and the staff that visited NAS Atlanta last

21 Monday for the tour of the facility and then who attended the

22 regional hearing Friday in Atlanta at the Fox Theater.

1 I would like to invite all of you back to Georgia
2 and to NAS Atlanta when you have more time to explore our
3 great state and region in more detail.
4 Today, however, I would like to share with the full
5 Commission some of the highlights of the testimony
6 articulated over the past week in Atlanta. NAS Atlanta has
7 many virtues which substantiate the Department of the Navy's
8 recommendation to retain NAS Atlanta and support the redirect
9 of additional squadrons to NAS Atlanta from BRAC 1993.
10 NAS Atlanta has exceptional demographics and, in
11 fact, recruiters always make 100 percent of their recruiting
12 goals, and the base has no problem filling current and future
13 billets.
14 NAS Atlanta is well-suited for fleet support,
15 training missions and, I might add of particular interest to
16 me as a former United States Attorney, drug interdiction
17 operations.
18 For example, in a letter written to Chairman Dixon
19 and submitted to the Commission Mr. Raymond McKinnon, special
20 agent in charge of the Drug Enforcement Administration
21 Atlanta Field Division Office wrote, "We at DEA have relied
22 heavily on NAS Atlanta in the past, and we are planning an

1 expanded role for the base in the future."

2 NAS Atlanta is run at low cost. Quite simply, in
3 fact, it is the Navy's most economical reserve air station.
4 No other Naval Reserve air station could support the
5 additional squadrons scheduled to move to NAS Atlanta or to
6 receive NAS Atlanta's current squadrons without military
7 construction expenditures.

8 Additionally, to redirect the two F-18 squadrons
9 and the E-2 squadron to NAS Atlanta will require no military
10 construction. NAS Atlanta is co-located at Dobbins Air
11 Reserve Base and is one of only a handful of facilities in
12 the entire country that is home to each of the six Department
13 of Defense reserve components.

14 And it is without a doubt one of this country's
15 finest examples of interservice coordination and cooperation.
16 NAS Atlanta is a vital link in the total force structure, and
17 failure to utilize its ready infrastructure, its available
18 capacity, its joint use savings and its rich demographics
19 would not be in the best interests of national security
20 considerations or of the American taxpayer.

21 In closing, I want to state that the men and women
22 of our nation's armed services and the communities that

1 support them are heros to the United States regardless of the
2 location of their duty station.
3 The question before us now, however, is what is
4 right for the total force structure of the United States
5 Navy. The answer to that question is undeniably to retain
6 NAS Atlanta.
7 NAS Atlanta has the demographics, is cost-effective
8 and is a vital asset to the Navy and the Marine Corps' total
9 force structure. Again, I'd like to thank the Commission for
10 allowing me to appear here today as the member of Congress
11 representing NAS Atlanta, and I do so without equivocation
12 and in the strongest possible terms. Thank you very much.
13 COMMISSIONER COX: Thank you very much for those
14 remarks. Representative Collins, Mat Collins.
15 REPRESENTATIVE COLLINS: Thank you, Madam Chairman.
16 Madam Chairman and members of the Commission, I appreciate
17 this opportunity to appear before you today. A few short
18 days ago, many of you were in Atlanta for the regional
19 hearing.
20 Members of the Georgia delegation and citizens of
21 Georgia want to thank you for allowing Atlanta and the State
22 of Georgia the opportunity to tell our military story. As we

1 say in the south, you all come back. We would like to see
2 you back in Georgia when Atlanta hosts the 1996 Olympics next
3 summer.
4 The Speaker of the House, Newt Gingrich; Senator
5 Sam Nunn and Senator Paul Coverdell took part in base visits
6 in regional hearings last week. They did not want to impose
7 upon the Commission's limited time to hear from other members
8 of Congress.
9 However, with the Chairman's permission, I would
10 like to submit for the record the statements of my Georgia
11 delegation colleagues.
12 COMMISSIONER COX: We would be most happy to have
13 those for the record. Thank you.
14 REPRESENTATIVE COLLINS: Following my remarks and
15 the remarks that you just heard from Congressman Bob Barr
16 about Georgia's military heritage, its installations and its
17 service members, Congressmen Saxby Chambliss and Sanford
18 Bishop will testify to the significance of Robins Air Base to
19 the greatest military force in the world.
20 Let me start by saying that history tells us
21 Georgia and America's military history and security have been
22 linked before the United States was the United States.

1 Elijah Park stood with 700 Georgians to face the British at
2 Kettle Creek in 1779.
3 Eighty years later, Georgians stood with General
4 Joseph E. Johnson on the battlefields not far from where we
5 were gathered last Friday for the regional hearing in
6 Atlanta.
7 Georgians were there with Pershing, MacArthur,
8 Taylor and Westmorland, and just a few years ago, when the
9 call came from the Middle East, Georgians who were born in
10 Georgia or serve in Georgia climbed to their tanks, their
11 fighters and their aircraft, their helicopters, their
12 submarines and deployed to meet the new enemy.
13 The ones who stayed behind made sure the ones who
14 went had the best maintained and operational equipment in the
15 desert. Commissioners, if you look at the forts, the
16 airfields, marine and Navy bases in the Southeast, you're
17 looking at America's Rapid Deployment Force.
18 Years ago we closed the military bases that are no
19 longer needed in Georgia. Those which remain today, both
20 community and military leaders have worked endlessly over the
21 past few decades to further enhance the contributions they
22 make to our nation's security.

1 What remains is the hub of that juggernaut that
2 goes into battle first. Georgians are not there two months
3 after the battle begins. Georgians are there for the echoes
4 of the first shelling subsides.
5 You have two bases before you that are being
6 compared to their counterparts elsewhere in this great nation
7 of ours. Ladies and gentlemen, there is no comparison. The
8 Naval Air Station Atlanta is unmatched anywhere in its
9 ability to recruit fixed and rotary wing pilots and crew
10 members, train them for battle and assemble them in a joint
11 war fighting environment.
12 Robins Air Base is the only air logistics center
13 east of the Mississippi River. It maintains the fighters,
14 the transports and special operations aircraft that are ready
15 when this great nation of ours is least ready.
16 The bottom line is when America is threatened, we
17 launch or response from the Naval Air Station in Atlanta and
18 Robins Air Force Base. We thank you, and now you'll hear
19 from one of our colleagues, Congressman Saxby Chambliss.
20 COMMISSIONER COX: Thank you very much, and we're
21 happy to recognize Congressman Chambliss.
22 CONGRESSMAN CHAMBLISS: Thank you. Since this is

1 my last opportunity to appear before you all, I won't repeat
2 what I said on Friday of last week. Members of the
3 Commission, I'd like to take this one final opportunity to
4 publicly thank you for your hard work on behalf of the
5 American people.
6 You folks have a very difficult job, and you have
7 some very tough decisions to make, but you certainly handle
8 yourselves in a very professional manner, and I commend you
9 for it.
10 One decision that has taken the center stage in
11 this round of base closures is focused on the issue of air
12 logistics. The five air bases have made their case to you in
13 one form or another, and I know that the Commission has
14 conducted on-site visits.
15 I appear before you today to underscore the case
16 for Robins Air Force Base. Over the last 53 years, the
17 community of Robins, Georgia, has grown up around its air
18 base. Generations of middle Georgia workers have made Robins
19 their livelihood, and the importance of the Robins ALC to the
20 middle Georgia community and the economy cannot be
21 overstated.
22 As you have already come to learn, Robins accounts

1 for 19 percent of the Macon MSA payroll. More importantly,
2 the closure of Robins Air Force Base would consequently
3 result in a 50 percent reduction in jobs under MSA.
4 If it is economic impact that concerns you, the
5 numbers bear out the most severe of consequences for middle
6 Georgia. Obviously, any decision to close a depot would put
7 tremendous strain on the economy of that area. After all, in
8 most cases, the ALC is the largest industrial employer in its
9 state.
10 And that is a key point. An ALC represents the
11 most business similar activities our Department of Defense
12 operates. As such, the decision you will make as a
13 Commission must be put in that business context.
14 And in a business context, Robins sets the
15 standards, and let's look at the facts. One, Robins is a
16 company town. There is no disputing it. The Robins ALC is
17 the largest employer and the biggest industrial complex in
18 Georgia.
19 The people of Georgia have a long and storied
20 commitment to their military. Above all else, the community
21 and the employees make all the awards and good work possible.
22 In middle Georgia, there is no bigger game in town.

1 At every turn, when the Air Force has asked
2 anything of the middle Georgia community, the answer has
3 always been yes -- land, schools, infrastructure and skilled
4 workers. Whatever the need, middle Georgia has responded
5 with the resources at a cost of over $800 million for the
6 future.
7 Secondly, Robins was named the best base in the Air
8 Force. Recently, the Commander-in-Chief named Robins the
9 best base in the Air Force, a true indication of the all-
10 around success Robins has achieved over the years. Robins is
11 not just an ALC. It is the heart of the Air Force.
12 Three, Robins was rated by the Air Force in its top
13 tier of bases. One of only two ALCs named in the top tier,
14 the missions carried out at Robins are Priority One for the
15 readiness of our armed forces.
16 The F-15, the C-130, the C-141, electronic warfare,
17 the Special Operations 130s and avionics all make the mission
18 at Robins the highest percentage of core workload in the
19 command.
20 Fourth, Robins has received numerous environmental
21 awards. This is where Robins stands tall above all others.
22 Not only did Robins earn the Air Force's award for best

1 environmental program, but the best -- but the Department of
2 Defense named Robins the base with the highest quality
3 environmental program in the Department.
4 As an industrial complex, the people at Robins have
5 worked tirelessly to be the best stewards of the land in
6 middle Georgia. As an example, Robins has in place the most
7 modern and the most environmentally friendly plating shop in
8 the command, which will allow Robins to operate more cleanly
9 well into the 21st Century.
10 We are proud at Robins of our environmental record.
11 The processes are in place to reduce pollution, and by the
12 year 2000, all priority restoration sites will have been
13 cleaned, a remarkable statement for a military industrial
14 complex.
15 Members of the Commission, the business decision
16 you face will impact the most important business of this
17 country, our national defense. If your decision is to close
18 a base, Robins Air Force Base has the community support, the
19 capacity to accept workload and the environmental program to
20 accept workload without going out of compliance.
21 From a business perspective, the decision becomes
22 clear. Robins should be the model and not the victim. Thank

1 you very much for your attention.

2 COMMISSIONER COX: Thank you very much,

3 Congressman, and I believe we have next Congressman Bishop,

4 who I thought I saw a minute ago. Yes. Congressman,

5 welcome.

6 CONGRESSMAN BISHOP: Thank you very much,

7 Commissioner. Mr. Chairman -- Madam Chairman today, other

8 Commissioners, I greatly appreciate the opportunity to

9 express my support for Robins Air Force Base.

10 As a result of a base visit and testimony during

11 the regional hearing in Atlanta, many of you have heard

12 compelling arguments in support of maintaining Robins and

13 Warner Robins Air Logistics Center as key components of our

14 long-term basin strategy.

15 I associate myself with these past remarks of

16 support. I want to take this brief opportunity, however, to

17 speak to yesterday's achievements, today's capabilities and

18 tomorrow's opportunity for Robins Air Force Base.

19 Robins has long been recognized around the globe

20 for its past combat support to front line forces in the

21 field. In fact, one of Robins's managed products have been

22 actively involved in virtually all post Cold War contingency

1 operations from Iraq to Somalia to Bosnia.

2 Time after time it was not only the superiority of

3 our highly trained combat personnel that contributed to these

4 successful missions but the people at home who managed and

5 maintained the advanced war-fighting equipment used in the

6 field.

7 Personnel at Warner Robins have, on average, 10 to

8 15 years experience in complex engineering and computer

9 related skills. Much of this experience and expertise is

10 attributed to past emphasis on the value of training.

11 State and local leaders recognized this need and

12 have invested more than $51 million in establishing

13 vocational and technical training schools and programs.

14 We've made these investments in people, but what about

15 facilities?

16 Since 1984, the Air Force and the American taxpayer

17 have invested more than $295 million in new state-of-the-art

18 facilities. These facilities are among the newest in the Air

19 Force Material Command.

20 As a further sign of local commitment, the

21 community invested more than 1.5 million to purchase property

22 in the accident potential zone to clear all encroachment

1 concerns for the operation of the air base.

2 What is the evidence of yesterday's achievements?

3 Robins has been awarded several top honors, from Outstanding

4 Combat Logistics Squadron to Best in the Air Force for

5 Contracting and Small Business, to Pride in the Air Force for

6 Depot Maintenance.

7 It should come as no surprise that a month ago the

8 President named Robins as the Commander-in-Chief's

9 Installation Excellence award winner, signifying Robins as

10 the best base in the Air Force.

11 Today, Robins is home to the Fifth Combat

12 Communications Group, the 19th Air Refueling Wing,

13 Headquarters Air Force Reserve and 39 other tenant

14 activities.

15 Robins Air Force Base is not only a busy operations

16 air base, but its also home to Georgia's largest industrial

17 complex. Robins is a big and busy installation that is

18 operating in full compliance with all federal, state and

19 environmental regulations and complementing environmentally

20 sensitive processes in its everyday work.

21 For example, Robins uses a bicarbonate of soda

22 paint stripping technique which reduces the use of industrial

1 toxins. The procedure is the most environment friendly paint
2 stripping technique in the Air Force.
3 Robins has the Defense Department's largest
4 electronic warfare complex which houses indoor antenna
5 ranges, electronic failure labs among other assets.
6 We have a tremendous number of capabilities at
7 Robins, but I would just like to share one thing with you.
8 The Defense Department has recommended maintaining all five
9 air logistic centers while continuing to downsize the work
10 force.
11 Frankly, I'm concerned about any policy that
12 produces less than optimum efficiency and effectiveness. Is
13 it cost-effective to spread a reduced work force across an
14 existing system while maintaining five separate sets of
15 overhead, or should operations be concentrated at the
16 strongest facilities like Robins where expansion can be
17 accommodated?
18 Let's confront the problems now and emerge from
19 this process with the most efficient and effective air
20 logistics systems possible. I believe that the arguments
21 that you've heard over the past few weeks are compelling in
22 favor of Robins, and I certainly feel confident that after

1 all is said and done that Robins will maintain its place as
2 the number one air base in America's arsenal. Thank you very
3 much.
4 COMMISSIONER COX: Thank you, Congressman.
5 CHAIRMAN DIXON: Delegate Underwood, are you
6 willing to go ahead right now, sir? In your usual fashion,
7 you're early. Are you satisfied to go ahead now.
8 DELEGATE UNDERWOOD: I'm quite satisfied as long as
9 we have our map.
10 CHAIRMAN DIXON: Well, on behalf of Guam, we're
11 delighted to have our old friend, Delegate Underwood here.
12 We have heard him before in our hearings, seen him in the
13 visitations, and we are delighted to have him again.
14 Delegate Robert Underwood for the Guam presentation.
15 DELEGATE UNDERWOOD: Good afternoon, Chairman Dixon
16 and members of the Commission, especially Commissioner
17 Steele. Thank you for allowing me the time, five minutes,
18 although I must complain that I feel short-changed because
19 even Kato Kaelin got 15 minutes of fame.
20 As you may know, Guam is the hardest hit community
21 under the --
22 CHAIRMAN DIXON: If it makes you feel any better,

1 he wouldn't get 15 minutes here, Delegate.

2 DELEGATE UNDERWOOD: But he endorses our position.

3 CHAIRMAN DIXON: We're going to give you a point on

4 that.

5 DELEGATE UNDERWOOD: As you may know, Guam is the

6 hardest hit community under the Department of Defense

7 recommendations. Our potential job loss of over 2,600

8 civilian positions would increase unemployment by 10 percent

9 alone, and it's estimated by the Department of Defense to

10 impact over 25 percent of our economy.

11 And yet when we tell people that Guam is being

12 slated for DOD base closures, there is always a sense of

13 disbelief because no one can fathom that Guam has somehow

14 lost its military value to the U.S.

15 Guam has not lost its military value. Guam is

16 still important to DOD contingency plans. Guam is American

17 soil unaffected by the politics of the moment that seem to

18 sway the reliability of some foreign countries.

19 We always talk about planning for another Korea or

20 another Desert Storm. Try planning another anything in Asia

21 or the Middle East without Guam. I did not bring pie charts

22 or bar graphs, which might impress bean counters, but I did

1 bring a map of the Western Pacific showing Guam's location,
2 which should impress strategists.
3 DOD wants to close the ship repair facility on
4 Guam, SRF, disestablish the fleet and industrial supply
5 center, transfer the military sealift command supply ships to
6 Hawaii, transfer the HC-5 Helicopter Squadron to Hawaii and
7 realign other naval activities.
8 The lion's share of saves would come from the
9 closing of SRF and FISC. DOD would also retain assets that
10 it believes are necessary for contingencies. We understand
11 the need to downsize. We understand the role that Guam has
12 in contingencies, including its role as the fall-back
13 position for whatever may happen to foreign bases.
14 We ask in turn that you try to understand Guam's
15 needs and in particular our need for assets that would ensure
16 our economic survival. Team Guam has placed several
17 alternatives on the table.
18 There are three important considerations for an
19 arrangement that we can all live with. First, SRF and FISC
20 should be kept open if not by the Navy then in a
21 collaborative arrangement with the Government of Guam or
22 allow the Government of Guam to privatize these assets.

1 By keeping these activities open, the Navy will
2 ensure that it also always have an SRF to go to in the Far
3 East, and it will always have a secure source of supplies.
4 Like horseshoes and hand grenades, close counts,
5 and for a forward-deployed Navy, Guam is closer to the action
6 than any other American base.
7 The second consideration is the MSC supply ships
8 and the HC-5 Helicopter Squadron. We urge you to leave the
9 ships and the helos on Guam. This is the Achilles Heel of
10 the DOD proposal, and this is where Guam's military value is
11 most apparent.
12 I have heard of scenarios that are almost laughable
13 in order to make the DOD recommendation for the helicopter
14 squadron work. The Navy may have to deploy the helos to Guam
15 on a TDY basis anyway, or the Navy may have to airlift the
16 helos from Guam just to get them in a position where they can
17 be useful.
18 The Navy would be in the awkward position of
19 depending on the Air Force to move their helos around the
20 Pacific. It seems like everybody in the flying community
21 knows that helo pilots don't get enough respect, but the DOD
22 deployment scenarios for HC-5 might have been devised by

1 Rodney Dangerfield himself.

2 Guam needs the ships so that a new SRF venture can
3 be successful. We need a minimum level of work that the
4 ships can give us, at least in the first few years of this
5 venture.

6 The supply ships also provide a minimum level of
7 activity at the FISC, and I would like to remind the
8 Commission that while no one knows where in Kaneohe Bay Air
9 Station in Hawaii the helos will be housed, the new $17
10 million hangar that BRAC '93 directed for the helos at
11 Anderson Air Force Base on Guam is nearing completion.

12 The third important consideration is the transfer
13 of other assets no longer needed by the Navy. This includes
14 excess officer housing at the former Naval Air Station, which
15 was closed by the BRAC '93 and lands identify as excess in
16 Navy Guam's Land Use Plan '94 study.

17 As you know, some of these assets are controlled by
18 the Public Work Center. While we support the transfer of
19 excess housing and land, you urge you to limit the
20 realignment of the PWC to these issues. PWI Guam continues
21 to maintain a workload that justifies its retention as a
22 separate activity.

1 Mr. Chairman, in conclusion, Guam is unique in that
2 unlike domestic bases we are not competing against another
3 base to be spared from closure. We are competing against the
4 financial incentive to close realignment or naval
5 activities.
6 Our proposal meets the savings test. 71 percent of
7 the DOD annual recurring savings are achieved by the Guam
8 proposal. Our proposal preserves the military value of
9 Guam's location for the Navy, and our proposal gives Guam the
10 assets it needs to secure its economic future.
11 I know you have tough decisions ahead of you, and I
12 appreciate the time and the opportunity to go over this with
13 you today. Thank you.
14 CHAIRMAN DIXON: Thank you very much, Delegate
15 Underwood. And may I say to you, sir, that while you did not
16 have as much time as Kato Kaelin, fortunately for the people
17 of Guam, I find you considerably more believable in the
18 things that you're telling us.
19 DELEGATE UNDERWOOD: Thank you very much. We're
20 going to stand in a recess until 1:55, ladies and gentlemen,
21 when the Great State of Illinois will make its presentation.
22 (A brief recess was taken.)

1 CHAIRMAN DIXON: Ladies and gentlemen, the Chair
2 will declare this hearing back in session. We are pleased to
3 see that representatives of the Illinois delegation are here,
4 and the Distinguished Congressman from the northern part of
5 our state is here, and I'm delighted to recognize
6 Representative Don Manzullo from the Great State of Illinois.
7 REPRESENTATIVE MANZULLO: It's a great state, isn't
8 it, Mr. Chairman?
9 CHAIRMAN DIXON: Congressman, we're delighted to
10 have you, sir.
11 REPRESENTATIVE MANZULLO: Thank you. Chairman
12 Dixon, Commissioners, thank you for allowing me the
13 opportunity to speak to you today regarding the proposed
14 closing of the Savannah Army Depot activity and relocation of
15 the U.S. Army Defense Ammunition Center and School known as
16 USDAC, currently located in Joe Daviess and Carroll Counties
17 in Illinois.
18 I also would like to briefly address the Air
19 National Guard and Air Force Reserve units located at O'Hare
20 International Airport.
21 The Integrated Ammunition Stockpile Management Plan
22 dated May 1994 recommends the closure of all Tier 3 caretaker

1 ammunition depots, which includes the Savannah Army Depot.
2 The Army also has proposed the relocation of USDAC to
3 McAlester Army Ammunition Plant in Oklahoma.
4 Savannah Depot and USDAC employ 421 people
5 combined. I believe the data and recommendations presented
6 of the integrate the plan are flawed in terms both of
7 military value and potential cost savings.
8 First and foremost, these recommendations will
9 negatively impact military readiness. The most recent
10 wholesale ammunition stockpile program prepared for the joint
11 logistical commanders indicates that we currently have no
12 excess ammunition storage capacity.
13 This year the Army is spending about $100 million
14 to demilitarize approximately 95,000 short tons of
15 serviceable -- I'm sorry, of unserviceable ammunition.
16 However, the demilitarization budget will be cut by
17 more than two-thirds by 1997 while the Army continues to
18 generate about 100,000 short tons of ammunition each year.
19 In addition, there are currently over 800,000 tons
20 of unserviceable ammunition located overseas which must be
21 brought back to this country for demilitarization.
22 As the Army continues to generate ammunition and

1 the demilitarization -- I can't pronounce that word --
2 demilitarization budget continues to decrease, this problem
3 will continue to grow, and the existing facility in Savannah
4 will become more and more critical.
5 The relocation of USDAC would also significantly
6 impede military readiness. The USDAC is a one-of-a-kind
7 facility with a critical mission. The personnel are highly
8 trained and available to respond to emergency and contingency
9 requirements worldwide.
10 The impacts of moving in on DOD readiness will be
11 significant through the loss of this professional and
12 technical expertise that is unique to it. Replacement of
13 this personnel would require four to five years in order to
14 teach the level of expertise now available.
15 The Army has estimated a one-time cost of $38
16 million dollars to close the depot. However, the Savannah
17 Senior Study Group has pointed out these costs of relocating
18 ammunition currently stored at Savannah have been ignored.
19 The Army has estimated tiering costs at 22.3
20 million. The Savannah Senior Study Group has estimated an
21 additional cost of $185 million to achieve only partial
22 tiering. This estimate is based on the movement of

1 approximately 25 percent of the stockpile at $350 per ton,
2 and new Army estimates from the Army itself estimate movement
3 at $440 per ton, raising the total cost to $231 million.
4 These flaws indicate an additional 185 million not
5 included in the Army's analysis. Much of this data, and I
6 would refer you to it, is in a memo dated May 19, 1995, from
7 the Commander of the U.S. Army Industrial Operations Command
8 in Rock Island to the Commander of the U.S. Army Material
9 Command dated May 19, 1995.
10 I submitted a copy of this memorandum which, in the
11 words of the Army itself, should be dispositive of the issue
12 that the Savannah Army Depot should not be closed.
13 Turning, then, to the consideration of the O'Hare
14 Reserve Station Chicago, I want to emphasize the importance
15 of the Air Force Reserve and Air National Guard units to our
16 national force structure.
17 These are outstanding units with extraordinary
18 personnel who perform their mission tasks with the highest of
19 professional standards. The 126th Air Refueling Wing in
20 particular has contributed to most of the U.S. military
21 operations conducted in foreign countries over the last
22 several years.

1 The unit has participated in Operation Desert
2 Shield, Desert Storm, Operation Restore Hope, Operation
3 Uphold Democracy and most recently in Bosnia. In addition,
4 the 126th participated in the Captown '93 airlift in May of
5 '93, provided the first KC-135 to land in mainland China.
6 These units have received significant awards.
7 I do not know why the base was put on the list for
8 consideration to be closed, but I know that the 1993 BRAC
9 recommended that as a result of Mayor Daley's interest in
10 developing the land the O'Hare Air Reserve Station should be
11 relocated to Rockford or a site acceptable to the Air Force.
12 The city of Rockford stands ready to welcome both
13 of these units. Only 55 miles away, Rockford is the only
14 site that meets the important criteria of recruitment,
15 retention and readiness.
16 I ask you, Mr. Chairman and the Commission to
17 consider the importance of both of Savannah Army Depot and
18 the O'Hare Reserve Station. Both are vital components of
19 this nation's force structure and to the defense of this
20 nation. And thank you for the opportunity to testify.
21 CHAIRMAN DIXON: Well, we thank you, Representative
22 Manzullo. And we're delighted to see a colleague of your

1 from the State of Illinois, Representative Lane Evans.

2 REPRESENTATIVE EVANS: Thank you, Mr. Chairman. I

3 appreciate this opportunity, and I also want to thank the

4 Commission for sending out Commissioner cling to Savannah. I

5 think that's an important part of the process and appreciate

6 his efforts on a rather bumpy day up the air, as I recall, on

7 that day he came out to Savannah.

8 I want to talk about Savannah. I want to talk a

9 little bit about the Rock Island Arsenal and O'Hare Reserve

10 Unit in the allotted time that I have

11 Concerning the Savannah Army Depot, I believe that

12 DOD's recommendation is greatly flawed. This move would

13 result in the loss of important and hard-to-replicate

14 capabilities, increased costs above the Army's estimates to

15 close the base and move its function and reduce ammo storage

16 capability below critical military need.

17 There are important capabilities present at

18 Savannah which would be difficult to replace. For example,

19 the depot is one of the most efficient in the entire Army.

20 During Operation Desert Storm, Savannah had the highest out-

21 loading rate of any Army depot.

22 It is also one of the few with adequate rail

1 service to major shipping centers. These national assets
2 would be hard to replace in a nationwide mobilization.
3 In addition, the Army's estimate of the cost of
4 closing Savannah and relocating the Army Defense Ammunition
5 Center and School is too low. DOD stated that it would cost
6 $38 million to close the installation and to relocate
7 functions.
8 However, the Savannah Army Depot Realignment Task
9 Force estimates that the cost of closing the facility and
10 moving the school is much higher, as much as $88 million.
11 Thus includes new construction that will have to take place
12 at McAlester to complete the move.
13 Even more importantly, I question whether DOD's
14 decision to close ammunition storage facilities has taken
15 into account storage needs. The Army's 1993 Wholesale
16 Ammunition Stockpile Program study indicated that even with
17 11 depots, as much as 6 million square feet of outside
18 storage will be needed to match our nation's future
19 ammunition stockpile.
20 This does indicate that the ammunition study is
21 flawed. I hope you will review the study to see if the plan
22 to enact a tier system for depots provides enough space to

1 meet future storage needs.

2 Our ammunition depots are national assets that will
3 be needed to meet future mobilization needs. The Commission
4 should reverse DOD's decision to close Savannah or consider
5 other means such as operating it as a government-owned
6 contractor-operated facility in order to preserve this
7 important resource.

8 The Commission should also consider relocating the
9 ammo school at Rock Island Arsenal instead of McAlester. As
10 you will see in my testimony, Rock Island has easily the
11 administrative space to accommodate such a move.

12 I've also been given estimates that moving the
13 school to Rock Island instead of Oklahoma would save up to
14 $20 million in up-front costs due to savings created by
15 remodeling space at the arsenal instead of building new
16 construction.

17 As to the concern that actual ammunition storage
18 facilities are needed for a school for adequate training,
19 this is not a problem because most of the training is being
20 performed with dummy ammo and mock-ups. These concerns
21 should not really be worked to impede this proposal. I hope
22 that the Commission will give this proposal a full review.

1 Concerning the Detroit Army Tank Plant, I strongly
2 support DOD's recommendation to close this facility. This
3 move would eliminate excess capacity and increase savings.
4 Currently, we have two tank plants, the Detroit and
5 Lima facilities. Of the two plants, Lima is more modern and,
6 as opposed to Detroit, configured for advanced tank
7 production.
8 In addition, the only function performed at Detroit
9 is the production of gun mounts for the M-182 tank, work that
10 is also performed at Rock Island. Because of these factors,
11 DOD has determined that Detroit is excess capability.
12 This move would achieve substantial savings. Total
13 tank gun mount production is evenly split between the two
14 plants, and Army costs comparison that examine the options of
15 keeping the split, moving the work to Detroit or moving the
16 work to Rock Island concluded that it would be cheaper to
17 move all of the work to the arsenal.
18 Considering these factors, I strongly support DOD's
19 recommendation and hope the Commission will as well. The
20 possibility addition of the O'Hare Air Reserve Station to the
21 base closing is an issue that I hope the Commission will
22 consider closely.

1 The decision of the 1993 Commission regarding this
2 matter should stand. The closure of the station and its C-
3 130 unit would be a blow to Illinois and a sad chapter in one
4 of the nation's finest military units.
5 The 928th Airlift Wing has one of the most
6 distinguished records of any reserve unit in our country. A
7 highlight of that is that for 46 years and over 166,000 hours
8 we have been flying that unit without an accident, the
9 longest stretch of accident-free flying by any civilian or
10 military organization in our country.
11 Mr. Chairman, my time is over. I appreciate this
12 opportunity, and I will submit my entire statement for the
13 record.
14 CHAIRMAN DIXON: Your statement will be reproduced
15 in the record in full. Thank you very much, Representative
16 Evans, and we'll stand in temporary recess until 2:30 p.m.,
17 but the Chair will announce that should any member of the
18 Illinois delegation arrive prior to that time in the allotted
19 time for Illinois, that member will be heard. At 2:30, the
20 Commission will hear from the State of Indiana. We are in
21 recess.
22 (A brief recess was taken.)

1 CHAIRMAN DIXON: The room will come to order, and
2 the Commission will come to order. We are prepared to hear
3 the Distinguished Congressman from my own district, my old
4 friend, Representative Jerry Costello. We're delighted to
5 have you, Congressman Costello.
6 CONGRESSMAN COSTELLO: Chairman Dixon, thank you,
7 and I'm delighted to be here. First, let me thank you and
8 the other members of the Commission for holding this final
9 hearing today and for giving me an opportunity to testify
10 once again concerning the Charles Melvin Price Army Support
11 Center in my congressional district in Granite City,
12 Illinois.
13 As you know from my previous testimony and the site
14 visit by Mr. Kling from this Commission, the price center
15 currently performs a vital service for the United States
16 Army.
17 Its strategic location adjacent to the Mississippi
18 River has proven to be a valuable resource not only to the
19 Army but also to the other federal agencies currently
20 operating from the facility.
21 The price center currently employs almost 500
22 military and civilian employees. It currently has 25

1 tenants, including the Army, Air Force, Navy, Coast Guard,
2 Department of Defense and other federal agencies.
3 It serves as support and a quality of life center
4 for tens of thousands of both military and retired civilian
5 and active duty personnel in the entire St. Louis
6 metropolitan area.
7 Mr. Chairman, I believe that the Army's
8 recommendation to close AATCOM, the Army Aviation Troop
9 Command Center in St. Louis, Missouri, that as a direct
10 result the recommendation of closing AATCOM comes as a direct
11 result they want to close the Price Center.
12 Basically, simply put, they're saying if AATCOM
13 goes to Alabama and is closed and relocated, then the price
14 center has to close.
15 Mr. Chairman, in my limited time, and I'll be very
16 brief, I want to make three points to the Commission. One is
17 that AATCOM is only a small part of the Charles Melvin Price
18 Center.
19 Two is I believe that the assumptions made by the
20 Army concerning the military housing at the Price Center that
21 the Army -- I think there are some errors in their
22 resumptions, and number three is I want to stress the value

1 of this center to other federal agencies.

2 About 75 percent of the activities and functions at

3 the Price Center are nonAATCOM related. In other words, the

4 recommendation for the Army to close AATCOM, for them to say

5 that the Price Center has to close if AATCOM goes we believe

6 is not true.

7 We think that if you look at the activities at the

8 Price Center, 75 percent of the activities there are

9 nonAATCOM represented. In fact, AATCOM only occupies 17

10 percent of the family housing at the Price Center, 21 percent

11 of the administrative space and less than 1 percent of the

12 enclosed warehouse space at the Price Center.

13 While AATCOM is a valuable -- is valuable and

14 important to the Price Center, it's only a small part of the

15 operation.

16 Mr. Chairman, regarding the assumptions made by the

17 Army concerning the military housing at the Price Center, I

18 would quickly make the following points.

19 One is that in the St. Louis region there currently

20 is a waiting list of over one year for military family

21 housing. In other words, people who are on a waiting list

22 who qualify, they are waiting for over one year for military

1 family housing.

2 If all of the personnel associated with AATCOM left

3 the Price Center tomorrow, family housing units, we would

4 still have a one-year waiting list in the St. Louis

5 metropolitan area for family housing.

6 Clearly, closing all of the family housing at the

7 Price Center, as the Army proposes to do, will not result in

8 a cost savings to the federal government. Regarding the

9 value of the Price Center to other federal agencies, as I

10 stated in my testimony, there are 25 other tenants at the

11 Price Center currently, the Army, the Air Force, the Navy,

12 the Coast Guard, the Department of Defense and other federal

13 agencies.

14 Last fall we were pleased to convince the Coast

15 Guard to relocate their facilities in the Second District of

16 St. Louis. We were wiped out by the flood of 1993. We were

17 able to convince them to come to the Price Center.

18 There are other federal agencies and state agencies

19 interested in locating at the Price Center, but they will

20 only do so if in fact the center remains open.

21 Mr. Chairman, there are many other points I could

22 make. I see my time is down to about 30 seconds, but let me

1 close by saying that if the decision of the federal
2 government is to padlock the Price Center and close down the
3 housing, I believe that that decision is not in the best
4 interests of the Army or of the taxpayers of this country.
5 Keeping the Price Center open will provide much
6 needed military family housing to military families in the
7 entire St. Louis metropolitan area. It will provide
8 facilities for the Army, the Air Force, the Coast Guard and
9 other federal agencies.
10 And let me also say that I believe that we have an
11 obligation both to our active duty personnel and our retired
12 military folks as well as the civilians in the area to
13 provide quality of life services, and this facility provides
14 those services, as I said, to over tens of thousands of
15 people.
16 Mr. Chairman, I would conclude by thanking you
17 again. Mr. Kling, as you know, visited the Charles Melvin
18 Price Center just a few months ago. We had the opportunity
19 to brief him. I have had previous testimony submitted to
20 this Committee, and we would ask that you carefully consider
21 the points that we have made.
22 CHAIRMAN DIXON: Well, we thank you very much,

1 Congressman Jerry Costello. We thank you for your
2 contribution to your state and for your important
3 contribution to the work of this Commission. We're greatly
4 appreciative.
5 REPRESENTATIVE COSTELLO: Mr. Chairman, thank you.
6 CHAIRMAN DIXON: Thank you, sir. We'll stand in
7 recess and resume again with the Great State of Indiana at
8 2:30, and staff will be checking with Indiana. If anyone
9 from Indiana gets here before the hour of 2:30, we will
10 proceed with the individuals that arrive. Otherwise, we
11 stand in recess until the assigned time slot for Indiana,
12 which is 2:30.
13 (A brief recess was taken.)
14 CHAIRMAN DIXON: We'll call the Commission back to
15 order. Congressman C.W. Young of the Great State of Florida
16 was unable to be here because of other business obligations
17 in the Congress at the allotted hour for Florida and asked
18 whether we could accommodate him later.
19 And the Great State of Indiana had an open spot and
20 was glad to give it to Congressman Young, and Congressman
21 Young, we are delighted, sir, to see you, and the Commission
22 recognizes Representative C.W. Young, State of Florida.

1 REPRESENTATIVE YOUNG: Mr. Chairman, thank you very
2 much, and I thank you for accommodating the school and the
3 Indiana delegation also for being willing to do that. If I
4 look a little bit wet and sloppy, it's because I was outside
5 in the rain as part of the welcoming ceremony for CAPT Scott
6 O'Grady.
7 It was a great and exciting time, and CAPT O'Grady,
8 as an Air Force officer, leads me into my subject, and that's
9 MacDill Air Force Base. As you know, prior to the last
10 Commission meeting on BRAC, the Department of Defense had
11 indicated a desire to establish a fuel retankering unit at
12 MacDill.
13 The theory was to take the F-16 Reserve squadron
14 that had been moved out of Homestead because of the
15 hurricane, convert that to tankering and establish them at
16 MacDill.
17 That didn't work out because the Base Relocation
18 and Closure Commission decided that they needed to help
19 establish some activity at Homestead, which is fine, is
20 working out very well.
21 But again, the Department of Defense has identified
22 to the committee that I chair, the Defense Appropriations

1 Committee, the need for tankering capability in the
2 Southeastern part of the United States.
3 So I'm here, basically, to just say we support very
4 strongly the recommendation of the Department of Defense to
5 establish tankering capability at MacDill.
6 And I would say this to you, that they would be
7 very welcome by the community, but also at MacDill Air Force
8 Base we have one of the best underground fuel storage
9 capacities anywhere in the world, which would be a very
10 natural transition, as far as establishing this unit.
11 That's, basically, my story, Mr. Chairman. I do
12 have a rather lengthy statement that I would like to submit
13 for your record along with some correspondence between myself
14 and the Department of Defense and the Air Force on this same
15 subject. And unless you have questions, that what I'm here
16 to ask you for is your support of that recommendation.
17 CHAIRMAN DIXON: Congressman, thank you for that
18 fine presentation. Your entire statement will be reproduced
19 in the record in full. I ask staff to be sure that they
20 obtain that from Congressman Young.
21 And I just want to say, sir, I'd have been proud to
22 stand in the rain with you to welcome that great man. Thank

1 you for your fine presentation.

2 REPRESENTATIVE YOUNG: Mr. Chairman, members of the

3 Commission, thank you very much for accommodating me.

4 (A brief recess was taken.)

5 CHAIRMAN DIXON: The Commission will come to order.

6 The Chair is delighted to recognize the Distinguished

7 Congressman from the State of Indiana, Representative John

8 Hostettler -- oh, excuse me. Would you yield to your

9 senator, John? We're delighted to recognize my old friend

10 Senator Dan Coats from the Great State of Indiana. Senator

11 Coats, we're delighted to have you, sir.

12 SENATOR COATS: Well, Mr. Chairman, it's a pleasure

13 to be able to see you in the chairman's chair and call you

14 Mr. Chairman. We miss you. You look happy and well, and we

15 trust life after Congress is treating you well. It sure

16 looks like it is.

17 I'd like to thank you for this opportunity to

18 testify before you. Obviously, a difficult task that you

19 have. We appreciate your service to the country. The

20 implications of your decisions have, obviously, widespread

21 ramifications not only for this nation and our military

22 preparedness but also for the communities that are affected.

1 I want you to know and I think you do know that I
2 have a long history associated with this ever since I've been
3 in the Senate. Beginning in 1989 and through the last round,
4 I have supported the decisions of the Base Closing
5 Commissions even though they have adversely impacted my
6 state.
7 I announced in 1989 that this was something that we
8 needed to do for the military, for the future of our
9 military, for the country, and at considerable political risk
10 and certainly sometimes swimming against the tide I took a
11 stand saying that if the decisions were made on an equitable
12 basis, on a fair basis, I would support those decisions, and
13 I have.
14 So I think my credibility and my commitment to the
15 process is well-established. We've taken our share of cuts
16 in Indiana, Grissom Air Force Base, Jefferson Proving Ground,
17 Fort Benjamin Harrison, but on each of those, after carefully
18 reviewing the record, I determined that the decisions were
19 made on an objective basis, and therefore I would support
20 them and did.
21 We now look at Round 4, and in evaluating the
22 latest list, the Naval Air Warfare System in Indianapolis is

1 on that list. I come today to you with a somewhat unique
2 proposal, and I know you're familiar with it because our
3 Senior Senator and other Mayor from Indianapolis presented to
4 the Base Closing Commission regional hearing in Chicago their
5 proposal.
6 It's unique because we have not objecting to the
7 closing of the base on the base closure list. What we are
8 offering is an alternative to the Commission to examine an
9 alternative that we believe brings an innovative public-
10 private partnership to replace the outright closure of the
11 air warfare facility.
12 So we're not fighting the recommended closure. We
13 are offering a much less expensive alternative that reduces
14 military costs and commitments but yet preserves military
15 readiness.
16 An independent review of the Department of Defense
17 analysis of the closure proposal found that outright closure
18 offers no apparent cost savings, efficiencies or military
19 value, and with these factors in mind we went to work in
20 Indiana, principally the Mayor of Indianapolis with the
21 support of the Governor, the support of myself and other
22 members of the delegation to find an alternative.

1 Frankly, I think the process, the decision process
2 that was made by the Department of Navy was flawed. It was
3 flawed because I believe that an early decision was made by
4 the Department to protect naval air warfare systems at China
5 Lake and Patuxent River at the expense of Indianapolis.
6 So here is what we have to offer to the Commission to
7 examine, an alternative that meets the Navy's goal of closing
8 the facility as a DOD site, ownership of the site by either
9 the city or a combination of city and state, retention of the
10 DOD employees as a detachment of the Crane Naval Surface
11 Warfare Center just down the road in Congressman Hostettler's
12 district and retention of as many of the released employees
13 as possible as employees of private companies which would
14 promote work under contract for the Department of Defense.
15 We estimate that the actual cost of the complete
16 closure of the air warfare center is about $226 million.
17 Estimates for implementing the city's proposal are about $42
18 million. It's privatization, and it's privatization with a
19 purpose.
20 We ask the Commission specifically for two things.
21 One, first, we would like a BRAC favorable recommendation of
22 the Indianapolis alternative proposal. Such a recommendation

1 would have to be stronger than a statement of permission.

2 It would need to make crystal clear that the city's

3 proposal is the preferred closure option, and we have

4 provided your staff with appropriate language to examine our

5 offer and the language that we would suggest that you take

6 under consideration and offer.

7 Secondly, we believe that it's important for the

8 Commission to establish a period of time to allow the

9 negotiations between the city, the Navy and other interested

10 parties, the state, to take place, perhaps for up to a year.

11 This would permit all the participants to structure the

12 partnership agreement in a reasonable time period.

13 Mr. Chairman, in closing, the alternative proposal

14 has received considerable support with the Navy all up and

15 down the line, including the undersecretary -- the aviation

16 program managers and the Undersecretary of the Navy,

17 Mr. Danzig.

18 We urge your careful consideration of this proposal

19 and consideration of this idea, and as someone, again, who

20 has not been here trying to defend his state's position

21 against the base closure's recommendations, I would just ask

22 your favorable consideration of this particular proposal, and

1 thank you very much for the time.

2 CHAIRMAN DIXON: Well, thank you very much, Senator

3 Dan Coats for that very fine contribution, and may I say that

4 staff assures me that they do have the information that your

5 distinguished Indiana delegation has given to staff. It's

6 being carefully evaluated.

7 We're indebted to you for this fine contribution,

8 and we thank you for bringing along a Distinguished Colleague

9 from the House, Representative John Hostettler. We're

10 delighted to hear him now as well. Thank you, Senator.

11 REPRESENTATIVE COATS: Chairman Dixon and

12 Commissioner Steele, thank you very much.

13 CHAIRMAN DIXON: Thank you. Representative

14 Hostettler, we're delighted to have you, sir.

15 REPRESENTATIVE HOSTETTLER: Thank you, and good

16 afternoon. Chairman Dixon, members of the Commission, I

17 appreciate your attention to today's testimony. Having sat

18 through a number of hearings in recent months, I know how

19 hard it can be to remain focused in long hearings even when

20 the issues being presented are exceedingly important as they

21 are today.

22 I represent the Eighth Congressional District of

1 Indiana located in the Southwestern part of the state. It's
2 two largest cities are Evansville, a leading industrial city
3 along the Ohio River, and Bloomington, a city located 45
4 miles south of Indianapolis and the home of Indiana
5 University.
6 The district covers a large rural area of Indiana
7 composed of rolling forested countryside in the east and
8 large tracts of fertile farm land in the west. It also
9 contains a number of wholesome Indiana towns like historic
10 Vincennes founded in 1732; Bedford, the limestone capital of
11 the world; and French Lick, the home town of basketball
12 legend Larry Bird.
13 Finally, and the reason for my being here today,
14 the district is also the home of the Crane Naval Surface
15 Warfare Center's Crane, Indiana site located in Martin County
16 Indiana.
17 As you know, the Secretary of Defense has
18 recommended that several activities at the Indianapolis Naval
19 Air Warfare Center and the Crane Naval Surface Warfare
20 Center's Louisville, Kentucky, site be transferred to the
21 Martin County facility.
22 My purpose today is not to enter into the

1 privatization debate which my colleagues and friends are
2 bringing to your attention. I will only say that I, like my
3 constituents, want the very best decisions to be made for
4 America.
5 As a member of the House National Security
6 Committee, I fully appreciate the decisions regarding our
7 military force structure must be made as free from politics
8 as possible. My testimony is, however, to help assure you
9 that if you should decide to follow the Secretary of
10 Defense's recommendations, the Martin County site of the
11 Crane Naval Surface Warfare Center is ready, available and in
12 good condition to be the receiving location.
13 I also want to assure you that the local
14 communities are fully capable of implementing the Secretary's
15 recommendations and that the facility has ample capacity to
16 absorb the consolidated missions.
17 The Crane site in Martin County Indiana is a unique
18 national asset. To truly appreciate this base, a person
19 really needs to visit there. The base's physical statistics
20 are amazing and sound more like that of a national park than
21 of a military base.
22 It contains over 62,000 rolling acres, which

1 translates to 97 square miles and includes over 50,000 acres
2 of beautiful forest. In fact, the United States Navy has
3 recently informed me that its Crane, Indiana, site is among
4 its ten largest facilities in the world.
5 The size of the base has proved to be an ideal
6 location for the storage of munitions. For that reason, the
7 Martin County site is also home to the United States Army's
8 Crane Army Ammunition activity, a tenant of the Navy.
9 Because of the facility's size, munitions can be
10 safely stored and all security needs easily met. The base's
11 infrastructure reflects its physical dimensions. It has
12 approximately 75 miles of perimeter fence, 185 miles of paved
13 streets and highways, 226 miles of unpaved roads and 170
14 miles of railway.
15 It also has a large variety of facilities ranging
16 from ammunition storage bunkers to state-of-the-art
17 technology centers supporting the well over 2,500 current
18 Crane engineers, scientists and technicians.
19 Since 1987, there has been approximately $34.4
20 million in new construction completed at the site, resulting
21 in state-of-the-art product support facilities.
22 Approximately $12 million in new construction is currently

1 underway, including a $7.9 million electrophic center.

2 Given its physical size and up-to-date

3 infrastructure, it is my view that the Crane, Indiana, site

4 would, if called upon, meet the Navy's needs for the

5 foreseeable future as a premier product engineering and

6 industrial activity.

7 The people of Southwestern Indiana are by nature

8 patriotic midwesterners. We wholeheartedly support the work

9 of Navy at Crane, and if the Secretary of Defense's

10 recommendations are followed, we are ready to do our part.

11 According to an Indiana University study requested

12 by the South Central Indiana Coalition immediately prior to

13 the last BRAC round, the local communities surrounding Crane

14 are fully capable of absorbing even 100 percent expansion in

15 the Crane work force.

16 There exists ample housing, schools, transportation

17 and utilities to handle the projected influx. I believe that

18 this conclusion continues to be valid. I also believe that

19 this area has a trained work force with an excellent work

20 ethic.

21 I would be remiss if I did not add that

22 Southwestern Indiana is a great place to live. The cost of

1 living in the area is low, as is crime. In addition, there
2 exists a choice between living in a relatively remote rural
3 area and a sophisticated urban environment.
4 In conclusion, I fully support the concept of the
5 Midwest Navy. I think that the history of the Indianapolis,
6 Louisville and Crane, Indiana sites have shown the value of
7 these Midwest facilities. I thank are for your work on the
8 difficult task you face in determining the region's future
9 force structure. Thank you.
10 CHAIRMAN DIXON: Thank you very much,
11 Representative Hostettler. We're delighted to have that
12 information from you. We thank you for it. We're pleased to
13 see your distinguished colleague from the Indiana delegation,
14 Representative Lee Hamilton, an old friend. Nice to have you
15 here, Congressman Hamilton.
16 REPRESENTATIVE HAMILTON: Thank you very much.
17 Good afternoon, Senator Dixon and members of the Commission.
18 I want to thank you for the privilege of commenting on the
19 Defense Department's decision to close Naval Ordinance
20 Station Louisville on its 1995 closure list.
21 Senator Dixon, I want to thank you particularly and
22 Commissioner Kling for taking the time to visit the Naval

1 Ordinance facility in Louisville. I know your schedule is
2 most demanding, and we're deeply appreciative of your
3 willingness to do that, to see the facility.
4 I, as you gather, oppose the Defense Department's
5 decision to close the ordinance station. My very decided
6 preference is to remove the Naval Ordinance Station from the
7 closure list.
8 In the alternative, I would urge the Commission to
9 endorse the establishment of a naval gun center in
10 Louisville, which will be argued here in a moment with
11 eloquence from some of my Kentucky colleagues.
12 I express my support for keeping the Naval
13 Ordinance Station open for several reasons. First and really
14 the most important, the Naval Ordinance Station is the last
15 naval-owned facility capable of gun system design,
16 manufacturing, prototyping and remanufacturing.
17 If Louisville is closed, the Navy loses that
18 capability as well as the capability to reconstitute a full
19 industrial base capacity in the event of an emergency. I
20 simply cannot understand why the Navy would make that choice.
21 Second, the ordinance station has had a superb
22 record of service to the Navy and to the country. Its

1 engineering capability and design, in-service engineering,
2 advance gun system management and development has been a
3 tremendous asset to the Navy. It can perform its work in a
4 cost-effective manner with an outstanding work force.
5 Third, the closing of the ordinance station has an adverse
6 impact, of course, on communities in my congressional
7 district. Across the river from Louisville, Kentucky, 320 of
8 the 1,836 employees reside in Indiana. That puts them out of
9 work, cause them hardship and, of course, costs the state
10 millions of dollars in lost income.
11 Fourth, you folks who close these bases have really
12 hit Indiana very hard over a period of years. I just don't
13 think it's fair for us to sustain additional cutbacks in base
14 closure process.
15 Jefferson Proving Ground, Indiana Army Ammunition
16 Plant, both of which are in my district, Fort Benjamin
17 Harrison, Grissom Air Force Base have all been listed for
18 closure or inactivation.
19 I don't know how you judge these things from your
20 perspective, but believe you me you have delivered some
21 roundhouse punches to Indiana, you and your predecessors.
22 Thousands of jobs are being lost, and I'm under the decided

1 impression that we have taken a disproportionate share of the
2 closures.
3 I understand that the Base Closure Commission has
4 explored the possibility of establishing in-service depots.
5 I believe Naval Ordinance has the capabilities to provide
6 depot work for the Navy as well as for other services, and I
7 ask you to give that opinion consideration as well.
8 If the Commission decides to support the
9 recommendations of the Defense Department, of course I hope
10 you do not, I would then urge that it consider endorsing the
11 creation of a naval gun center of excellence at Louisville.
12 Senators Ford and McConnell and Congressman Ward
13 will discuss in more detail in their testimony. The City of
14 Louisville and Jefferson County have proposed establishing a
15 naval gun center of excellence at the Naval Ordinance Center.
16 That proposal includes several elements. The Navy
17 would close the Naval Ordinance Station with language in the
18 BRAC report to assure that the Navy will work to privatize in
19 place the majority of the work performed at the station.
20 The City of Louisville and/or Jefferson County,
21 Kentucky, would assume ownership of the facility. One
22 contractor would lease part of the facility to perform the

1 five-inch gun work and other activities. Another contractor
2 would lease part of the facility to perform work on the
3 Phalanx system.
4 The Navy would lease part of the facility to
5 maintain an engineering presence. Contractors would hire
6 Naval Ordinance Service Station employees that would -- who
7 would be displaced by the closure.
8 I understand that the City of Louisville and
9 Jefferson County Kentucky recently signed a memorandum of
10 agreement with two contractors to operate portions of the
11 proposed center, and I think that proposal has several
12 benefits.
13 So I'd ask that you give this consideration very
14 careful consideration. It would keep jobs at the Naval
15 Ordinance, and I would like to see the facility stay a
16 government facility -- that's my preference -- but the work
17 force remain a government force, but if that's not possible,
18 then I'd like to see the good paying jobs kept in Louisville.
19 I ask the Commission, then, and each of you to give
20 full consideration to these requests, and I thank you for the
21 opportunity to make this appearance.
22 CHAIRMAN DIXON: We thank you very much,

1 Congressman Hamilton, and we'll say to you that all of the
2 material you have alluded to is in our possession. We're
3 indebted to you for your remarks, as I'm sure the Great State
4 of Kentucky is as well, and we thank you, Congressman Lee
5 Hamilton.
6 And we are now going to go to the Kentucky
7 delegation. We're pleased to see the Distinguished Senior
8 Senator from the Great Commonwealth of Kentucky here, and --
9 SENATOR FORD: Keep it up. I like it. Go ahead.
10 CHAIRMAN DIXON: I recognize him as the democrat
11 whip, and in my time he was the majority whip, and I served
12 as his chief deputy, and I never had a better boss. Now,
13 you're ahead now, Wendell. Don't mess it up. Senator
14 Wendell Ford of the Great State of Kentucky.
15 SENATOR FORD: We miss you, Al. As my father would
16 say, Mr. Chairman, we come not today with visual aids or
17 theatrical productions. We only come armed with the silver
18 tongue of the truth.
19 Chairman Dixon and members of the Base Closure
20 Realignment Commission, let me begin by thanking all of you
21 for the opportunity to share my views with you this morning
22 and also to express my thanks for the interest you, as

1 individual members and as Chairman of the Commission, have
2 shown in trying to see every facility so you would understand
3 as well as you can the good, bad and indifferent in the
4 recommendations that you have received.
5 So I do compliment you for your good work. I know
6 that you will have some tough decisions to make in the next
7 few weeks, but I hope that the homework your staff has
8 already done on Naval Ordinance Station Louisville and the
9 testimony that you hear here today will convince you that
10 Louisville should not be taken off the -- should be taken off
11 the base closure list.
12 The Naval Ordinance Station Louisville is
13 considered an outstanding facility because of its quality
14 work and its cost-effectiveness. It was never more evident
15 than during the Gulf War when Louisville employees literally
16 made house calls to the Persian Gulf war zone providing
17 critical on-site assistance, particularly when the USS
18 Princeton hit a mine.
19 Louisville is a full-service organization and has
20 the only remaining major caliber gun barrel manufacturing
21 facility in the Navy and the only close-in weapon system
22 depot public or private. Louisville is the lead activity for

1 the development of the latest improvements to the naval
2 gunnery and the congressionally mandated -- I underscore
3 that -- naval fire support program.
4 The activity does research and development to
5 include design, production, in-service support and depot
6 functions. And as all of the Commission members who visited
7 Louisville know firsthand, the state-of-the-art in
8 environmental compliance exceeding EPA and state regulations
9 plating facility is the most modern and effective in the
10 entire Defense Department.
11 In fact, in 1993, former Base Closure and
12 Realignment Commission Chairman called the station a
13 modernized operation that does a range of overhaul,
14 engineering and research work on Navy gun systems and said he
15 was, and I quote, "convinced that it is certainly not a
16 facility we should close."
17 He was supported by all members of the Commission.
18 They understood that the central location of Naval Ordinance
19 Louisville provides critical rapid deployment capabilities
20 for the Navy of systems equipment material and technical
21 personnel to the Atlantic, Pacific and Gulf Coasts.
22 Furthermore, your own staff has discovered that

1 Navy numbers on the cost savings that would occur because of
2 closure and moving equipment from Louisville were over-
3 enthusiastic.
4 In fact, in terms of both military construction and
5 labor rates, the cost of shutting down Naval Ordinance
6 Louisville would be much higher than the original Navy
7 estimates.
8 I understand that these tight fiscal times demand
9 tough decisions, but these numbers alone should be a clear
10 indication that even if the Commission makes what we consider
11 an adverse decision there should be no question that BRAC
12 needs to direct the Navy in no uncertain terms to retain the
13 equipment and current missions of Naval Ordinance and
14 negotiate with local officials to privatize the facility.
15 In particular, I request that your Commission
16 provide enabling language allowing the Navy work to continue
17 at Louisville for at least two years until the privatization
18 process is completed.
19 Two companies, Hughes and United Defense, have
20 signed a memorandum of understanding with the City of
21 Louisville and Jefferson County committing to do the work at
22 Louisville.

1 They have also met with your staff to outline in
2 detail their plans. So this is clearly no pie-in-the-sky
3 proposal. As Louisville representatives testified back in
4 April at your Chicago hearing, this plan to create the Naval
5 Gun Center of Excellence would safe the Navy in excess of
6 $300 million, more than they would save by moving the
7 operations to another location, reduce the Navy's
8 infrastructure in Louisville to nearly zero while maintaining
9 world class gun operations the Navy has come to depend on.
10 Let me reiterate that every person who will testify
11 today believes without question that Naval Ordinance
12 Louisville is a unique integral part of our nation's defense
13 and should be removed from the base closure list.
14 However, faced with the fact that the Pentagon has
15 put Louisville on the list, we have worked diligently to
16 produce a plan to meet the overall downsizing BRAC is
17 attempting to address.
18 More important, the privatization plan will put
19 Louisville on the forefront of recent recommendations by
20 Dr. White, head of the Commission on Roles and Missions of
21 the Armed Forces, a former chairman of this Commission and
22 now the man chosen by the President and Secretary of Defense

1 to be the number two man in the Defense Department.

2 In that document, Dr. White called for privatizing

3 in place those depots, and Mr. Chairman, I'd like to make a

4 part of the record the statement of Dr. White recommending as

5 to privatizing.

6 In closing, I know my little red light is on, but

7 I've had that happen to me before, Mr. Chairman, it has been

8 brought to my attention that there are those who are wrongly

9 questioning the legal authority of this Commission to direct

10 the Department of Defense to privatize an installation.

11 As the author of the original base closure

12 legislation, you do not need reminding about the authority

13 and reach of this Commission. I hope you will exercise that

14 authority in the best interests of the Naval Ordinance.

15 Let me close again by saying I thank you and look

16 forward to working with you, hopefully to keep Naval

17 Ordinance Louisville open, if not, meet some of the other

18 recommendations that we've offered to the Commission. Thank

19 you, Mr. Chairman.

20 CHAIRMAN DIXON: Thank you, Senator Ford, and

21 Dr. White's statements will be reproduced in the record as

22 well as the entirety of your remarks. And we are delighted

1 to see your distinguished colleague, my old neighbor, the
2 Distinguished Junior Center from the Great Commonwealth of
3 Kentucky, my old friend Senator Mitch McConnell. Senator
4 McConnell.
5 SENATOR MCCONNELL: Allen, it's good to see you
6 again. Ladies and gentlemen of the Commission, I appreciate
7 the opportunity to be here. As others in our delegation have
8 indicated, everyone agrees that the most desirable option is
9 to keep the Naval Ordinance Facility open as is.
10 NOSL is a unique asset with state-of-the-art
11 engineering industrial facilities. Louisville is the only
12 remaining major caliber gun barrel manufacturing facility in
13 the Navy and one of only two major caliber gun barrel plating
14 facilities.
15 NOSL is the only remaining facility public or
16 private providing full spectrum engineering industrial life
17 cycle support, including manufacturing, assembly, overhaul,
18 repair, renovation, alteration and modification of gun and
19 gun fire control systems and missile system launchers.
20 NOSL is centrally located and provides rapid
21 deployment capabilities of systems, equipment, material and
22 technical personnel. NOSL is the only close-in weapons

1 system depot.

2 However, if maintaining the status quo is not an

3 option, we would encourage the Commission to explore the

4 possibility of privatization and the creation of a Naval Gun

5 Center of Excellence.

6 This proposal was presented to the Commission

7 during the April regional hearing and formally transmitted to

8 Secretary Dalton last week. The proposal enjoys bipartisan

9 support, Mayor Abramson, Judge Armstrong, Congressman Ward,

10 Senator Ford and the local chamber of commerce have all

11 enthusiastically worked together in developing this

12 proposition.

13 NOSL union leadership testified in favor of the

14 plan during the April regional hearing. A privatized NOSL

15 industrial complex would become the centralized Navy source

16 of gun systems as the nation's Gun Center of Excellence,

17 teaming with community, Navy and Defense contractors.

18 The proposal would reduce the Navy's

19 infrastructure, protect the gun weapons system expertise now

20 resident at NOSL and protect the workers at NOSL and the

21 important contribution they make to the regional community.

22 The proposal supports the May '94 Commission Roles

1 and Missions of the Armed Forces recommendation. This urges
2 that DOD move to a depot maintenance system relying on the
3 private sector.
4 The local community, as indicated, has signed
5 cooperative agreements to establish the Gun Center of
6 Excellence with two leading defense contractors, Hughes
7 Missile Systems and United Defense LP.
8 UDLP has already agreed in writing to execute all
9 repair and overhaul work it is required to perform under the
10 follow-on technical support prime contract at the newly
11 created center. This could mean an additional 90 to 100
12 jobs.
13 We would like to see the Commission approve a
14 recommendation that achieves the following: transfer
15 ownership from the Navy to the local government, leave in
16 place key NOSL functions encompassing both the Navy Gun
17 System Replacement Program and the Phalanx, retain the in-
18 service engineering support currently at NOSL as a Navy
19 function at the center.
20 Mr. Chairman, I appreciate very much the
21 opportunity to join with my colleagues in making our
22 presentation on this most important facility in Kentucky.

1 Thank you for your time.

2 CHAIRMAN DIXON: Well, I thank you very much,

3 Senator McConnell. Thank you for your fine presentation.

4 REPRESENTATIVE LEWIS: I could probably make this

5 very short by just saying ditto with my colleagues, but I'll

6 go ahead and give my prepared statement. I want to thank

7 you, Mr. Chairman, and the other members of the Commission

8 for this opportunity to testify today and to express my

9 strong support for the Naval Surface Warfare Center in

10 Louisville, Kentucky.

11 Mr. Chairman, my first priority here today is to

12 support the Naval Surface Warfare Center as a viable,

13 important part of our Navy's success. Although the station

14 is not in my district directly, I do represent the southern

15 portion of Jefferson County.

16 I represent over 400 of the engineers, planners and

17 technicians at the station. These are hard working,

18 dedicated people. These people are the heart and soul of

19 that facility, and they know its true capabilities. They are

20 the reason that the Naval Ordinance has achieved a reputation

21 of excellence in the quality of its work. They are the

22 reason for the Center's innovative success over the years.

1 The record clearly shows the unique capabilities
2 and vital importance of Naval Ordinance to our national
3 defense. I'm sure that we all can agree that our nation's
4 commitment to readiness is the driving force that keeps our
5 military forces the best in the world.
6 The support services of our military have proven
7 their worth time after time when the security of our nation
8 and its future were in jeopardy. Naval Ordinance is an
9 important link in maintaining that readiness edge.
10 As you know, Naval Ordinance has been there when
11 called to duty. It responded swiftly and accurately during
12 the Gulf War to develop solutions and execute swift repairs
13 of equipment. It is the only close-in weapons system depot
14 available to the Navy.
15 It is also the only remaining major caliber gun
16 barrel manufacturing facility of its kind. Naval Ordinance
17 possesses a full spectrum of capability from development and
18 design to production to maintenance of technology and
19 equipment for the Navy.
20 It clearly has a unique and vital capability. Of
21 course, in these times of growing federal budget deficits, we
22 must find ways to curb spending in all sectors of the federal

1 budget. The Base Closure Commission has an important job to
2 do in finding ways to reduce excess military facilities while
3 at the same time maintaining our military excellence.
4 I commend you and the other Commissioners for the
5 task that you are undertaking. In that light, the idea of
6 moving towards cross-servicing has been discussed as a
7 possible direction for military readiness efforts in the
8 future. It certainly has merits from a budgetary point of
9 view and is an idea that previous BRAC commissions have
10 supported.
11 Mr. Chairman, Naval Ordinance can be a key player
12 in this effort. Naval Ordinance has joint service
13 capabilities in place that are operating today, but if we
14 dismantle that capability, that opportunity will be lost.
15 As I stated before, my priority in this effort is
16 to keep Naval Ordinance open and continue its unique,
17 qualified role in the readiness efforts of our military
18 machine. Some have suggested that privatization is a
19 direction that we should go, and this is an idea that has
20 great merit.
21 But I am not ready to give up on maintaining the
22 status quo at Naval Ordinance, and this Commission shouldn't

1 give up on that goal either. In my judgment, maintaining the
2 Naval Ordinance Welfare Center and its unique capabilities is
3 the best thing for our national defense.
4 Again, I commend you and the members of the
5 Commission for the fine job you are doing in the important
6 task before you. The Navy has been well served by the Naval
7 Ordinance Warfare Center in Louisville. It is the last
8 operation of its kind due to its complete service ability and
9 its work for whose dedication cannot be matched.
10 It is a key ingredient for the continued
11 superiority of our nation's military readiness. Thank you
12 again for this opportunity to testify. Thank you.
13 COMMISSIONER DAVIS: Thank you, Representative
14 Lewis. I'm glad you didn't ditto. The eloquence of your
15 statement was needed. Thank you very much. Representative
16 Ward.
17 REPRESENTATIVE WARD: I hope I hear you say the
18 same. First let me thank you for having this opportunity to
19 testify today on behalf of the Naval Surface Warfare Center,
20 Crane Division Louisville, the facility which we know in
21 Louisville as the Naval Ordinance Station.
22 Thank you, too, for the site visit on April 6th by

1 Chairman Dixon, Commissioner Kling and Commissioner Cornella
2 who came to Louisville and gave the attention that we feel we
3 needed in order to make our case and to make our presentation
4 and for the Commission's attention to our community
5 presentation in Chicago on April 12th.
6 In addition, the Base Closure Commission staff has
7 diligently responded to our serious concerns about the
8 handling of data call information regarding Naval Ordinance.
9 I'm here today along with my colleagues to talk
10 with you about two approaches which we feel might be used to
11 preserve the core gun system capabilities at Naval Ordinance,
12 capabilities which are essential to our nation's defense.
13 As I sketch these two alternatives, I want to
14 emphasize that the process of developing these proposals
15 began immediately after the BRAC '93 process concluded. We
16 come to you as a community. Every level of our government is
17 represented.
18 Every level of our government is represented by the
19 Kentucky-Indiana congressional delegation, the Governor and
20 Lieutenant Governor of Kentucky, the Mayor of Louisville, the
21 County Judge Executive of Jefferson County have worked
22 together in a bipartisan manner to develop our proposals.

1 In fact, here with us today is my predecessor,
2 former Louisville Congressman Ron Mazzoli, who is a veteran
3 of these wars and who has stayed in the field and chairs our
4 Community Naval Ordinance Task Force.
5 Mr. Chairman, I urge that the Commission seriously
6 examine providing future gun systems capability by keeping
7 Naval Ordinance Station open as a Department of the Navy
8 facility performing Navy work and cross-services work
9 presently being evaluated by the Commission staff. Frankly,
10 I believe this would be the best option for the taxpayers and
11 for our national defense.
12 As the Commissioners who visited Louisville saw
13 firsthand, Naval Ordinance is a unique repository of
14 engineering, mechanical, electronics and industrial knowledge
15 of gun systems. No other facility provides the Department of
16 the Navy and the Department of Defense with the full spectrum
17 of gun systems expertise, research, development, design,
18 manufacture, upgrade and overhaul provided at the Naval
19 Ordinance facility.
20 The important and unique assets at Naval Ordinance
21 Station include a state-of-the-art environmentally compliant
22 plating shop with the only vertical gun barrel plating

1 capability within the Department of Defense, as you've heard,
2 the only remaining major caliber gun barrel manufacturing
3 facility within the Department of the Navy, and as you've
4 heard the only Phalanx close-in weapons system depot public
5 or private.
6 But the real gold mine at Naval Ordinance are the
7 synergies created by the co-location of engineers and
8 ordinance workers. This co-location of engineers and workers
9 has made invaluable the contributions to gun systems
10 technology and must not be lost.
11 Closure of the Naval Ordinance Station, the last
12 remaining facility public or private providing full spectrum
13 engineering and industrial life cycle support for naval gun
14 systems would be analogous to closure of the last public
15 sector shipyard and would clearly be eating our corn seed, as
16 you, Commissioner Davis put it, in reference to another
17 facility at your hearing on May 10th.
18 For this reason, I urge the Commission to remove
19 the Naval Ordinance Station from the list of facilities to be
20 closed.
21 If the commission does not overturn the Department
22 of Defense's recommendation to close the Naval Ordinance

1 Station, the Commission can retain critical skills in
2 Louisville by altering the Naval recommendation to assure
3 implementation of the community proposal to privatize the
4 work at Louisville under Department of Navy supervision.
5 The Department of Navy strongly supports the
6 community's privatization initiative which would maintain at
7 Naval Ordinance and potentially expand the gun systems
8 capabilities which reside in Louisville.
9 The community's privatization initiative offers the
10 best alternative to outright closure. The Louisville plan
11 would serve the best interests of the Department of the Navy,
12 the Department of Defense, the Louisville, Kentucky, and
13 Southern Indiana communities and two important defense
14 contractors who have signed memorandums of understanding with
15 the city and the county.
16 The privatization plan would allow the Navy to
17 reduce its infrastructure by removing a large facility from
18 its ownership. It would support maintaining the private
19 defense industrial base by enabling the two contractors to
20 gain access to overhaul and upgrade work, facilitate dual use
21 of technologies and facilities which have military and
22 commercial applications such as our state-of-the-art plating

1 shop.

2 It would assure uninterrupted ability to meet fleet
3 readiness requirements by retaining the experienced and
4 highly skilled employees at Naval Ordinance for Phalanx
5 overhaul and gun systems work.

6 I urge you, in closing, to recommend that the Naval
7 Ordinance Station remain open as a Department of Navy
8 facility, and if that is not possible that your
9 recommendation should include at least assurance that the gun
10 core systems work at Louisville is privatized in place and
11 that the nation retains the co-location of Department of the
12 Navy engineering capability alongside the depot overhaul
13 capabilities that we have in Louisville.

14 I also urge you to be mindful of providing time for
15 a smooth transition from public to private. Again, let me
16 express my gratitude for the continuing work which you and
17 the BRAC staff are doing to make these difficult judgments
18 necessary to reduce our defense infrastructure while
19 preserving a strong national defense. That is what we are
20 all after here, and I appreciate your all's commitment to
21 that. Thank you.

22 COMMISSIONER DAVIS: Representative Ward, also a

1 very eloquent statement. I'd like to thank the congressional
2 delegation of Kentucky for clearly a very important statement
3 but also flexibility in the process. Thank you very much.
4 We'll stand adjourned for two minutes.
5 (A brief recess was taken.)
6 CHAIRMAN DIXON: The Commission is delighted to see
7 representatives of the Great States of Maine and New
8 Hampshire here, and the Chair is told that it is the desire
9 of the two delegations to proceed with the State of Maine,
10 which is on our list first, beginning with Senator Olympia
11 Snowe, the Distinguished Senator from the Great State of
12 Maine and then go forward and then through the State of New
13 Hampshire and by agreement between the two states close with
14 the Senior Senator from the Great State of Maine, Senator
15 Cohen.
16 Is that understood to be the procedure? And we are
17 delighted to accommodate both states with that request, and
18 if the two states are prepared to go forward, or if those
19 from the State of Maine are prepared to go forward, we're
20 delighted to receive the statement of the Distinguished
21 Senator from the Great State of Maine, Olympia Snowe.
22 Senator Snowe, we're delighted to have you here.

1 SENATOR SNOWE: Thank you, Mr. Chairman and members
2 of the Commission. On behalf of the Maine and New Hampshire
3 delegation, let me first thank all eight Commissioners for
4 visiting Portsmouth Naval Shipyard ten days ago as well as
5 the regional hearing in Boston.
6 We are confident that what you saw and heard
7 confirms what we in the Navy already know to be the case,
8 that America's submarine future and America's naval strength
9 truly runs deep, and its home base is Portsmouth. That's the
10 bottom line.
11 Those responsible for our national security made a
12 military judgment in recommending the retention of
13 Portsmouth. It was based on their professional assessment of
14 the threats confronting this nation in the next century and
15 the force structure required to deal with them.
16 And furthermore, in a report required by law, the
17 GAO reported the Navy's view, and I quote that, "Portsmouth
18 should not be closed because of uncertainties in the future,
19 the Sea Wolf program and the nature of the evolving submarine
20 threat."
21 Clearly, this was a military decision, no more and
22 no less. Admiral Borda, Admiral Demarrs and Vice Admiral

1 Sterner all emphatically spoke on behalf of Portsmouth's
2 military value. They said closing Portsmouth was an
3 unacceptable risk and that they needed Portsmouth on the Navy
4 team.
5 They said Portsmouth is a critical asset to the
6 future and that America has an obligation to retain the
7 shipyards needed to support the fleet. They said closing
8 Portsmouth was put us in an unacceptable margin for
9 performing nuclear submarine work.
10 As you can tell, they don't exactly mince words
11 when it comes to Portsmouth, and for good reason. So why is
12 Portsmouth vital to the Navy? Because when it comes to
13 submarines, they know from experience that there is no more
14 modern shipyard than Portsmouth, the only shipyard in the
15 nation public or private that can perform the full range of
16 prepare and maintenance functions on the 688 Class submarine.
17 And it will be the 688 that will make up virtually
18 98 percent of the attack submarine force by the end of the
19 decade. It will be the backbone of our submarine fleet well
20 into the 21st Century at least until the year 2020.
21 Because only one shipyard, Portsmouth, currently
22 supports all 688 requirements, the Navy determined that it

1 should be removed from consideration for closure because, and
2 I quote, "its unique role as a center of excellence for the
3 SSN 688 Class submarine," again the Navy's words.
4 In arriving at its determination to retain
5 Portsmouth, the Navy had to consider not just the amount of
6 nuclear shipyard work it had to perform but the type as well.
7 The Navy knows that 58 percent of its nuclear
8 workload will be on submarines in the year 2001, and that is
9 shown in this chart right here, and the Navy knows that even
10 more significantly it already has complex shipyard work
11 planned for the 688 through the year 2018, again shown on
12 this chart and the outline of their work contemplated.
13 In addition, a NAVSEA report stated that over the
14 next ten years the Navy submarine refueling complexes will be
15 93 percent utilized, and NAVSEA stated that the loss of just
16 one of the nation's nuclear shipyards would render its depot
17 maintenance program "inexecutable without creating additional
18 facilities at another location."
19 And that's why at the Boston hearing Admiral
20 Sterner told the Commission that the loss of Portsmouth would
21 pose, in his words, an unacceptable risk to his ability to
22 support the fleet as well as to our national security.

1 Those aren't idle words. That's our nation's
2 military leadership, our armed forces speaking out for
3 Portsmouth.
4 To put this in context, the Navy has aggressively
5 used the base closure process to reduce its shore base
6 infrastructure. Since the '91 round, the Navy has
7 recommended closure of four out of eight shipyards, a 50
8 percent reduction.
9 Admiral Sterner said, and I quote again, "The
10 difference is that we no longer have any surplus," and he
11 added, "I don't have a Mare Island to go to." You see, the
12 Navy knows Portsmouth's 5 years' experience with the 688 is
13 unrivaled.
14 The Navy knows Portsmouth was the first naval
15 shipyard to overhaul a 688. The Navy knows Portsmouth was
16 also the first naval shipyard to perform a 688 refueling
17 overhaul. The Navy knows Portsmouth is also the first in
18 overhaul nuclear submarine experience.
19 It has completed more major submarine overhauls
20 than any other shipyard. Furthermore, Admiral Sterner
21 described a submarine refueling overhaul as probably the most
22 complex industrial undertaking known to man, but this is what

1 Portsmouth does best, and they're getting more efficient.

2 Its first refueling took 141 days, the second 133

3 days, and the third is projected to take 102 work days. The

4 Navy knows that its crown jewel for submarine overhaul is

5 Portsmouth Covered Dry Dock No. 2, the only dry dock in the

6 entire country currently configured to perform the complex

7 nuclear refueling of a 688.

8 Its unique singular features are a permanent part

9 of that dry dock. They're not portable. They're not

10 interchangeable with any other dry dock anywhere.

11 So knowing these facts, why would anyone want to

12 attempt to replicate a facility that has always been the

13 first and the best at what it does? With the case of

14 Portsmouth, it simply cannot be done.

15 We cannot afford to play a military shell game with

16 a superlative one-of-a-kind shipyard like Portsmouth. In

17 conclusion, I must point out that never before in this

18 process have so many in the Navy said so much in defense of a

19 base that is so critical to the defense of our country.

20 And if I could recall one moment in this process

21 that said it all, it is this: When the Chief of Naval

22 Operations, Admiral Borda, in his only site visit to a base

1 in this round stood before all of you at the Portsmouth yard
2 and said, "The Navy not only wants Portsmouth, it needs
3 Portsmouth," and I would add, Mr. Chairman, so does America.
4 Thank you.
5 CHAIRMAN DIXON: Well, we thank you, Senator
6 Olympia Snowe for that very excellent presentation. The
7 Commission is indebted to you, and we're pleased to have from
8 the Maine delegation your Distinguished Congressman
9 Representative James Longley. Congressman Longley.
10 REPRESENTATIVE LONGLEY: Mr. Chairman, members of
11 the Commission, I want to begin by thanking each of you by
12 taking the time that you've taken over this arduous three or
13 four months to carefully review the bases and the facilities
14 that you've been charged with a heavy responsibility for
15 complaining.
16 I don't envy you. As a new member of Congress, it
17 has been overwhelming to me to learn the extent of our
18 national defense issues and how complex they are.
19 I think we all are concerned about the defense
20 industrial base, and to pick up on what Senator Snowe just
21 said to say that we recognize that the industrial base is
22 more than bases. It represents skills, facilities and

1 equipment, but first of all it represents people.

2 There are particular skills that are unique in the

3 nuclear ship building arena, especially in the nuclear

4 submarine arena. I'm advised, for instance, that it takes a

5 minimum of five to ten years to train anyone from a ship-

6 fitter, electrician, pipe fitter, outside machinist.

7 Let's talk for a minute about a nuclear welder.

8 It's one thing to be a welder. It's something else to be a

9 nuclear qualified welder, and the standards require an

10 ability to literally weld while hanging upside down using a

11 mirror in the confined spaces that one would find in a

12 submarine.

13 And I think you've all been through the yard.

14 Again, we appreciate your time and energy and devotion to

15 your duty to do that. And if you've been inside a 688 Class

16 submarine, you understand how extremely cramped the work

17 spaces are and yet how highly critical all of the components

18 are that go into that piece of equipment.

19 Of the remaining nuclear shipyards, there are only

20 four. Portsmouth has conducted 25 refuelings; Puget, 23;,

21 Pearl 11; Norfolk, 3. Portsmouth has clearly provided most

22 of the major refuelings, and as you know, Portsmouth's most

1 recent start was 1994, Puget's 1989, Pearl in 1981 and
2 Norfolk way back in 1972.
3 Portsmouth is the remaining shipyard with the most
4 refueling experience, the most current refueling experience,
5 and it's the only shipyard with 688 Class refueling
6 experience, and as you know, and you're going to be hearing
7 more about this later, with the uncertainty that we face in
8 the future direction of our submarine program, maintaining
9 the skilled work force with the experience, the superb state-
10 of-the-art facilities at one of the most modern bases in the
11 world -- and I might mention, given the nuclear environment,
12 one of the most secure naval shipyards in the world -- only
13 Portsmouth is in a position to -- Portsmouth is in a very
14 vital position as far as our Navy is concerned.
15 I want to end on this note, perhaps more of a
16 personal note. Again, I appreciate the energy that each one
17 of you has devoted to the task ahead of you, and in many ways
18 we're all serving our countries or have served our country in
19 different ways.
20 I was fortunate to serve on active duty during
21 Desert Storm, and there was one particular moment in that
22 experience that I think, perhaps, sums of for me the

1 difficulty of the issues confronting you, and that was on the
2 day that I found myself in Eastern Turkey about to get on a
3 helicopter bringing people across the border in Northern
4 Iraq.
5 And we're flying at about 15 feet, and a door
6 gunner pulls back the bolt on a 15 caliber machine gun, and
7 thankfully we didn't have to use it, but the significance of
8 the click, the sound of metal on metal that only a veteran
9 can understand still rings in my years, because you realize
10 at that point in time that you are there. You're doing your
11 duty, but your frame of reference is limited.
12 You have to have faith and confidence in the
13 superiors, the commanders over you, and you recognize that
14 for good or ill your life is in their hands.
15 And I would only submit that you've heard a lot of
16 technical arguments, a lot of technical issues, but there is
17 a reason why we are charged and you as a Commission are
18 charged to give some amount of deference to the Department of
19 the Navy.
20 And I would submit that there are adequate reasons
21 on the record for the preservation of the important role that
22 Portsmouth plays. As a veteran, I wanted to underscore the

1 fact that there are many, many issues that just may not be on
2 the record that may play into that decision and that only the
3 officers and the commanders who are charged with that most
4 serious responsibility of sending men and women into combat
5 understand.
6 And again, I would end on that. I appreciate very
7 much your courtesy in attending to our arguments today.
8 CHAIRMAN DIXON: Well, we thank you very much,
9 Representative James Longley. And we're delighted to have
10 here with you from your Maine delegation your Distinguished
11 Colleague Representative John Baldacci.
12 REPRESENTATIVE BALDACCI: Thank you very much,
13 Mr. Chairman, Distinguished members of the Commission. I'm
14 honored to be before you today to speak about the people of
15 Portsmouth and the valuable experience they bring to the Navy
16 and this country.
17 Portsmouth Naval Shipyard's mission is to provide
18 quality overhaul, repair, refueling and modernization of the
19 nuclear submarines in a safe, timely and cost-effective
20 manner.
21 The experience and skills acquired and handed down
22 since 1914 have made Portsmouth Naval Shipyard the lead

1 nuclear facility in the country. These experienced men and
2 women have become experts in their field and have developed
3 efficient techniques over the years.
4 Mr. Chairman, the people at Portsmouth are second
5 to none. It is the Navy's foremost nuclear submarine
6 shipyard successfully and efficiently doing its job for over
7 80 years.
8 This expertise is absolutely essential to the
9 continued strength of the United States naval infrastructure
10 and the national security interest of our nation. The
11 working men and women of the shipyard are proud of this
12 practice addition, and their work ethic will see that the
13 Navy and the country are not disappointed.
14 This expertise cannot be recalled overnight. In
15 fact, it cannot ever. Portsmouth has completed more
16 submarine major availabilities than any other shipyard, which
17 includes eight depot maintenance periods, 32 nonrefueling
18 overhauls and 24 of the highly technical and complex
19 refueling overhauls to date.
20 This also includes the 688 refueling overhaul. A
21 second one is now underway, always on time and done right.
22 My father used to tell me it's cheaper and quicker to do it

1 right the first time because it's more expensive to keep
2 doing it over and over again.
3 Portsmouth continues that proud tradition.
4 Portsmouth has been at the cutting edge of submarine
5 technology. It has produced work like the Sea Wolf, the
6 Nautilus, the Tubalee, the Jack, and the Albacore.
7 Furthermore, Portsmouth is the program manager for
8 the Deep Sea Submergence Systems program providing the Navy
9 with the deep sea capabilities. Portsmouth is the only
10 remaining shipyard with 688 Class submarine refueling
11 experience.
12 These submarines are the backbone of our fleet. In
13 addition to performing this crucial task, Portsmouth has the
14 breadth of knowledge and experience to perform work on
15 surface ships as well, including the work on the destroyers,
16 the frigates, the cruisers and Coast Guard cutters.
17 The workers at Portsmouth have become the Navy's
18 experts in performing component parts such as the propulsion
19 shafts and the motor generator sets. Portsmouth has
20 continually proven that it is the most effective nuclear yard
21 in the country by not only providing the essential service to
22 the Navy's nuclear submarines but also by providing a wide

1 array of fleet support.

2 Portsmouth is the most reliable, efficient and
3 cost-effective yard in the country for overhauls, depot
4 maintenance records and periods and refuelings of the 688
5 Class submarines. This record serves as a bench mark for
6 other shipyards, and the work performed at Portsmouth is a
7 result of the hard work and breadth of experience of the
8 working people of Maine and New Hampshire, a proud tradition
9 handed down generation by generation.

10 And I am proud to speak to you today about the
11 people who have made Portsmouth a facility that is
12 indispensable to the Navy. Theirs is a tradition of quality
13 work, Yankee ingenuity and more importantly the national
14 security interests of the United States.

15 These people have proven their worth through their
16 unparalleled skill and experience. The Navy has continually
17 expressed the absolute importance of Portsmouth's unique
18 experience to the United States naval fleet.

19 The Department of Defense and top naval officials
20 all realize the unequivocal necessity of maintaining this
21 yard and the experience and proficiency that has been
22 acquired over the last 80 years.

1 There is no other public or private yard in the
2 country that is better prepared, equipped or trained than
3 Portsmouth Naval Shipyard to overhaul these submarines.
4 We have an express in Maine, if it doesn't broke,
5 don't fix it, and I urge you to keep this national asset
6 because it isn't broke and because it's right for this
7 country. Thank you very much, Mr. Chairman.
8 CHAIRMAN DIXON: Thank you very much, Congressman
9 Baldacci. It is interesting to note that my father told me
10 the same things your father told you, and we've got the same
11 statement in Illinois. If it ain't broke, don't fix it.
12 In all serious any, ladies and gentlemen of the
13 Maine and New Hampshire delegations, the Chair is informed
14 that Representative Bill Zeliff and Representative Charlie
15 Bass may be still on route in a bad weather condition.
16 The best I can offer your delegation is this: We
17 would stay an extra ten minutes this evening. The last
18 testimony is from 6:05 until 6:10. We do not have a slot
19 open between now and then.
20 There have been no cancellations, but if my
21 colleagues will permit, we will accommodate Representative
22 Zeliff and Bass at 6:10 and 6:15, when they get here, if that

1 is satisfactory. I'm sorry. It's the best I can do.

2 We're delighted to welcome my old friend the

3 Distinguished Senior Senator from the Great State of New

4 Hampshire, Senator Bob Smith.

5 SENATOR SMITH: Thank you, Mr. Chairman, and thank

6 you for that courtesy. They may be here before we get

7 finished, but we're not certain of that.

8 Mr. Chairman, members of the Commission, again

9 thank you for hearing us again. I hope you're not at the

10 saturation level yet. I want to thank you also for visiting

11 the yard, Portsmouth Shipyard, as you did all of you. It

12 shows that you're not only committed to the process but

13 committed to making a fair and informed decision.

14 Today I want to discuss with you the current

15 international security environment and the role of submarines

16 in our national defense. As a member of the Armed Forces

17 Committee, I am constantly analyzing this national security

18 threat, and I can tell you without hesitation that submarine

19 threats to the United States are real, and they're growing.

20 For instance, Russia is continuing to aggressively

21 modernize its nuclear attack submarine force and is placing

22 enormous emphasis on acoustic and magnetic quieting programs,

1 and today Russia's front line submarines are as quiet or
2 quieter in some respects than America's best.
3 By the year 2000, the Office of Naval Intelligence
4 estimates that 20 percent of Russia's nuclear powered subs,
5 attack subs, will be quieter than the U.S. Navy's front line
6 improved LA Class submarines.
7 In addition, Russia is exporting highly capable
8 Kirov Class submarines to both Iran and China. These diesel
9 submarines will fundamentally shift the balance of power in
10 Southwest Asia and allow Iran to threaten the sea lanes
11 within and surrounding the Persian Gulf.
12 In China, these submarines will substantially
13 enhance Chinese power projection capabilities and provide the
14 muscle to back China's recently asserted expansion of its
15 territorial waters in the South China Sea.
16 The Office of Naval Intelligence, Mr. Chairman, has
17 released an analysis of worldwide submarine proliferation. I
18 have provided or will provide a copy of that to the Committee
19 if you don't have it.
20 And in particular I want to highlight a quote from
21 Russian Defense Minister Pavel Grachev from June 8, 1993, in
22 which General Grachev states, and I quote, "A nuclear

1 submarine fleet is the future of the armed forces. The
2 number of tanks and guns will be reduced as well as the
3 infantry, but a modern Navy is a totally different thing.
4 The governments of all developed countries understand this
5 very well."
6 The U.S. Navy and will intelligence community have
7 studied this threat very carefully. They have conducted --
8 they have concluded, rather, that the U.S. must maintain a
9 robust, modern submarine fleet to counter the global
10 submarine threat as well as the nuclear maintenance
11 infrastructure to service and maintain our fleet, and this is
12 precisely where Portsmouth fits in.
13 Before I address the military value, let me again
14 emphasize the fluid state of our program. Numerous flag
15 officers have advised me that we need more submarines than
16 are currently programmed.
17 In fact, I've been told we should have 60 to 65
18 rather than the 40 to 45 to 55 that are funded in the current
19 administration program. The only way we can reach these
20 levels is to refuel additional LA Class submarines. Again,
21 this is where Portsmouth fits in.
22 Portsmouth is the only shipyard that has performed

1 and is currently performing refueling overhauls on these
2 subs. It's a true national asset. I want to emphasize that
3 there is a big, big difference between a defueling or an
4 inactivation of a submarine and a refueling overhaul which
5 extends its service life.
6 Defuelings are relatively small, relatively
7 uncomplicated work packages; whereas refueling overhauls
8 entail roughly seven times as many man days as defueling and
9 are extremely complex.
10 Let me summarize, Mr. Chairman, examine conclude my
11 presentation with a couple of brief observations. Submarine
12 threats to our nation are real, and they're growing. The
13 size and nature of our future submarine fleet is indefinite
14 and is very likely to increase above the levels funded in the
15 current administration budget.
16 Portsmouth is the only naval shipyard that performs
17 all LA Class requirements, including lead engineering. The
18 closure of Portsmouth would result in the cumulative loss of
19 50 percent of Navy's nuclear capable shipyards, 73 percent of
20 naval ship depot maintenance activities and reduce total
21 shipyard excess capacity to an unacceptable level of only 1
22 percent.

1 It would leave the Atlantic Fleet with only a
2 single naval shipyard providing dedicated support to its
3 assets. Members of the Commission, today's national security
4 environment is uncertainty translates into risk.
5 If down the road we determine that Portsmouth is no
6 longer necessary, then we can close it, but if you close it
7 now and we find out we need it later, there is nothing we can
8 do it.
9 And that is why the Navy so forcefully made the
10 presentation that it made to you personally with Admiral
11 Demarrs and with Admiral Borda. It is why Admiral Borda
12 delayed his trip to Bosnia to be there personally to tell you
13 that.
14 And I would just say in conclusion, we went through
15 a closure a few years ago at Pease Air Force Base. The
16 entire New Hampshire congressional delegation supported the
17 closure of that base because it had contributed to national
18 security and was no longer needed.
19 For 200 years, Portsmouth has contributed to
20 national security, and it is still very much needed. Thank
21 you, Mr. Chairman.
22 CHAIRMAN DIXON: Well, we thank you very much,

1 Senator Bob Smith for that fine presentation from the Great
2 State of New Hampshire, and we're pleased to have your
3 Distinguished Colleague, Senator Judd Gregg here as well, and
4 we recognize Senator Gregg.
5 SENATOR GREGG: Thank you, Mr. Chairman and members
6 of your Commission. I appreciate your courtesy, as we all
7 do. I understand that you're going to hear -- or I read in
8 the paper you're going to hear from over 200 members of
9 Congress today. That, sort of, gives new meanings to the
10 term cruel and unusual punishment, and I admire you.
11 I also want to thank you for taking the time as an
12 entire Commission for coming to New Hampshire and visiting
13 with us and seeing what we think is an extraordinary
14 facility.
15 In a unique and ironic way, this has created a
16 great relationship between our two states. The enthusiasm
17 and the energy which our communities have pulled together in
18 support of Portsmouth has been a special event.
19 And so although we would rather not have gone
20 through this process, we feel that there has been some
21 positive coming out of it through the pride and energy that
22 we've been able to demonstrate on behalf of our wonderful

1 facility.

2 I would give you, basically, five words as to why

3 Portsmouth should remain open -- nuclear, nuclear, nuclear,

4 nuclear, nuclear. I'll give you a sixth, nuclear.

5 This is a unique facility. Once closed, it will

6 not be closed or reconstituted anywhere else. You could not,

7 in this century or the next, site a nuclear shipyard on an

8 open -- on a port, a major seaport anywhere in this country

9 without going through literally tens if not hundreds or

10 twenties of years, many, many years, in any event.

11 You could not replace the workers who would be

12 lost. This is not a facility where the workers have been

13 trained in a few months, a few years. They've been trained

14 by generations, generations of individuals going from father

15 to son, father to daughter, daughter to son working at this

16 facility and learning the art of dealing with a ship that is

17 extraordinarily complex and brings with it the questions of

18 how you deal with a nuclear overhaul.

19 And you could not reconstitute a customized

20 facility of this nature, which has been built specifically

21 for the purpose of overhauling the nuclear submarine which is

22 the backbone of the Navy fleet, the 688 Class.

1 So it is a facility which cannot be replicated.
2 There has, as we know, been some discussion of, well,
3 wouldn't the private yards do this. And is it possible that
4 you could shift this work to the private yards, but the cost
5 of shifting it would be exorbitant, and the capacity to have
6 those yards up to speed would be time expensive to say
7 nothing of the loss of work force that you would incur.
8 So you're not really sure that you could produce
9 the same product in a private yard, and what you are sure of
10 is that once you went to a private yard you could never
11 reconstitute a public yard.
12 And as the Navy has so appropriately stated on a
13 number of instances before this panel, the need to have
14 public control over the ability to refurbish its ships,
15 especially its nuclear ships, is absolutely critical to
16 carrying out its mission.
17 The loss would be unique, and it would be
18 irreplaceable if this yard were to be closed. As Admiral
19 Demarrs I think summarized it really well, to error on the
20 side of closing this yard would be an error which, if it were
21 proved not to be an appropriate decision would cost the Navy
22 the capacity to adequately defend this nation.

1 To error on the side of keeping this yard open is
2 to still give you the opportunity later on to take another
3 look at that as appropriate. We don't happen to think it
4 will be, but if appropriate you could look again in a few
5 years, but you would at least have the yard and the facility
6 there for the next generation to use.
7 There is no question but if we are to pursue a
8 national defense policy which is based on the use of the
9 submarine and the nuclear submarine that you must have the
10 capacity to overhaul the nuclear submarine.
11 And there is no question but the premier yard and
12 the only yard, for that matter, which has the capacity to
13 overhaul the nuclear submarine in the public sector is the
14 shipyard in Portsmouth.
15 And therefore, we strongly support and hope that
16 you will also the continuation of the Portsmouth Naval
17 Shipyard as our only nuclear overhaul facility in the public
18 sector for submarines. Thank you.
19 CHAIRMAN DIXON: Thank you very much, Senator Judd
20 Gregg, for a very fine presentation. And the Chair is
21 pleased to see that Representative Bill Zeliff has weathered
22 the storm. We're honored you would come and contribute.

1 Representative Bill Zeliff of New Hampshire.

2 REPRESENTATIVE ZELIFF: We thank you very much, and
3 I also would like to thank the Chair for your willingness to
4 give us time at the end and re-juggle and be flexible as we
5 did just arrive. So thank you, sir.

6 I also want to thank all the members of the
7 Commission for going out to the Portsmouth Naval Shipyard and
8 see firsthand that beautiful facility.

9 Chairman Dixon and Commissioners, I would like to
10 address the economic implications associated with the closure
11 of Portsmouth Naval Shipyard and amplify a few points that
12 were presented in Boston on the 3rd of June.

13 You first heard Governor King speak to the grave
14 economic impact that the closure would cause to the local
15 communities in the states of New Hampshire and Maine. You
16 then heard Governor Merrill speak to the difficulties
17 associated with the redevelopment of Pease Air Force Base
18 closed by BRAC '91.

19 It is the latter topic that I would like to address
20 this afternoon. We note that private buyers are not rushing
21 in to purchase real estate at closing military bases anywhere
22 in the country.

1 Local communities face large utility and
2 maintenance bills for streets, power and water as bases
3 close. As a matter of fact, at this time the City of
4 Portsmouth and the Pease Development Authority are at an
5 impasse at how to pay for or who will pay for the
6 improvements to the water treatment infrastructure at the
7 former Pease Air Force Base.
8 Recently, U.S. News and World Report pointed out
9 that base closure property in the San Francisco Bay area sits
10 vacant and unused. Buyers are simply not stepping forward to
11 purchase these properties.
12 The cost to maintain utilities is too large for
13 local communities or potential investors to absorb. Pease
14 Air Force Base has its share of ups and downs, I can assure
15 you. While it is viewed as a success story overall, the
16 final chapters have yet to be written.
17 Redevelopment has occurred, and plans for the
18 future do continue, but as Governor Merrill pointed out there
19 is other land both available and being marketed more
20 successfully for potential investors in the local community.
21 Environmental issues at Pease makes competing for
22 investors more challenging. Right now a lawsuit instigated

1 by an out-of-state private environmental organization has
2 prevented any transfer of property from the Air Force to the
3 local redevelopment authority for the next several years.
4 Fortunately, an advantage Pease has over other
5 closed bases is its land development characteristics. This
6 includes an airstrip that can be used by an aviation investor
7 and fairly substantial plots of land to facilitate
8 construction which would include adequate parking facilities
9 for employees.
10 In spite of these advantages, investors are not
11 waiting in line. Adding Portsmouth Naval Shipyard, and this
12 is, again, a facility that is two miles up the road, into the
13 economic equation presents an entirely different picture.
14 Bear in mind that I said Portsmouth is a mere --
15 and I said two miles -- two to three miles away from the
16 former Pease Air Force Base, which puts it not only in the
17 same town but in the same economic market.
18 Closure of Portsmouth Naval Shipyard has extremely
19 grave consequences not only for the City of Portsmouth but
20 also for any further development of Pease. Attempts at
21 redevelopment and/or conversion in an already economically
22 depressed area would be difficult at best.

1 The situation would be compounded by the fact that
2 the Portsmouth Naval Shipyard does not have the advantages
3 for redevelopment and/or conversion that were noted for
4 Pease.
5 Short of a like ship repair industry assuming the
6 entire real estate, attracting potential investors to parts
7 and pieces of the heavily industrialized facility will be
8 extremely difficult.
9 The shipyard has a central utility system for
10 electricity, water, sewer and heating. These services are
11 all underground. All buildings are heated with steam or hot
12 water from the central power plant.
13 Investors would have to place heat systems into
14 individual buildings. Other difficulties potential multiple
15 tenants would have to face would include buildings that do
16 not meet current state and local building codes.
17 Fifty-eight buildings are on the register of
18 historic places, which limits the scope and the nature of any
19 renovation projects, buildings constructed with individual
20 offices rather than open spaces, building density that
21 prohibits new construction without demolition of existing
22 structures, parking lots that are not centrally located near

1 the high occupancy office and shop buildings.

2 Access is limited to 2 two-lane bridges. Two

3 prehistoric archeological sites have been identified and

4 would have to be managed by the local community.

5 Assuming all of the above problems were overcome,

6 one must return to the fact that heavy industry is moving to

7 foreign shores, leaving the ever-growing service industry

8 here in the United States. With this transition, some jobs

9 that are less technical command lower salaries.

10 Regardless of how successful redevelopment

11 commissions are in converting real estate in the region, they

12 will never offset the bottom line dollar and economic impacts

13 of closing both Pease Air Force Base and Portsmouth Naval

14 Shipyard.

15 In summary, Mr. Chairman and Commissioners,

16 Portsmouth Naval Shipyard remains a vital Navy asset, a vital

17 community technological base and a vital part of our local

18 economic community.

19 The Navy and the community would never recover from

20 this loss. Actually, Mr. Chairman, it would be devastating.

21 We implore you to listen to the Navy, the Department of

22 Defense and the GAO and your visit up there, and we just hope

1 and pray that for all those reasons that the Portsmouth Naval
2 Shipyard will remain a vital part of our future defense for
3 our country. Thank you, Mr. Chairman.
4 CHAIRMAN DIXON: Thank you very much,
5 Representative Zeliff, and we're delighted to see that your
6 Colleague, Congressman Charlie Bass is here, also survived
7 the weather. Representative Charlie Bass.
8 REPRESENTATIVE BASS: Thank you very much,
9 Mr. Chairman and members of the Commission. It's a pleasure
10 to be here, and I really appreciate you're accommodating us
11 today. We've had a very active trip down from New Hampshire,
12 as you alluded to.
13 I also appreciate the opportunity to appear here
14 today to testify on behalf of the Portsmouth Naval Shipyard.
15 Although the shipyard is not located within my district, it
16 is nonetheless a very critical issue to the State of New
17 Hampshire, obviously the State of Maine and Northern
18 Massachusetts as well as, in my opinion, the strategic
19 interests of the United States.
20 However, I am here today to discuss with you the
21 validity of the cost of base realignment action model or
22 COBRA as it's called as a decision factor in your

1 deliberations on Portsmouth Naval Shipyard.

2 While the COBRA model is acceptable as a one size

3 fits all tool for estimating closure or realignment costs,

4 its use as major decision criterion is questionable for two

5 reasons.

6 First, like any structured analytical model, the

7 COBRA is only as good as the data or input it receives from

8 the service analysts. For BRAC '95, we believe that the data

9 provided by the Navy analysts significantly overstates the

10 20-year net present value savings for Portsmouth Naval

11 Shipyard.

12 As an example, in BRAC '93, the 20-year net present

13 value savings for Portsmouth and several other large nuclear

14 capable shipyards was approximately $680 million each. In

15 BRAC '95, the 20-year savings for Portsmouth was computed to

16 be 2.3 billion. This is nearly a four-fold increase over the

17 BRAC '93 for a shipyard that now has 20 percent fewer

18 positions than it did in BRAC '93.

19 I guess it makes one wonder what happened between

20 1993 and 1995. An independent analysis also shows that the

21 20-year savings for Portsmouth Naval Shipyard should be no

22 more than about one half of the savings provided by the Navy

1 COBRA model.

2 In conducting the independent analysis, they took a
3 conservative approach, even going so far as to use some of
4 the Navy's desired performance goals, goals that have never
5 been attained by any shipyard in recent history.

6 Yet, we were compelled to correct other Navy data
7 when the data clearly overstated the real cost of closure.
8 For example, in BRAC '95, Navy analysts erroneously moved
9 only direct labor workload from closure scenario shipyards to
10 gaining shipyards in developing their closure cost.

11 This implies that gaining shipyards can accomplish
12 the realignment work with no indirect or overhead and leave
13 allowances. There isn't a business operation public or
14 private that can reasonably make that assumption. Overhead
15 costs to include leave are normal in the expected cost of any
16 business.

17 Now, my time does not allow me to provide you with
18 an in-depth COBRA analysis and especially the methods used by
19 the Navy to generate input data that overstates savings.

20 Mr. Jackson of your staff has been provided with
21 extensive details on this independent analysis, and it will
22 reveal a much lower 20-year savings for Portsmouth.

1 Also, as the Navy testified during the Joint Cross
2 Service hearing on the 17th of April, the COBRA model
3 guarantees significant savings in all cases of depot activity
4 closure vis-a-vis realignment scenarios.
5 In fact, the bigger industrial activity, the bigger
6 the industrial activity the greater the savings. Therefore,
7 if COBRA savings are significant decision criteria, then
8 larger shipyards should have been considered.
9 The second question concerning COBRA is whether or
10 not it is a true representation of true costs of closing a
11 base. As mentioned by the Chief of Naval Operations, Admiral
12 Borda, during the visit to Portsmouth a couple weeks ago,
13 COBRA does not include the total cost of closure.
14 As you are well aware, environmental cleanup and
15 civilian conversion costs, among others, are specifically not
16 included in the COBRA model, but these real bottom line costs
17 should be considered and should not be ignored.
18 In closing, I hope that you will seriously consider
19 the following factors: One, the COBRA results provided are
20 grossly overstated by virtue of inaccurate input data.
21 Number two, the COBRA results do not make a
22 complete assessment of total closure costs; and thirdly, the

1 COBRA results may be viewed as a short-term windfall when, in
2 reality, any savings is spread thinly over 20 years.
3 The COBRA results could lead one to believe the
4 closure of Portsmouth is a sound financial decision.
5 Commissioners, in reality, it is not. And I thank you very
6 much for the opportunity to testify today.
7 CHAIRMAN DIXON: We thank you very much,
8 Congressman Charlie Bass for that fine contribution on behalf
9 of the State of New Hampshire and your region. And we're
10 pleased to recognize to close for the Great States of Maine
11 and New Hampshire the Distinguished Senior Senator from the
12 Great State of Maine my old friend Bill Cohen. Senator Bill
13 Cohen.
14 SENATOR COHEN: Thank you very much, Mr. Chairman
15 and members of the Commission. Let me add to all of the
16 other statements that have preceded me. My thanks to all of
17 you for visiting Portsmouth. It was unprecedented, and I
18 think it did, in fact, reflect the great dedication that all
19 of you have given to this job.
20 I'm not sure that everyone anticipated what was
21 involved in the job before taking it, but we've seen an
22 example of the hard work that you've all put in it.

1 Mr. Chairman, based on the regional hearing that
2 was held in Boston and knowing how much of a premium you put
3 on brevity, especially the retroactive endorsement of my
4 former opponent in 1990 --
5 CHAIRMAN DIXON: A thing for which I offer my
6 humblest apologies. I did not know he ran against you, and I
7 withdraw the remarks.
8 SENATOR COHEN: He ran a fine campaign, and the
9 result was much appreciated by me, but I'll try to stay well
10 within the five minutes allotted to me.
11 Mr. Chairman and members of the Commission, three
12 consecutive BRAC procedures the Navy and Defense Department
13 have strongly supported Portsmouth over other naval yards
14 with relative or comparable skills and capabilities such as
15 Mare Island and Charleston Naval Shipyards.
16 And they've done so for the sole purpose of
17 reducing excess capacity while maximizing the remaining
18 assets in its core facilities. They selected Portsmouth to
19 remain its premier nuclear submarine overhaul and ship repair
20 yard for three principal reasons.
21 Senator Gregg said there were six. I'll just give
22 you three. I told him before I was a bit more conservative

1 than him, but I'll give you three, and they don't begin with
2 nuclear. They begin with E -- experience, expertise and
3 efficiency.
4 Portsmouth, as you've heard through Congressman
5 Longley, it's the yard that has the most overall experience,
6 the most recent refueling experience and the only shipyard
7 with a 688 Class refueling experience.
8 Another key point is that the average amount of
9 experience that the workers have at Portsmouth is 15 years,
10 15 years of experience. And that expertise, in turn, has led
11 to the kinds of efficiencies which I think all of you bore
12 witness to during the course of your visit.
13 There was and is a place for everything at that
14 yard, and as you noticed, nothing was out of place. And I
15 think this accounts for the Navy decision to name Portsmouth
16 as the Center for Excellence.
17 As Admiral Borda pointed out during your visit, if
18 Portsmouth were to be closed, it could not be simply
19 eliminated or wiped off the books. It would have to be
20 replicated elsewhere, and that would cost the Navy valuable
21 time and money, time and money it doesn't have.
22 There is, of course, the further complicating

1 factor as where would that replication take place. Private
2 yards are not currently facilitized to handle the refueling
3 and overhaul of 688 Class submarines.
4 And as I mentioned during the hearings in Boston,
5 the congressional funding uncertainties I think make any
6 consideration of turning over such work to the private yards
7 an unreasonable risk.
8 It would be possible, as others have said, given
9 enough time and money, to train a work force to the level of
10 proficiency that currently is exhibited at Portsmouth in
11 order to replicate this capability in another public yard,
12 but the Navy and Defense Department have made the million
13 father judgment not to concentrate all of its nuclear eggs in
14 either one or two baskets.
15 Today once again we heard the advocates for Long
16 Beach urge the Commission to reverse and overrule the Defense
17 Department's judgment by closing Portsmouth and keeping Long
18 Beach open.
19 Once again let me respond by saying the two yards
20 are not at all comparable. They possess entirely different
21 functions, skills and capabilities, and to equate the two it
22 seems to me -- and seek to trade them off would undermine the

1 Navy's goal of preserving a unique nuclear asset and maximize
2 its military value.
3 Mr. Chairman, in conclusion, let me say that the
4 Navy needs Portsmouth because of its experience in submarine
5 design, construction, overhaul and refueling work developed
6 during the past 80 years.
7 The men and women of Portsmouth possess the skills
8 and the discipline, the dedication to perform the most
9 complicated of work, and that is the overhaul and refueling
10 of submarines.
11 Congressman Baldacci offered you a personal note,
12 and I'd like to close with one of my own. He and I are from
13 different parties, and we're also from the same home town.
14 My father and family are in the business of making bread, and
15 his family is in the business of serving Italian food.
16 Together, the two of them -- my father is now 86,
17 still works 18 hours a day -- his family and my family have a
18 combined level of experience exceeding well over 100 years.
19 There is one rule that both of our families understand is if
20 you got a great product, don't change it.
21 It is my fervent hope that you will conclude that
22 the Navy has got a great product, it made the right decision

1 for the right reasons and that you will affirm the Defense
2 Department's judgment to retain Portsmouth for the Navy's
3 future and for the nation's security, and I thank you very
4 much.
5 CHAIRMAN DIXON: I thank you very much, Senator
6 Cohen, and I thank you for that fine presentation on behalf
7 of your two states, congratulate both the State of Maine and
8 the State of New Hampshire for that very fine presentation to
9 the Commission and for Senator Cohen's summation.
10 And we will now hear from the Great State of
11 Maryland -- from my colleague and friend, the Senior Senator
12 from the great state of Maryland, prepared to make his
13 presentation for his state.
14 SENATOR SARBANES: When do our five minutes start,
15 Mr. Chairman, before I answer that question?
16 CHAIRMAN DIXON: Only when you start talking,
17 Senator Sarbanes. I'm delighted to present to the Commission
18 distinguished Senior Senator from the State of Maryland,
19 Senator Paul Sarbanes. And your time starts now.
20 SENATOR SARBANES: Well, Mr. Chairman and members
21 of the Commission, we appreciate this opportunity to come
22 again before you. We want to thank the Commission and its

1 staff for the courtesies they've shown to us over this
2 process. We've had a very good interaction both with the
3 individual commissioners, and with the staff. And we're very
4 appreciative of that.
5 Many of the arguments you've heard before -- we
6 hope to summarize them very quickly here today. And I want
7 to very quickly cover -- state wide, my colleagues from the
8 particular districts will address the facilities within their
9 districts. We believe that the recommendations are faulty in
10 many respects, and we want to highlight some of the principle
11 areas where we believe the department deviated substantially
12 from the Commission's Base Closure and Realignment criteria.
13 There are two facilities that have been through a
14 previous BRAC, and the recommendations this time would, in
15 effect, reverse past decision. I want to touch on those very
16 quickly. Two years ago, BRAC unanimously rejected the
17 recommendation of the department to disestablish the
18 Annapolis Detachment of the Naval Surface Warfare Center.
19 We don't think anything has changed to reconsider
20 that decision. In fact, we think the arguments are even --
21 even stronger, particularly given the work they're doing in
22 non-CFC research and development. There's no excess capacity

1 at Annapolis. The cost estimates are wrong. The Navy said
2 they could move machinery and personnel, this time, for the
3 same cost they were only moving personnel the last time.
4 The Base Structure Evaluation Committee has
5 acknowledged those estimates are faulty; that it's used the
6 wrong base operating data. The data we've reviewed indicate
7 that the figure is low by at least $58 million. Secondly, if
8 you close it, you lose some very important military
9 facilities. The Deep Ocean Pressure and Submarine Dynamics
10 facilities, which members have seen, which were considered to
11 be vital to the Navy's mission.
12 But most importantly, we lose a dedicated team of
13 scientists, engineers, and technicians, which will reduce the
14 Navy's Machinery R&D capability. And I want to underscore
15 the importance of that. Finally, we can get real savings
16 there by consolidating the joint spectrum command. 1993 BRAC
17 approved the recommendation that the headquarters of the
18 Naval Sea Systems Command move from high cost lease space in
19 Crystal City to the Navy's White Oak facility.
20 Here again, we see no reason this decision should
21 be reopened as it's now proposed to do, by going to the Navy
22 Yard. The Chairman of the Joint Chiefs of Staff talked about

1 the unique wind pipe -- Hyper Velocity Wind Tunnel
2 facility -- a unique national capability, which we cannot
3 afford to lose. If you try to duplicate those facilities,
4 you're talking about hundreds of millions -- hundreds of
5 millions of dollars.
6 The Navy itself concedes it's more expensive to go
7 to the Navy Yard than to go to White Oak. And we think the
8 previous decision of the BRAC should remain in place.
9 Thirdly, Fort Ritchie provides critical support for Site R.
10 We think there's a synergism between their existing tenants
11 and their customers, located primarily on the east coast.
12 The cost analysis of the Department of Defense was
13 egregiously in error.
14 In fact, more than 60 percent in error, and we
15 think that the savings analysis was so severely flawed, that
16 it cast doubt over the whole recommendation of the
17 Department. And we think there's a very strong rationale for
18 keeping Fort Ritchie open. The Army Publication Distribution
19 Center in Baltimore is a very efficient operation.
20 We urge the Commission to use the authority which
21 it has to request that Baltimore be removed from the BRAC
22 list, and then be part of a fair and independent study of a

1 DOD-wide consolidation of publication distribution centers.
2 We believe there are tremendous savings that can be realized
3 if they consolidate throughout the Department of Defense the
4 publication distribution centers.
5 The Army's consolidating here, but that's sort of
6 oblivious to what could be done if you address the other
7 service branches. The Fort Meade Kimbrough Hospital -- we
8 think a tremendous presentation was made to this Commission
9 by the community group at that time we had the hearing in
10 Baltimore, where they clearly demonstrated, in our opinion,
11 that downsizing Kimbrough will not save money.
12 That was a dynamite presentation, and we think that
13 the way to actually realize cost savings is to maintain that
14 facility at its present level. And finally, I want to touch
15 very quickly on the Naval Medical Research Institute in
16 Bethesda. We support the proposals to shift some of those
17 activities to the Walter Reed Army Institute for Research in
18 Fort Glen, Maryland -- Forest Glen, Maryland. We think that
19 makes sense.
20 We do not think though that the man-diving research
21 component ought to be moved to Panama City. The head of the
22 Deep Submergence Branch for the Navy raises concerns about

1 that shift. He thinks it should remain where it is, with the
2 adequate existing research facilities, which otherwise would
3 be lost. So, we think that part of that little piece ought
4 not to take place. That, very quickly, is a quick review of
5 the facilities in Maryland.
6 My colleagues will develop -- the Congress people
7 will develop the facilities within their district in greater
8 detail. Again, let me thank the Commission for its
9 courtesies, and we look forward to continuing to interact
10 closely with you as you approach your decision making at the
11 end of the month. Thank you very much, Mr. Chairman.
12 CHAIRMAN DIXON: Well, I thank the distinguished
13 Senior Senator from the great State of Maryland. We're
14 delighted to see his great colleague, the great lady and the
15 great United States Senator from the State of Maryland, my
16 old friend, Senator Barbara Mikulski.
17 SENATOR MIKULSKI: Thank you very much Chairman
18 Dixon, and I would like to thank you, all of the
19 commissioners, and your staff for the way that you've
20 approached this BRAC 1995. You've conducted yourself with
21 professionalism, patience, and a very definite hands-on
22 approach. We in Maryland are grateful for the fact that each

1 one of our bases was visited by a commissioner, and often by
2 more than one.
3 You've listened attentively to the workers and to
4 the community. And you've poured over thousands and
5 thousands of pages of documentation. We in Maryland come to
6 you, not with hand wringing, or whining, but we come to you
7 to advocate our bases on the basis of your own criteria:
8 Military value, and service to the nation. That's why we
9 think these bases in Maryland should be left intact. We make
10 our strong case, really, on three -- on a triad.
11 One, because they have a unique physical and
12 intellectual infrastructure. Often in each one of the bases,
13 they are one-of-a-kind facilities that cannot be replaced.
14 And last, but not at all least, we have a work force that is
15 highly talented, completely dedicated, and brings the same
16 patriotism as the United States military that they seek to
17 support. You've met the people in our Maryland bases. You
18 saw their skills, their extraordinary work ethic. Mr.
19 Chairman, they work by the book.
20 They don't work by the clock. You've been also
21 there to see the facilities, and seen the technologies that
22 cannot be duplicated anywhere in the world. It would either

1 Publication Center to do the back up for the military, they
2 were on the job, just as they are now. And they are not
3 superfluous, and I believe that in this new world order, they
4 need to be there to stand sentry, and be ready as they
5 currently are.
6 And our federal laboratories provide those smart
7 technologies for our smart soldiers. Technology cannot be a
8 substitute for character or conviction, but they can
9 certainly back up the military that has it. We were able to
10 bring CPT Scott O'Grady home because he had the technology
11 there in Bosnia as he hid out to signal where he was. It was
12 our United States military going on with their anti-jammer,
13 and all the other technology that brought him home.
14 He recognized a higher power in which he placed
15 himself. But while he placed himself in the hands of a
16 higher power, we want to make sure we have the smart weapons
17 to back up our super smart patriotic soldiers. Thank you.
18 CHAIRMAN DIXON: Well, we thank you very much for
19 that fine presentation by you and your colleague, Senator
20 Sarbanes. Senator Barbara Mikulski, on behalf of the great
21 State of Maryland. And we're pleased to see a great leader
22 from the House, my old friend, Representative Steny Hoyer.

1 Congressman Hoyer.

2 REPRESENTATIVE HOYER: Thank you very much, members
3 of the Commission. You've been at this since 9:00. I'm
4 trying to think of something I could say -- some bells and
5 whistles that would make this a little different. But I'm
6 pleased to join Senator Sarbanes and Senator Mikulski in
7 talking about the base closure process. I want to thank all
8 of you for your attention. I particularly want to thank
9 Rebecca Cox for taking the time to visit with us, and others
10 of you who have visited with us.

11 Our citizens, as you know Mr. Chairman, and I think
12 as others of you may know, have supported the state's Army,
13 Navy, Air Force and Department of Defense installations in
14 Maryland. And I know that at the May 14th regional hearing,
15 many of you saw first hand the tremendous relationship that
16 exists with the facilities that have been targeted in the
17 state.

18 I first want to comment, Mr. Chairman, briefly on
19 the Secretary's proposal to move much of the Naval Air --
20 Warfare Center's Aircraft Division at Lakehurst, New Jersey,
21 to the Pax River Naval Air Station. Previous commissions
22 have moved personnel from two elements of the aircraft

1 division -- Warminster in Trenton, as well as headquarters of
2 the Naval Air Systems Command to the station. We have
3 created an unparalleled facility for test and evaluation of
4 Naval aircraft at Pax.
5 The 700 jobs that would transfer from Lakehurst
6 would further enhance the synergism of that base. Clearly,
7 Patuxent River will be an enormous asset to the Navy, the
8 Department of Defense, and to our country as we enter the
9 next century. The Southern Maryland community has welcomed
10 the other relocations with open arms, and I want to assure
11 you that they will work closely with the Navy to ensure the
12 smooth transfer for the men and women from Lakehurst.
13 While I urge you to approve this recommendation, I
14 join with the delegation in asking you to reject several
15 others. Before I do, however, let me also say that, again,
16 not on your list is the continuing consolidation of
17 energetics work in the Navy at Indian Head. I turned around
18 and talked to somebody from -- who used to be from Indian
19 Head.
20 When O'Grady got out of the F-16, he was propelled
21 out by a cab pad -- a cartridge or propellant activated
22 device, which got him very quickly out of the plane as you

1 have to get out -- that was done at Indian Head. Indian Head
2 is whole under the proposal. I know the Commission will keep
3 it as such. I want to talk about, as my colleagues have
4 done, about the Kimbrough Army Hospital at Fort Meade.
5 It has a long and -- history, as a vital part of
6 the service we offer to soldiers stationed at Fort Meade, and
7 to many military retirees in the region. It also fulfills
8 unique round the clock needs of the National Security Agency.
9 So it is a very purple type activity. The community is
10 preparing cost data for the Commission, which I hope you will
11 review carefully, and I know you will.
12 I also want to encourage you to take a closer look
13 at the Naval Surface Warfare Center's Annapolis Detachment.
14 The center's machinery work requires specialized facilities
15 that the Navy cannot afford to duplicate elsewhere, despite
16 our need to accelerate submarine research. We can't afford
17 to lose our submarine silencing capability, or the people who
18 make it work. And I ask you to duplicate the '93 Commissions
19 unanimous vote against this proposal.
20 The move the Naval Sea Systems Command to White Oak
21 continues to make sense. The Navy recommended it two years
22 ago. They've changed their mind. But, ladies and gentlemen

1 of the Commission, it made sense then, and it makes sense
2 now. A proposal to locate space at Naval Air Force Systems
3 Command with NAVSEA at White Oak: Like the co-locations at
4 Pax River, this proposal has the potential to create enormous
5 synergism.
6 And I hope you will approve it. You will be
7 hearing from -- when I say approve it, approve the move, and
8 reject the Navy's proposal. You will be hearing from my
9 colleagues about the equally strong arguments for the Army
10 Publications Distribution Center in Baltimore, and Fort
11 Ritchie, in Cascade. Mr. Chairman, I trust that each of you
12 will carefully consider all the information available to you
13 on Maryland installations.
14 I thank each of you, and all of your staff for the
15 time you have spent. This is a very time consuming, and very
16 difficult task you have taken on. For a citizen to give so
17 much time from very active and productive and financially
18 rewarding lives is a great benefit to our country. My
19 experience in '91 and in '93 is that you will make
20 conscientious decisions based upon what you think is best for
21 America.
22 We will continue in the next few days between now

1 and the 21st, 22nd of June, to discuss with you and your
2 staff the possible alternatives to some of the proposals that
3 you have before you that were made by the Department of
4 Defense, and actions that you took yourself, which did not
5 necessarily involve our state. In that time frame, we hope
6 that we will convince you that the testimony you've heard
7 today is given, yes, in the light of those of us who
8 represent Maryland.
9 But I want to tell you, Mr. Chairman and members of
10 the Commission, I don't think in '93, Southern Maryland, Pax
11 River, Saint Indigos and Indian Head won because Steny Hoyer
12 advocated them, or it was good for Maryland. The Commission
13 made a determination of what was good for America; what was
14 good for our defense capability.
15 We believe that the work done in Maryland,
16 particularly the high-tech work that is critical even in a
17 downsized environment, and the people that we have in
18 Maryland, are the kind of people that we want to continue to
19 have working on behalf of our country. Thank you very much
20 for the opportunity to be with you.
21 COMMISSIONER KLING: (Presiding.) (Mike off) --
22 believe it is your time now. If -- we appreciate your

1 comments.

2 REPRESENTATIVE EHRLICH: Thank you Mr. Chairman;

3 members of the Commission. I want to thank the Senators,

4 too. Senators Mikulski and Sarbanes for all of their great

5 help. Mr. Chairman and members of the Commission, I'm a

6 freshman, and I've never been through this process before,

7 but I have to tell you that --

8 COMMISSIONER KLING: That makes two of us.

9 REPRESENTATIVE EHRLICH: -- I hope to never repeat

10 this process. And I'm sure that that makes two of us, as

11 well. I received a phone call a day or two after I was

12 elected, and I was flushed with the thrill of victory at that

13 time, and it was some people from Middle River at the

14 publications depot in Middle River, Maryland, and they wanted

15 me to come down to visit. And obviously, they had some

16 foresight and they had heard through the grapevine that they

17 could end up on BRAC.

18 And I went down there, Mr. Chairman and members of

19 the Commission, as a -- prior to being sworn in, and I have

20 to tell you, I was impressed with what I saw. You all, I

21 know, were impressed by what you saw at the regional hearings

22 on May 4th at UMBC, really -- I cannot add to what is

1 included in this booklet that the fine people of Middle River
2 presented to you on May 4th, and have put together. But I
3 would like to emphasize a few points.
4 The first few points concern the Army's
5 justification for consolidation. And, as it's stated in the
6 booklet, the Army claims that this is a manual operation. As
7 Senator Mikulski said, this is in no way a manual operation.
8 Baltimore is fully automated. It employs a fully integrated
9 warehouse system. It monitors from orders from start to
10 finish. It is truly state of the art.
11 In fact, personnel from the private sector come in
12 to see the way, in fact, they perform their jobs at Middle
13 River. Secondly, the Army claims that consolidation would
14 combine the wholesale and retail functions of St. Louis and
15 Baltimore, and I would just direct your attention to Figure 4
16 in the booklet, Mr. Chairman and members of the Commission --
17 Baltimore has, for many years, engaged in both retail and
18 wholesale -- and that simply is not correct.
19 Lastly, the Army states that, combining the two
20 leases -- two expensive leases into one would be less costly.
21 The fact is, Mr. Chairman and members of the Commission, St.
22 Louis admits it cannot stop all of what Baltimore has, and,

1 in fact, it has admitted that it would have to get another
2 facility at Granite City, Missouri, in order to fulfill -- in
3 order to fill, in fact, the stock from Baltimore.
4 The folks in Baltimore are a family. That struck
5 me my first day. It struck members of my staff, and I know
6 it struck the members of your staff during their visit.
7 These people sweat together, they work together on behalf of
8 our country. Think about this statistic: they average one
9 turnover, every 15 years. One turnover, every 15 years.
10 They believe in one another. They are a true family.
11 I understand that term is overused many, many
12 times. Particularly in the context of BRAC. Your staff has
13 been there. You've seen it. I've seen it. I've been
14 impressed. Moreover, they've won the awards -- they've won
15 Vice President Gore's Hammer Award, as you all know. And
16 this year, they are finalists in the Army Communities of
17 Excellence contest as well.
18 The bottom line here is, Mr. Chairman and members
19 of the Commission, we do not want to punish success. That is
20 the bottom line to what these people have done. They live
21 it, they work it, they sweat it, they believe it. They're
22 friends, and they have certainly impressed me and my staff.

1 But all is not in the negative, because we not only disagree
2 with what the Army said, but we have a remedy for you.
3 And as you all know, that remedy is consolidating
4 all of DOD's publication centers into two or three regional
5 centers, turning a negative into a positive. We respectfully
6 ask that a joint cross-service study into DOD consolidation
7 be made. We believe that this could be accomplished by
8 consolidating all of the military publication centers, as I
9 said, into two or three regional facilities.
10 Our center, located on the east coast, is a
11 wonderful opportunity for one of those centers. We have a
12 direct link to every form of transportation you can mention.
13 The Port of Baltimore, rail facilities, BWI Airport, the
14 major interstate. We have the technology, we have the
15 expertise, we have the experience, and just to raise the
16 example, Desert Storm, we outperformed St. Louis during that
17 very critical mobilization time.
18 Our throughput time there outperformed St. Louis,
19 and that's simply a fact. We are flexible. We would like to
20 not just close our mission, we would like to expand our
21 mission, and we certainly have the expertise to do it. Our
22 location, as Senator Mikulski mentioned, is ideal. Our

1 property is ideal. And I know what struck your staff is what
2 struck me -- right next to our fully automated facility is a
3 warehouse where -- is an Air Force Warehouse that is purely
4 manual. That is truly a manual warehouse.
5 In conclusion, Mr. Chairman, members of the
6 committee, we believe that our automation can be easily
7 adopted for a DOD consolidation. We respectfully request a
8 joint cross-service study be accomplished. That you take
9 Middle River, Baltimore, off BRAC. I truly appreciate your
10 consideration here today, and I respectfully ask that, in
11 fulfilling your mission which is true cross savings, you look
12 at the great opportunity Middle River offers you, and the
13 people that have given their sweat equity for this country.
14 Thank you all, very much.
15 COMMISSIONER KLING: Congressman Ehrlich, that may
16 be your first time, but it's a very good first time. Thank
17 you very much. We now have Representative Connie Morella,
18 please.
19 REPRESENTATIVE MORELLA: Thank you, Mr. Chairman
20 and members of the Commission.
21 COMMISSIONER KLING: You're welcome.
22 REPRESENTATIVE MORELLA: I just want to, first of

1 all, commend you for the kind of dedication and the hard work
2 that you've put into this operation. And I appreciate the
3 opportunity to testify before you. This is not my first time
4 in so doing. It was years ago with regard to White Oak, and
5 I commended you in 1993 on the decision you made with regard
6 to White Oak, and now I'm here to say I hope you adhere to a
7 position where you are absolutely right.
8 And because you have heard so much about it, and I
9 know Commissioner Cox spent a whole day there, I thought I
10 would deal with two facets of why I think that BRAC '93 was
11 right. And why Navy Sea System Command should move to White
12 Oak. I'm going to talk to you about military value, and
13 dollars and cents. Because I think these two very important
14 reasons, perhaps the most important reasons why this
15 Commission should reaffirm the BRAC '93 decision on White
16 Oak.
17 With regard to military value, the record is clear
18 that it's an extremely high military value attached to at
19 least three of the facilities now operating at White Oak.
20 The Hyper Velocity Wind Tunnel, the Nuclear Effects Test
21 Facility, and the Magnetic Silencing Facility. The Navy
22 proposes to shut down the Wind Tunnel and Nuclear Test

1 Facility, and to move the Magnetic Silencing Facility at a
2 cost of at least $850,000.
3 I would submit that, with regard to the wind tunnel
4 and the Nuclear Test Facility, this is not the Navy's
5 decision to make. These are multi-service facilities that
6 benefit all services in the nation as a whole. Their fate
7 should be decided on a Department of Defense wide basis. And
8 not just because the Navy feels it can no longer afford to be
9 the custodian for them.
10 Also, there's overwhelming evidence demonstrating
11 that these national assets must continue to operate. No less
12 a military authority than the Chairman of the Joint Chiefs of
13 Staff has expressed concern about the possible shut down of
14 the wind tunnel. And a defense nuclear agency which sponsors
15 the Nuclear Test Facility is on record that it is relying on
16 this facility for its critical testing.
17 Therefore, if you conclude as I do, that these
18 facilities must remain operating because of their high
19 military value, what alternative makes the most economic
20 sense? Well, I believe what makes the most sense is keeping
21 these facilities at White Oak, and moving NAVSEA there. Why?
22 It's much too costly to move the key facilities from White

1 Oak, or replicate them elsewhere.

2 For example, according to certified data, the cost
3 to replicate the wind tunnel is $143 million. To move it
4 would cost $102 million. Additionally, the certified cost to
5 move or replicate Nuclear Test Facility is between $37 and
6 $40 million. Also, the Navy is planning to move the Magnetic
7 Silencing Facility to Carderock at a cost of at least
8 $850,000. The certified data indicates that this move could,
9 in fact, cost millions more.

10 By moving NAVSEA to White Oak, all of these
11 expenses are avoided. Furthermore, the Navy has already
12 spent $6 million in planning for the move, following the BRAC
13 '93 decision, which would be an additional savings. By
14 contrast, if NAVSEA goes to the Washington Navy Yard, it is
15 eventually going to cost in excess of $50 million more to do,
16 than to move NAVSEA to White Oak. This is according to the
17 communities analyses, which closely scrutinized all of the
18 Navy's numbers.

19 Another important point. It now costs more than
20 $10 million a year to operate the key facilities at White
21 Oak. This is about the same amount the Navy said that it
22 will save annually by having NAVSEA at the Navy Yard, rather

1 than White Oak. But even if you agree with the Navy's
2 estimate of the savings from having NAVSEA at the Navy Yard,
3 which the community believes is overstated, these savings
4 would be offset entirely by continued operation of the key
5 facilities, either at White Oak, or somewhere else.
6 So finally, Mr. Chairman and Commissioner Davis, if
7 the Commission agrees that the national assets at White Oak
8 cannot be shut down because of their high military value,
9 then the best alternative from a dollars and cents
10 perspective is to move NAVSEA to White Oak. I hope that you
11 will retain the decision that you made in 1993 because that
12 made the most sense in 1993, and it makes the most sense now.
13 And I thank you very much.
14 COMMISSIONER KLING: Congresswoman Morella, thank
15 you very much for those comments.
16 REPRESENTATIVE MORELLA: Thank you.
17 COMMISSIONER KLING: We appreciate it, and we'll
18 now have the Honorable Al Wynn. Congressman?
19 REPRESENTATIVE WYNN: Thank you very much Mr.
20 Chairman and members of the Commission. I, also, would like
21 to express my appreciation for the hard work and patience
22 you've shown during this process. I thank you for the

1 opportunity to appear, and I would also note particularly the
2 work done by Commissioner Cox in visiting our White Oak
3 facility. She listened to our citizens, heard our arguments,
4 and I think she did an outstanding job in giving us an
5 opportunity to present our case.
6 I would say that first -- in the first instance, I
7 would echo the sentiments expressed by my colleague, Ms.
8 Morella. We share that community in White Oak, and I think
9 she has made it abundantly clear. And you have a great deal
10 of evidence to the effect that we have strategic assets at
11 White Oak, in the form of the Hyper Velocity Wind Tunnel, and
12 also the Nuclear Effect Facility, and the Magnetic Silencing
13 Facility, that warrant their attention.
14 The strongest argument, of course, being made by
15 the Joint Chiefs, that these are strategically valuable --
16 invaluable, actually, assets. I would like to focus on the
17 aspect of the equation dealing with the move to White Oak. I
18 believe the Commission made the correct decision in 1993,
19 when they concluded that we ought to move NAVSEA to White
20 Oak. Currently, the recommendation of the Navy is, of
21 course, to move to the Navy Yard.
22 I believe that the Navy's recommendation is based

1 on a faulty cost analysis. White Oak is cheaper. Second, I
2 believe the Navy fails to consider the fact that, both in the
3 long term and in the short term, the land and facilities at
4 White Oak are far superior to those at the Navy Yard. First,
5 let me talk about the issue of cost. By its own analysis,
6 the Navy concedes that it's going to cost almost $3 million
7 more to move NAVSEA to the Navy Yard than it would cost to
8 move them to White Oak.
9 But beyond this, the Navy has failed to consider
10 two other key cost items that further increases the cost of
11 the Navy Yard option. First, let me speak about the fact
12 that the National Capital Planning Commission, the District
13 of Columbia Historic Preservation Office, and the Advisory
14 Counsel on Historic Preservation have approved a master plan
15 for the Navy Yard. All these groups must approve the
16 designed plans for the Navy Yard that's being contemplated.
17 The Navy's COBRA does not include NAVSEA share of
18 the full implementation of this master plan, which will
19 provide the needed quality of life improvements for a one --
20 a 10,000 employee population, which would be created if
21 NAVSEA moves in. NAVSEA's cost of that expense would be $9.8
22 million, which has not been included in its COBRA's

1 calculations. The Navy's COBRA calculations do not include
2 an additional 752 parking spaces that would be needed.
3 It was overlooked in the Navy's MILCON estimates.
4 This is an additional $9 million cost. Thus in reality, the
5 Navy Yard option would cost $179 million, plus $10 million,
6 calculated by the Navy for moving cost, for a total
7 relocation cost of $189 million, rather than the $160 million
8 that has been suggested. On the other hand, however, the
9 cost of moving NAVSEA to White Oak have been overstated.
10 By applying the same calculations and assumptions
11 used by the Navy, our own community expert determined that
12 the cost of White Oak would be $110 million, which is $23
13 million lower than the official estimate. This data's
14 available for your examination. Bottom line difference: $55
15 million cheaper at White Oak. There's a second reason that
16 ought to be emphasized. White Oak is a better facility.
17 White Oak is a sprawling 700 acre facility. The
18 Navy Yard is a cramped 70 acres in the middle of an
19 overcrowded city. White Oak has an excellent security
20 reputation. It has not had problems protecting the highly
21 classified activities conducted there. However, I would note
22 for the Commission that approximately 400,000 visitors visit

1 the Navy Yard every year. I suggest that security
2 considerations way heavily in favor of White Oak.
3 We must be realistic in this process. White Oak is
4 a better, cheaper option. It ought to be considered. It was
5 considered in 1993. I believe the commission's wisdom in '93
6 was correct. I hope you will concur with that and reverse
7 the Navy's decision, and keep the White Oak facility open.
8 Thank you.
9 COMMISSIONER KLING: Thank you so much, Congressman
10 Wynn. We appreciate your being with us. We now have
11 Representative Wayne Gilchrest. Welcome, and we're glad to
12 have you here, sir.
13 REPRESENTATIVE GILCHREST: Thank you for this
14 opportunity to talk about the facilities in our state and in
15 our district. All of us from Maryland come before this
16 Commission as representatives of the people that live in our
17 district, but we also understand the nature of the military
18 defense establishment, in that if this country is to remain
19 vital, defense spending must be tied to military strategy.
20 And so, our arguments now are key to the nation's interest.
21 They may appear to reflect the interest -- the
22 parochial interest that we have in the State of Maryland.

1 But as we have sat on numerous occasions, our interests are
2 truly those for the nation as a whole. Mr. Chairman and
3 members of the Commission, I would like to thank you for this
4 opportunity to come before you and testify on behalf of the
5 Naval Surface Warfare Center, Carderock Division, Annapolis
6 Detachment.
7 As some of you may recall, I was here under similar
8 circumstances about two years ago, when the Commission in its
9 wisdom determined that a similar proposal would not achieve
10 the savings benefits originally projected. In 1993, the
11 Commission concluded that $25 million was not enough money to
12 move the personnel of the Annapolis Detachment to the
13 Philadelphia shipyard.
14 I find it difficult to comprehend how the Navy
15 would now hope to move both the personnel and eight
16 facilities from Annapolis to Philadelphia, with only $25
17 million. I am sure you will agree that these cost estimates
18 are unrealistic. Exhibit A, which you have, and I have a
19 copy of it here, outlined the discrepancy between the COBRA
20 results, based on BCEG data, and those based on all certified
21 Navy data, not used by BCEG.
22 Using certified Navy data, the total cost of the

1 BCEG recommendation is now well over $83 million, more than
2 three times the BCEG's estimate. Similar discrepancies exist
3 between the estimates for annual savings. The COBRA results
4 using Navy data show an annual savings, which is just over a
5 third of those figures calculating, using the BCEG data.
6 Please review carefully these figures presented to you in
7 writing when making your decision.
8 As you know, the work conducted at the Annapolis
9 Detachment is exclusively focused on Machinery R&D. The
10 commission has recognized the crucial importance of the
11 testing conducting in many of the centers unique
12 laboratories, and has proposed that this experimentation
13 continue in eight relocated facilities in Philadelphia, and
14 in a replicated Magnetics Facility at Carderock, Maryland.
15 However, the BCEG has recommend the two
16 irreplaceable facilities completely close without proposing
17 how or where these functions will be fulfilled in the future.
18 By abandoning the Deep Ocean Simulation Facility, and the
19 Submarine Fluid Dynamics Facility, the Navy loses these
20 capabilities all together. These two facilities are
21 presently busy, and self sustained.
22 To close them would compromise reliability of

1 equipment, and the safety of personnel in the Naval fleet.
2 Small, short term savings will result from the initial
3 elimination of these laboratories. However, the need for
4 these tests will not disappear. And the BCEG has not
5 included in its cost projections the expense of replacing
6 these functions elsewhere. Take into consideration this
7 comparison.
8 The tests run on the last 24 items, tested in the
9 Deep Ocean Pressure Simulation Facilities, cost $600,000. If
10 the facility were closed, and the tests were to be conducted
11 at sea, human costs, and human lives risked would be
12 enormous, and the test would cost more than $5 million. The
13 tests conducted at the facility present are about $600. If
14 the tests were to be conducted at sea, the cost would rise to
15 $5 million. I don't think that anyone present would conclude
16 that these figures reflect any real savings.
17 The Annapolis Detachment presently conducts a
18 unique research program dedicated to the development of non-
19 CFC refrigeration and cooling. BCEG's proposal to move the
20 program to Philadelphia does not include the relocation of
21 the experienced personnel involved in implementing the
22 program -- personnel who have collected, to this date, 13

1 patents in this area -- more than six times the number for
2 the entire Philadelphia facility.
3 Now I'm sure the people at Philadelphia are fine
4 people, and they work very hard. But if you compare what
5 they do to the people in Annapolis, from these figures, there
6 are no comparisons. Now there might be an advantage in
7 moving to Philadelphia, because they're a little closer to
8 Veteran Stadium, and if you're a Philadelphia fan, that's a
9 positive thing. But if you're an Orioles fan, it isn't. I'm
10 not sure if that joke was appreciated, but I through it in
11 anyway.
12 The time and cost of training replacements in
13 Philadelphia will inevitably interrupt the progress of the
14 CFC program, and thus delay the deployment of ships and non-
15 CFC cooling systems. Such a delay is beneficial to no one,
16 and the impact of it cancels out any potential savings in the
17 projected costs. The talented personnel involved in non-CFC
18 research are the only ones whose jobs are at stake.
19 Many men and women who are dedicated to their
20 respective fields will not be allowed to follow their former
21 positions to Philadelphia, and we see this as a tragedy. The
22 Philadelphia facility in its entirety has had over 71

1 be expensive, or difficult to recreate. Also, our military
2 facilities are in close proximity to civilian laboratories,
3 outstanding higher education institutions, always with
4 availability of new knowledge, as well as the entire support
5 of the Pentagon.
6 In the private sector, these areas would be called
7 centers of excellence, not to be -- to be fostered, not by
8 bases to be closed. When Commissioner Cox visited the Naval
9 Surface Warfare Center at White Oak, she saw the wind tunnel
10 that General Shatley spoke so eloquently of, as well as our
11 ocean chamber.
12 When others visited the Naval Surface Warfare
13 Center in Annapolis, they saw one of the most productive labs
14 in the Navy, where they developed the quietest faced, safest,
15 fastest, ships and submarines in the world. The one-of-the-
16 kind facilities, like the Deep Ocean Simulation facility,
17 cannot be replicated. There, 82 percent of the work force
18 are scientists and engineers, backed up by a highly trained
19 work force, who work hands-on with the engineers.
20 This is something the private sector would love to
21 have. And a word about the Army Publications Distribution
22 Center -- I support Senator Sarbane's recommendation to take

1 it off of BRAC, and do a DOD evaluation. But if you came to
2 the Publications Center, you would see that it's fully
3 automated, and that when our troops are called up, they don't
4 reach for their documents, they reach for their weapons.
5 But at Middle River, you will see that they pack up
6 the documents, go right across the street to the National
7 Guard, and ship them to anywhere in the world that our
8 military is. We essentially have our own military federal
9 express, right there at Fort Meade -- excuse me, at Middle
10 River, and we don't want to see it closed. And at Fort
11 Meade, we have the Kimbrough Hospital, which is very
12 important to backing up not only the United States military,
13 but to the retired federal employees.
14 And up at Fort Ritchie, you once again visited
15 Site R, an underground Pentagon, and saw how men and women of
16 Fort Ritchie provide unique and vital support to make sure
17 it's fit for duty, 24 hours a day, 365 days a year. These
18 facilities are not superfluous. Many of them we saw in full
19 operation during Desert Storm.
20 When the commander in chief dialed 911, whether it
21 was to Fort Ritchie, whether it was for Kimbrough to stand
22 sentry to receive casualties, whether it was the Army

1 patents, and this is an enormous advantage, by keeping these
2 people together. The geographic location of the Annapolis
3 Detachment should also be taken into consideration in your
4 decision.
5 It is right next door to the Naval Academy. When
6 these cadets train, they train also in real life situations,
7 and one of those real life situations is the facility that we
8 are trying to hold on to in Annapolis. The costs are not
9 correct. The facility is outstanding. The individuals that
10 work there provide for the Navy, for this facility, for the
11 nation, and an extraordinary amount of experience would be
12 broken up and could not be replaced if the facility moved to
13 Philadelphia.
14 I ask the Commission to take all of this into
15 consideration, and I thank you very much for the opportunity
16 to testify.
17 COMMISSIONER KLING: And now we have Congressman
18 Roscoe Bartlett. (Microphone off) -- and we thank you, sir.
19 REPRESENTATIVE BARTLETT: Thank you very much.
20 This is my first appearance before a BRAC Commission, and no
21 offense, but it would be nice if it were my last.
22 COMMISSIONER KLING: We might second some of those

1 statements.

2 REPRESENTATIVE BARTLETT: I'm sure you would, this
3 late in the day. Relative to Fort Ritchie, the Army and DOD
4 have substantially deviated from compliance with a number of
5 base closure selection criteria in all three of BRAC's major
6 categories. That is, military value, return on investment,
7 and impacts. The Fort Ritchie military affairs committee,
8 that is, FORMAC, the community base group reviewing the Fort
9 Ritchie issue has uncovered a multitude of data errors,
10 omissions, and faulty rationale in the Army, DOD, BRAC's
11 mission.

12 To make a decision to close Fort Ritchie, Maryland,
13 based on those errors would make a mockery of the BRAC
14 process. Notwithstanding the fact they have been shown the
15 specific errors and omissions by FORMAC, the Army continues
16 to submit completely invalid data. I will provide the BRAC
17 Commission with some major examples in a few moments, and
18 submit a statement for the record.

19 FORMAC has documented all of their findings, and
20 has shared those findings along with detailed backup data
21 with representatives from the Army, the BRAC Commission
22 staff, and five of the BRAC commissioners, both at Fort

1 Ritchie on March 24, and in Baltimore on May 4. In every
2 meeting with the Army, FORMAC has reiterated errors and
3 omissions which continue to refute the Army's claim that Fort
4 Ritchie should close, and its tenants be disbursed.
5 There are 18 specific areas in the COBRA model
6 which the Army DOD failed to address, or for which they
7 submitted completely erroneous data. For example: One,
8 claiming credit for Fort Richie support personnel savings a
9 full two years before the people receiving that support would
10 vacate Fort Ritchie. This is completely premature, and
11 thereby unsubstantiated.
12 Two, stating in their original submission to the
13 BRAC Commission that they are, and I quote -- that there are,
14 and I quote, "no known environmental impediments at the
15 closing or receiving installations." And then refusing to
16 pursue the issue after FORMAC demonstrated unequivocally that
17 there was potentially a very serious environmental issue at
18 the receiving site, Fort Huachuca, Arizona, concerning the
19 San Pedro basin water supply.
20 And three, including a fiscal year 1993 $2 million
21 one-time family housing capital investment as the continuing
22 recurring expenditure. This error alone translates into

1 approximately a $12 million overstatement by the Army of the
2 net-present value, and approximately $28 million in constant
3 dollars relative to Fort Ritchie for the 20 year period. And
4 lastly, four, changing the number of family units -- family
5 housing units required at Fort Detrick, Maryland, from 354
6 units in their original submission, to only 57 units in their
7 most recent proposal.
8 There's no explanation given by the Army DOD for
9 this change in strategy. It certainly smacks of data
10 manipulation simply to reflect the lower initial cost item.
11 There's no rationale from Army DOD to support the shift from
12 military family housing to variable housing allowance, that
13 is, off post subsidized housing. This capricious action
14 results in a comparative advantage in the DOD Army Analysis
15 for deferring expenditures into out years, with reduced net-
16 present value.
17 FORMAC has also identified a lost opportunity.
18 There's approximately $9 million that can be saved simply by
19 consolidating geographically disbursed elements of
20 headquarter's Defense Information Systems, Western
21 Hemisphere -- that is, DISA-WESTHEM, at Fort Ritchie. The up
22 front cost of relocating the DISA-WESTHEM Denver staff is

1 approximately only $2.3 million, which would be advertised
2 over only 3 years. There would also be an additional
3 intangible benefit to approve the operational efficiency.
4 A careful review of General Shalikashvili's April
5 17, '95 letter to Chairman Dixon reveals several shortfalls.
6 For instance, General Shalikashvili's letter said the Site R
7 is serviced by a fire suppression system. In fact, the
8 Hyaline Fire Protection System covers only 10 percent of the
9 Site R operating space. FORMAC will address this, and
10 several other operational issues raised in General
11 Shalikashvili's letter with senior members of the BRAC staff,
12 on June 16, 1995.
13 It seems axiomatic to me, personally, that it would
14 be prudent that needed support personnel be able to reach
15 Site R in less time than it takes an ICBM to reach the U.S.A.
16 from Central Asia. In summary, it is imperative that the
17 BRAC Commission reject the Army DOD recommendations to close
18 Fort Ritchie due to deviation from final selection criteria
19 one, two, four, five, six, seven, and eight.
20 Furthermore, it is my recommendation that DOD be
21 directed as soon as possible to relocate the DISA-WESTHEM
22 Denver staff from leased space to Fort Ritchie. Thank you

1 very much for your attention to this matter.

2 COMMISSIONER KLING: And we thank you, Congressman

3 Bartlett, and to the entire delegation for Maryland, thank

4 you for being with us for your good and helpful comments. We

5 thank you. Nice to see you, Senator Sarbanes. And, if now

6 we would have the very fine State of Massachusetts. And I

7 guess we will start off with you, Senator, and we certainly

8 welcome you to be with us, Senator Kerry.

9 SENATOR KERRY: Thank you very much Mr. Chairman,

10 and members of the Commission.

11 COMMISSIONER KLING: You're welcome.

12 SENATOR KERRY: I know this has been an

13 extraordinarily long process, and a very long day for you.

14 We are incredibly appreciative of the long effort of the

15 Commission to listen to us, and that is precisely what this

16 Commission was put together to do, and we think you've done

17 that. A number of the commissioners have visited South

18 Weymouth, and each time, we believe they've come away

19 impressed by very legitimate arguments.

20 Our plea to you has never been save jobs. Our plea

21 to you has really never been, I think, a contrived effort to

22 try to create military value where it isn't there. Our plea

1 to you has never been to try to sort of, you know, distort or
2 play with the analyses of the Navy. Our plea to you is to do
3 precisely what the prior BRAC did, which was measure the
4 analyses themselves. Look at what the Navy said in the
5 committee analysis of military value. Of demographics.
6 Look at the rationale of the last BRAC that
7 reversed a bias in some minds in the Navy to close South
8 Weymouth. And it's our judgment, and we say this to you very
9 respectfully, that that analysis dictates precisely what the
10 last BRAC found, which was that there is a value -- a
11 military value, a demographic value, that cannot be replaced
12 in keeping South Weymouth open.
13 Now the entire analysis of the Navy which followed,
14 which was sound -- the Navy rated by category -- it set up an
15 operational category, it set up a reserve category. And it
16 measured bases according to those two categories. By the
17 measurement of those two categories, in very thorough
18 analyses, the Navy came up and said that it had a very clear
19 idea of what it wanted. And among those, it measured the
20 larger operational air stations.
21 Five -- those with more than five squadrons. There
22 was one, N-A-S Brunswick, that scored lowest in military

1 value. Its age -- its facilities were aging; its anti-
2 submarine division was diminishing; its excess capacity was
3 growing; and therefore, prior to the date of December 1st,
4 1994, every operational air station scenario discussed by the
5 Navy said Brunswick will close. Likewise, in the Reserve
6 category, one base stood out as a clear loser, and that was
7 N-A-S Atlanta.
8 It finished a huge 10 points lower in overall
9 rating than any other reserve station in the military value
10 rating. Atlanta's rating was dragged down because of severe
11 air space problems, and because of its last place ranking in
12 demographics. The only reserve station, N-A-S Reserve
13 considered for closing in the months prior to December 1st of
14 1994, was N-A-S Atlanta. So operationally, Brunswick
15 closing, Atlanta closing.
16 Suddenly in December, there are a couple of
17 meetings, and all of a sudden, on sink glanced, sole
18 undocumented recommendation, still to this date without
19 adequate documentation -- without any documentation -- sink
20 glance says we kind of feel like we're going to measure the
21 reserve against the operational, and all of a sudden,
22 contrary to all of the tracking of analysis, you have

1 Weymouth slated for closing, and Brunswick stays open.

2 And all of a sudden, Atlanta, which had the last

3 rating on demographics, they find has rich demographics, and

4 they're going to keep open over the air station that has the

5 richest demographics of all. So, we are here to ask the

6 Commission to do precisely what this Commission was

7 established to do, which is to take the politics out of this.

8 Take the bias out of this. Adhere to the track which was

9 established in the Navy analysis itself.

10 You're going to lose an extraordinary capacity if

11 we were to lose the people in the Boston area, and the

12 greater Massachusetts, Rhode Island, Connecticut area. Those

13 who are able to serve today, but will not be able to make

14 that airlift distance to Brunswick. That doesn't make sense.

15 You will take away from the richest educational

16 network in the country -- the capacity of people who have all

17 of the technical skills after the last BRAC even moved people

18 from Detroit -- they've now bought homes in the area of

19 Weymouth, and they're suddenly going to be told they're going

20 to moved again. After we've made tower improvements, airport

21 improvements, hanger improvements -- spent millions of

22 dollars. The economics of keeping Weymouth open work.

1 They work against the tiny dobbin stations that
2 exist today down in Atlanta, and when you measure the
3 military value, the demographic value, and long term value,
4 but most importantly, when you measure the importance of this
5 Commission keeping faith with the American people, to keep
6 politics out of this base closing structure, and make sure
7 that we are adhering to the best analytical standards, we
8 implore you to adhere to the judgment of the prior BRAC, into
9 what we feel is the best judgment available today within the
10 military itself to keep our base open. Thank you very much.
11 COMMISSIONER KLING: Senator Kerry, we certainly
12 thank you for being us and for your find comments. We
13 appreciate it. And now my friend, Representative Studds.
14 REPRESENTATIVE STUDDS: Thank you very much, Mr.
15 Chairman, long suffering and undercompensated members of this
16 Commission, I -- you have my awe at the end of the day like
17 this, and my appreciation. I particularly want to thank
18 Commissions Kling and Davis for their recent visit to South
19 Weymouth, and Commissioner Robles for his visit in April.
20 Two years ago, as you very well know, this panel unanimously
21 rejected a similar Navy proposal to close the Weymouth
22 facility.

1 In so doing, they found that the Navy had
2 inaccurately and misleadingly portrayed South Weymouth's
3 capacity and capabilities. As you have heard Senator Kerry
4 say, we very strongly believe the Navy has done just that
5 once again. As far as we can determine, their case to close
6 South Weymouth is based on anecdotal information that is not
7 supported by their own empirical analysis and data.
8 And we're also disturbed that the Navy has not
9 presented this Commission with COBRA scenarios which would
10 keep South Weymouth open, and take advantage of its
11 potential. As I think you know, we submitted detail
12 proposals to the Commission several weeks ago, in which South
13 Weymouth will remain open, and receive new aviation
14 squadrons.
15 To our knowledge, the Navy has not provided the
16 Commission with those COBRAs, even after Commissioner Davis
17 requested them during his visit to Weymouth.
18 And we strongly urge you to fully examine all
19 potential scenarios with regard to Weymouth. The Navy has
20 ignored its own evaluation, as Senator Kerry pointed out,
21 which ranks South Weymouth higher in military value than two
22 other facilities, both Fort Worth and Atlanta. Additionally,

1 Weymouth is ranked first in demographics, and Atlanta, as you
2 have heard, is ranked last.
3 The Navy also decided in this great mystery of this
4 particular chapter to give greater weight to the unrecorded
5 operational recommendations of sink class, than to the rest
6 of its own certified data. It would appear that the only
7 factor which lead to the Navy's decision to close South
8 Weymouth is both uncertified and undocumented. The Navy
9 indicates that it will move Naval Air Reserve units from
10 Weymouth to Brunswick.
11 Not only have they given insufficient consideration
12 for the demographic ramifications of that, they have down
13 played the attrition that these units will suffer as a result
14 of this move. We believe the Navy makes a tremendous leap of
15 faith in assuming the reservists from Southern New England
16 will travel great distances in harsh winter weather, to drill
17 in Maine. By the Navy's own admission, these units may lose
18 over a third of their personnel.
19 Finally, if I may briefly mention an issue that I
20 think was raised at your regional hearing last week in
21 Georgia, with regard to Atlanta's ability to accommodate an
22 F-18 squadron from Florida. It is my understanding that in

1 response to a question from Commissioner Robles, the
2 commander in Atlanta stated that his facility did not have an
3 encroachment problem.
4 However, the Air Force, which owns and operates the
5 air field in Atlanta has declared the facilities
6 infrastructure unsuitable for fighter missions of any kind.
7 Furthermore, the Navy's own data identifies severe
8 encroachment problems at Atlanta. We believe, as Senator
9 Kennedy said so well, that the Navy has substantially
10 deviated from its own selection criteria in recommending
11 South Weymouth for closure.
12 And those of us who lived through this process a
13 couple of years ago, I think I said this to you in New York,
14 this Commission went a long way in restoring some public
15 faith in the system. That the system can work, and that, in
16 this instance, a statutory mandate to remove politics from
17 the most difficult of all decisions made here, can indeed
18 work. And it is precisely in that spirit, as Senator Kerry
19 has just said, that we ask you to do this again.
20 No fair minded person could ask more than you make
21 this decision to the best of your knowledge, ability, and
22 interest to the Navy, and the interest to the country. And

1 that is all we ask of you again. Thank you very much.

2 COMMISSIONER KLING: Thank you, Congressman Gerry

3 Studds. We appreciate your comments, and being with us. And

4 with that we -- let's see -- with that, we are now ready to

5 begin and hear from the very fine Senator from Michigan,

6 Senator Carl Levin. Thank you, gentlemen.

7 SENATOR LEVIN: Good afternoon, Mr. Chairman and

8 members of the Commission. Thank you for giving us all the

9 opportunity to testify, and I particularly want to thank

10 Commissioner Steele for her visit, and all of you for taking

11 the time that you take to look into these matters. As you

12 heard many times, it's a thankless job. All we can do is say

13 thanks. And we can ask you for one other thing, of course,

14 which we do, and that is to look at the facts in our cases.

15 And I'm going to highlight just a couple facts in

16 the few minutes that I have been allotted. We have two

17 facilities that I would like to chat with you about this

18 afternoon. First is the Detroit Arsenal Tank Plant. The

19 bottom line is this: That the COBRA model took a standard

20 formula. It used the standard formulas to how much it would

21 cost to close the facility. It came up with a figure of $1.4

22 million closing costs over 6 years.

1 That figure is wrong. It's 20 to 40 times that,
2 probably. But the only way you're going to find that out is
3 if you ask the command, or if you ask the contractor. You
4 have to take the initiative to ask, as we have. We asked the
5 Army, well, what are the real closing costs? Not just the
6 computer modeling -- not a standard per foot closing cost of
7 this government owned contractor operated facility. What are
8 the real closing costs? They said they'd get back to us.
9 They said they'd get back to us in May. They
10 didn't. Now we understand what the figures are, from both
11 the contractor and the Army, and all I can tell you is what
12 my understanding is. It's 20 to 40 times that. Now, maybe a
13 $30 or $40 million difference is not a lot in terms of the
14 numbers you folks have to deal with; in terms of the numbers
15 I have to deal with on the Armed Services Committee. It's
16 the life/death issue for this Plant.
17 This is the remnant of the arsenal democracy. It's
18 what we got left. We've been hit very, very hard in
19 Michigan. We've lost all of our sack bases. We're the
20 seventh highest percentage, in terms of reduction of defense
21 department personnel in the country, through rounds one
22 through three. And so, what we need you to do is get the

1 real figures of closing this plant from the contractor, or
2 from the Army command.
3 We understand in the last few hours, the Army
4 itself is going to stick with its computer figure. We need
5 you to cut through it. We're asking you to cut through it,
6 to talk with the command and talk with the contractor, and
7 get the facts as to what it will cost to close this facility.
8 Not in a theoretical model, in a real world. Now what the
9 Army says is they're not really going to know the cost until
10 after they close the facility.
11 That is intolerable. We can't close a facility
12 based on an assumed theoretical cost of a million four, and
13 then be told by the Army that the real costs can't be known
14 until after the facility is closed, and after the plan is
15 implemented to reuse it. That is offensive to us. We've
16 been hit too hard in the real world, to accept that kind of a
17 response that we'll let you know the real costs after we
18 close it, and after the reuse plan.
19 We're asking you to find out the real costs before.
20 Now, to make the best estimates you can, in a real world,
21 based on the Army command and the contractor. Now we have a
22 second facility in Selfridge. It's the Army Garrison and

1 International Guard base. And a National Guard base that is
2 called Selfridge, famous to the National Guardsmen around the
3 world, and what the Army has done here is simply said that we
4 are going to close -- we're going to remove our Garrison at
5 this facility.
6 The facility is not going to be closed. The Army
7 is going to remove its Garrison. Now, that Garrison does the
8 following: It maintains and repairs about 100 buildings.
9 What are we going to do with the buildings? Are they not
10 going to be maintained and repaired? Well, sure they are.
11 This is an ongoing facility. It will be some other service.
12 Not the Army. What about running the health clinic? What
13 about running the child care programs?
14 What about running the employment office? What
15 about running all of the facility at Selfridge that the Army
16 now runs? Who's going to run them? The Army says not us,
17 we're pulling out the Garrison. If the roof leaks, it's
18 going to have to be some other service. It's not going to be
19 us. We got -- this is the only truly joint base in the
20 country. All five services, including the Coast Guard.
21 There's none like it.
22 The Defense Department is supposed to be promoting

1 these bases. In fact, one of its criteria is that it will
2 promote joint use. It's the -- I'm now reading from the BRAC
3 '95 requirements -- it's the DOD policy to make maximum use
4 of common support assets. DOD components should, throughout
5 the BRAC '95 analysis process, look for cross service or
6 intraservice opportunities to share assets, and to look for
7 opportunities to rely on a single military department for
8 support.
9 The Army's pulling out its Garrison -- let the
10 Navy, let the Marines, let the Air Force, let the Coast Guard
11 maintain the roads that we're now maintaining. Fix the roofs
12 that we're now maintaining. Run the clinic that we're now
13 running. In other words, the DOD did not look at this
14 operation as a joint operation. The Army took the savings to
15 the Army by pulling out its Garrison, and no one figured out
16 what the costs will be to maintain those same services,
17 through the use of the other services.
18 It runs smack in the face of everything that we
19 have been fighting for in Washington, which is jointness.
20 The joint operation of facilities using one service where
21 possible to perform the services and the functions of many
22 services. It just absolutely -- it contradicts everything

1 we've been fighting for for 5 years. I plead with you. Ask
2 the DOD. Are you not going to run the health -- the clinic?
3 Are you not going to fix the roofs on 100 buildings at an
4 operating base?
5 This isn't a base. It's closing. This is one
6 Garrison that's helping to maintain that base that's saying
7 we're pulling out. Are we not going to plow the roads? Of
8 snow? Just because the Army Garrison isn't there to plow it?
9 No. Some other unit will pick it up. And the Army says,
10 well that's some other guy's cost. But they haven't figured
11 it out, what the cost is. So there's no cross service, cost
12 analysis that's been done here.
13 And it's so fundamental that that be done, that
14 we're asking this Commission to do what the DOD did not do
15 when they submitted this one Garrison closing. I think I've
16 run over my -- whoops, I have.
17 COMMISSIONER KLING: You did a very good job
18 though, doing it.
19 SENATOR LEVIN: I hope I came close to my 5 1/2
20 minutes, at any rate.
21 COMMISSIONER KLING: Thank you so much, Senator.
22 SENATOR LEVIN: Thank you very much, all of you.

1 Thanks for your service to the nation.

2 COMMISSIONER KLING: Thank you. And we now have

3 Senator Spencer Abraham, and before we begin, since somebody

4 said before that they -- this was their first appearance at

5 BRAC, and I said this is also -- that makes two of us, I

6 don't know if you all -- if we sing happy birthday, or we

7 just say happy birthday to those that are testifying here.

8 But we say happy birthday to you, sir.

9 SENATOR ABRAHAM: Well it is my birthday, sir.

10 COMMISSIONER KLING: Yes, 40 -- 43, we have.

11 SENATOR ABRAHAM: That's right. Yes.

12 Notwithstanding, I was very nervous because in the hallway,

13 when I was sworn in, they promised -- they asked me to swear

14 that I would tell the truth, the whole truth, and nothing but

15 the truth, but I thought I was going to get away with maybe a

16 little fudge on my birthday, but I'm a -- I can't lie about

17 that.

18 COMMISSIONER KLING: We couldn't have said are you

19 really 38?

20 SENATOR ABRAHAM: That's right. I was going to

21 come in and claim otherwise, but I'm sworn to the truth here

22 today. Well, thank you, Mr. Chairman and members of the

1 Commission, I appreciate it. I want to cover some of the
2 same issues that Senator Levin has already done. He, of
3 course, is a valued member of our Senate Armed Services
4 Committee, and as a long standing member of that committee I
5 think brings far more insight into these issues than I do at
6 this point, but I certainly reinforce the comments he made.
7 In my testimony before this Commission in Chicago,
8 I raised serious concerns over the methodology and the data
9 used by the Department of the Army in proposing to close the
10 Selfridge Army Garrison, and the Detroit Arsenal Tank Plant.
11 Since that time, the Army has done little in my judgment to
12 alleviate the concerns I raised. I still believe the Army's
13 proposals are poorly developed and unwarranted. Therefore, I
14 strongly recommend that you reject these proposals to close
15 Selfridge and the Detroit Tank Plant.
16 On 21 May, the Army attempted to respond to our
17 original by completing a second run of its closure cost
18 computer model. As a result, they claimed that the
19 Department of Defense would still save almost $7.3 million
20 per year, and that there would be an immediate return on that
21 investment. I still believe these assumptions are wrong, and
22 want to outline my reasons for saying so. First, I believe

1 the Department of Defense will not save any money by closing
2 the Selfridge Army Garrison.
3 The Army claims that the recurring base operation
4 support and miscellaneous costs will be only $3.2 million per
5 year. However, non-housing base operations expenses for the
6 Garrison were over $10.1 million in fiscal year 1994 -- a
7 difference of $6.9 million. The only way the Army could
8 realize such significant reductions is by wholesale
9 elimination of the support it provided. However, as Senator
10 Levin's already indicated, this will not happen.
11 The Army cannot assume that the need for such
12 support services will miraculously disappear. They will not.
13 The military personnel at the Garrison make up less than
14 1/10th of one percent of the total Selfridge base military
15 population. Yet they provide almost all of the base
16 operation housing and moral support services. If the
17 Garrison closes, the other units at the base will have to
18 pick up the tab for the support the Garrison previously
19 provided.
20 The 16 May Base Realignment Closure Cost Estimate
21 Validation Study, conducted by the Michigan International
22 Guard's 127th Fighter Wing, invalidated by every commander at

1 Selfridge, save the Garrison, concluded that the other units
2 will still have to fund over $10.8 million in operation and
3 maintenance costs, after the Garrison leaves. I do not think
4 that the remaining units at Selfridge can move elsewhere.
5 Nowhere has the Department of Defense proposed moving or
6 eliminating any units at Selfridge, beside the Garrison.
7 In fact, they proposed adding additional units at
8 the base, mainly the Marine Wing Support Group 47. Your
9 Commission is charged with ensuring the current military base
10 structure supports the total military force structure. I
11 believe it is clear the plan military force structure is
12 based upon the continued existence of the Selfridge
13 International Guard Base, and all its tenant units.
14 The current force level requirements assume the
15 continuation of all Selfridge activities at Selfridge. These
16 forces will require the infrastructure services provided by
17 the Army Garrison. The Army's most recent analysis is also
18 lacking in consideration of off base housing costs. Although
19 the Army now recognizes that the closing of the Selfridge
20 housing will evict the current tenants, they continue to
21 grossly underestimate off base housing costs, at $1.286
22 million year.

1 692 families currently reside in the Selfridge
2 housing. Given these current Department of Defense residents
3 in the amount they would be provided in basic allowance for
4 quarters and variable housing allowance, the total annual
5 cost would be almost $4.8 million, a difference of just under
6 $3.5 million a year. Last, the Army's calculations for
7 salary savings are not correct.
8 The Army has not changed the status since I point
9 this out in Chicago, that the more than $3.5 million dollars
10 in annual civilian and military salary savings are based on
11 average salaries that are 50 to 100 percent above the actual
12 averages. The fact remains that the Army is claiming $2.3
13 million more in salary savings than would otherwise be
14 indicated. And the bottom line is that the Army continues to
15 consistently overstate the prospective savings, consistently
16 understate the prospective costs, and grossly overlook vital
17 economic impact data.
18 The Army expects to realize a current -- a net
19 annual savings of $7.291 million by 1998. However, with the
20 information I presented here, the Army has underestimated
21 continuing annual base operations and support expenses by
22 $7.2 million, underestimated housing costs by $3.5 million

1 per year, and overestimated salary savings by $2.3 million.

2 Given these costs, I estimate that the Department

3 of Defense will actually spend $5.7 million more per year

4 with the Garrison closed than if it were to continue to rely

5 on the Garrison to provide these vital services, and

6 realize -- and never realize a return on its investment. For

7 these reasons, I strongly hope that the Commission will reach

8 the conclusion to reject these recommendations, and maintain

9 the Garrison at Selfridge.

10 I also have further comments which I will insert

11 directly into the record, and that my time is up, and I want

12 to make sure that you have a chance to hear from Congressman

13 Levin with respect to the Detroit Arsenal Tank Plant. I

14 thank you very much for giving me the opportunity, and hope

15 you'll look favorably on our proposals.

16 COMMISSIONER KLING: Well, we thank you very much,

17 Senator. Thank you -- and now, Congressman Levin? That

18 makes two Levin's, right?

19 REPRESENTATIVE LEVIN: That's right.

20 COMMISSIONER KLING: For the price of one.

21 REPRESENTATIVE LEVIN: And I hadn't seen by brother

22 for a couple days. It gives me a chance --

1 COMMISSIONER KLING: Well, look what we do --
2 that's how BRAC operates, right? It brings people together.
3 REPRESENTATIVE LEVIN: Absolutely. You keep
4 families together. Mr. Chairman and members of the
5 Commission, I'm Sandy Levin, and I'm glad to join both
6 Senators for Michigan here this afternoon, and I want to talk
7 about the Army's recommendation to close the Detroit Tank
8 Plant. The Army announced its recommendation to close it on
9 February 28th, and we've been working since that time to
10 secure from the Army an answer to three basic issues.
11 Number one, who's affected? Number two, how much
12 will it cost? And number three, what are the implications
13 for the Tank program. And the reason I'm here today is that
14 after all this time, the Army's answers, unfortunately, are
15 very unconvincing. Now, with three weeks left, the
16 Commission still lacks the information necessary to make an
17 informed judgment on the Detroit Tank Plant. For example,
18 who's affected?
19 From the beginning, it was clear that the
20 recommendations to close the Tank Plant contained obvious
21 flaws. For example, the Army claimed that closing the Tank
22 Plant would not, and I quote, "affect any jobs in the Detroit

1 area." We asked the Army how this could possibly true when
2 over 250 workers are employed at the Plant. And the Army's
3 reply was, well, only .0067 percent of the labor force in the
4 area would be affected. Clearly, jobs would be affected. If
5 the Tank Plant closes, real people will lose real jobs.
6 But all other issues aside, the most fundamental
7 shortcoming -- and this has been commented on earlier -- of
8 the Army's recommendation, is the lack of a credible estimate
9 of the cost of closing the Tank Plant. The Army's original
10 claim was that closing the Tank Plant would result in a one-
11 time cost of only $1.4 million. When the Army was asked how
12 it arrived at the figure, it said the estimate was based on a
13 standard formula that sets building closing costs at $1.25
14 per square foot.
15 A buck and a quarter per square foot isn't going to
16 do the job. Unlike most Army installations, the Detroit Tank
17 Plant is not a base that houses and trains troops. Nor is it
18 an administrative office. The Detroit Tank Plant is an
19 industrial facility. It has been manufacturing tanks for
20 nearly 50 years. I sincerely doubt 1.4 million will be
21 enough. And during your visit to the Tank Plant last April,
22 Commissioner Steele heard a broad range of testimony.

1 And she asked the Army to repair a revised cost
2 estimate by mid-May. Well, here we are, mid-June, and the
3 Army still hasn't submitted a revised closing cost estimate
4 for the Tank Plant. We do know that TACOM in Warren,
5 Michigan requested and received detailed closing data from
6 the contractor at the Plant. This information was provided
7 weeks ago. We also know using this data, TACOM prepared a
8 revising closing cost estimate.
9 It was forwarded to Washington a few weeks ago, and
10 I've been informed that the Army rejected the new cost
11 estimate, and is sticking with its original one. My office
12 has received reports that the true closing costs are at least
13 25 times, I repeat that, 25 times higher than the Army's
14 original calculations. We simply cannot legislate in the
15 dark. Members of Congress and the Base Closure Commission
16 should have timely access to the reliable information
17 necessary to make informed judgment.
18 So I would like the assurance of this Commission
19 that it will take no action to close the Detroit Tank Plant
20 without first reviewing the closing costs data prepared by
21 the General Dynamics Land Systems, and by TACOM. Thank you
22 very, very much for giving us this opportunity. Thank you.

1 COMMISSIONER KLING: We thank you so much,
2 Congressman Levin.
3 REPRESENTATIVE LEVIN: Thank you.
4 COMMISSIONER KLING: Thank you for being with us,
5 and I guess that finishes Michigan, and we can now turn to
6 Minnesota, and I see we have the very fine Senator, Paul
7 Wellstone. Welcome, sir, and thank you for being with us,
8 and it's your time.
9 SENATOR WELLSTONE: Thank you very much. You all
10 have been very patient to be here all day, and Commissioner
11 Cornella, thank you for your on-site visit to Minnesota. Mr.
12 Chairman and members of the Commission, thank you for the
13 opportunity to join Congressman Sabo, and to briefly express
14 our views on the Commissions decision to review the 934th
15 Airlift Wing located at the Minneapolis/St. Paul Airport for
16 possible realignment or closure.
17 I know you've been here for many hours today --
18 many, many hours I think you would say, hearing from many
19 members of the Congress, and so I will keep my comments
20 short, and I will submit my full statement for the record.
21 I'm proud to represent those that work at this base, and all
22 Minnesotans who have an interest in its future at this

1 hearing.

2 I believe that as you move forward with your

3 deliberations and review the extraordinary quality of this

4 unit -- and I would emphasize that -- it's people, and the

5 reasons for its retention will become clear to the

6 Commission. Let me say at the outset that I come before you

7 today as a firm proponent of post-cold war defense

8 downsizing.

9 I have argued throughout my tenure in the Senate

10 that as a nation, we continue to spend too much on

11 breathtakingly sophisticated, expensive, and sometimes

12 redundant weapon systems, on maintaining large and expensive

13 active duty forces scattered over the globe, and on the

14 maintenance of a cold war defense infrastructure that is in

15 some ways obsolete and in need of thorough restructuring.

16 And I give specifics in my full statement.

17 There are a number of factors which argue for a

18 decision by the Commission to retain this unit, even when

19 compared to other C-130 Air Force air reserve bases across

20 the country.

21 The unit's distinguished flying record, its prime

22 location at a major aviation hub, its significant economic

1 contributions to our state, its relationship to other key
2 military tenants of the base, including the Navy Reserve and
3 a National Guard unit which share some inventory,
4 maintenance, and other resources and facilities, and its
5 ability to draw on skilled Minnesotans who work in our large
6 and growing technical aviation and medical sectors to operate
7 efficiently and cost effectively, all argue for its
8 retention.
9 The basic mission of the air reserve unit is to
10 support the active duty Air Force by providing seasoned
11 professional air crews and planes ready to perform technical
12 air lift and aeromedical evacuation worldwide, as the need
13 arises. The unit augments the active duty forces with over
14 1,000 well trained support personnel.
15 In recent years, because of their excellent record,
16 reputation, and training, they have been called on to
17 undertake humanitarian air lift, or medical evacuation
18 missions in Bosnia, in Somalia, the Persian Gulf, Haiti, and
19 elsewhere, where they have performed in award winning --
20 award winning fashion. They can either air drop, or actually
21 land cargo and personnel into the midst of combat, or other
22 critical situations, or evacuate people out who are in need

1 of medical attention.

2 And they have done so. They have done so with

3 extraordinary courage and skill over the years. The 934th

4 has an excellent working relationship with the metropolitan

5 airport's commission. This unusual arrangement allows the

6 sharing of fire fighting capabilities, snow removal

7 equipment, and runway, saving taxpayers well over $2 million

8 annually. The FAA operates the control tower for both

9 civilian and military flights, thus producing further

10 substantial savings.

11 The station also owns 21 joint use facilities that

12 are shared with other military customers at a large overall

13 savings. There are other benefits of retaining this unit in

14 Minnesota as well. Drawing on the vast technical engineering

15 and other skills of Minnesotans who work in large Twin Cities

16 based firms like Honeywell, Tonka, 3-M, Cray Computers,

17 Seridian, and others over the years, the unit has been

18 staffed with technicians who are the tops in their fields.

19 In addition, Minnesota's position as international

20 headquarters, and a major hub for Northwest Airlines provides

21 a large pool of skilled pilots, ground, and maintenance

22 crews, for which -- from which recruiters can draw.

1 Similarly, relying on Minnesota's vast network of excellent
2 health care facilities for highly skilled personnel, the unit
3 has consistently set a standard for readiness and performance
4 of aeromedical evacuation for air reserve units nationally.
5 Finally, closing the 934th would pose serious
6 geographic problems for those personnel currently working
7 there. With the next closest unit currently located in
8 Madison, Wisconsin, closing this station would make it very
9 difficult for members of the unit to continue to serve in the
10 Air Force Reserve.
11 Mr. Chairman, and other members of the Commission,
12 I am convinced that when you and other members of the Defense
13 Based Closure and Realignment Commission examine all the
14 facts, you will conclude that the 934th Air Force Reserve
15 Station located at the Minneapolis/St. Paul Airport, should
16 remain open.
17 I appreciate your taking the time to hear from me,
18 and other members of our delegation on this matter, so
19 important to Minnesota, though what I would argue by the
20 criteria of cost effectiveness, concentrated expertise -- so
21 important to the nation as well. I thank you.
22 COMMISSIONER KLING: Thank you, Senator Wellstone

1 for those fine comments. We appreciate it, and now I think I
2 see that fine Congressman, Martin Sabo.
3 REPRESENTATIVE SABO: Thank you, Commissioner
4 Kling, Commissioner Cornella. I see I'm supposed to say my
5 name, state, and district. I'm Martin Sabo of Minnesota, 5th
6 District. And Mr. Cornella, it's good to see you again. I
7 appreciated your visit to Minnesota, and I take this
8 opportunity to testify in support of the 934th Air Force
9 Reserve Air Lift Wing in Minnesota.
10 We in Minnesota are rightfully proud of the 934th,
11 and I'm confident that your Commission reviewing this
12 installation will recognize that the 934th Air Wing serves
13 vital military and humanitarian roles that are particularly
14 important to maintain in this time of restructuring our
15 national defense operation. Commissioner Cornella visited
16 the base just two weeks ago, observed first hand some of the
17 major assets of the 934th.
18 It has proven itself as a consistent, capable,
19 efficient, combat ready support force for our ever changing
20 national defense needs. By providing vital air lift
21 assistance, the 934th served effectively in the Persian Gulf
22 War, and more recently, in Haiti, Panama, and Somalia. In

1 Bosnia alone, they have deployed 500 personnel during three
2 rotations in 1992, 1993, and 1994. They've delivered over
3 2,000 tons of critical humanitarian assistance to the
4 troubled area.
5 While its military record is solid, the 934th is
6 also known for its cost effectiveness. Of the six Air Force
7 Reserve bases now under consideration by the Commission, the
8 934th has the lowest operating budget, and ranks in the top
9 third of all Air Force Reserve full spaces, for cost
10 efficiency and operating and maintenance costs. The 934th is
11 modeled cooperation working with other military civilian air
12 services.
13 The unit shares 21 joint use facilities on the base
14 with the Army, Navy, Marines, and International Guard. It
15 cooperates and shares services with Minneapolis/St. Paul
16 International Airport. It shares runways, air traffic
17 control, fire and emergency support service, resulting in
18 substantial savings to the American taxpayer. Senator
19 Wellstone indicated fire fighting shared capabilities alone
20 save $2 million annually. Clearly, this base is important to
21 our Twin Cities' economy.
22 It directly employs 500 full-time Defense

1 Department personnel, and more than 1,100 reservists. It has
2 an operating budget of $34.7 million, total economic impact
3 of $70 million. But it's more than simply a source of
4 defense dollars for Minnesota. It serves as a strong
5 military presence that attracts quality recruits. The
6 nearest Air Force Reserve Base is in Milwaukee, 337 miles
7 from Minneapolis.
8 The 934th puts forth a powerful image in the Twin
9 City metropolitan area, bringing recruits into the reserve
10 service, and keeps them at a higher rate than the reserve
11 targets. And I think this is important. The unit has a
12 reenlistment rate hovering around 99 percent, well above the
13 target of 90 percent set for the Air Force Reserve units. It
14 serves vital military domestic missions; does so in the
15 efficient cost effective manner.
16 The 934th is in high demand, and its mission
17 performance is accredited to the Air Force. It should also
18 be noted the 934th Wing has flown over 142,000 flying hours
19 without a single major mishap, giving it the second best
20 flying safety record in the entire Air Force. Commissioner
21 Cornella's fact finding visit to the base, and your
22 willingness to hear from those from Minnesota, shows the

1 Commissions commitment to make a well informed decision.
2 I believe the 934th should continue its current
3 mission. And I would be happy to provide you with further
4 information as the Commission proceeds with its review.
5 Commissioners, it's a cost efficient, highly capable, air
6 wing that provides a very vital function for our nation's
7 defense, and I thank you.
8 COMMISSIONER KLING: And we thank you so much,
9 Congressman Sabo, and to you also, Senator Wellstone, for
10 being with us today. Thank you, gentlemen. I believe we
11 have five more representatives that are coming along, so
12 we'll just hold up here for a few minutes and wait and see
13 who we get to. Sonny Bono is coming. Okay. But we will
14 take just a couple minutes recess here.
15 (A brief recess was taken.)
16 COMMISSIONER KLING: Congressman Sonny Bono, thank
17 you for coming over here, and right on schedule, I might add.
18 REPRESENTATIVE BONO: Thank you very much, Mr.
19 Chairman. I appreciate you hearing out my issue here, and
20 before I read the text, I just want to say that it is very
21 important to our district, as you know. You have the worst
22 job in the world, making these decisions. And I appreciate

1 you considering all of us and recognizing that these are all
2 important to us. I'll read the text.
3 I would like to thank each member of the Commission
4 for holding these hearings. The status of March Air Force
5 Base has been the minds and close to the hearts of many of us
6 for some time. As an independent Commission, BRAC should be
7 praised for its hard work and tough decisions. You have been
8 to Southern California bases, and you know what work has
9 already been done to downsize these facilities.
10 With respect to March, I urge you -- I urge the
11 Commission to adopt a Marine proposal, and make the most of
12 the previous BRAC rounds. As we proceed, we must try to save
13 taxpayer dollars, but we must also keep in mind operational
14 safety, preserving our military readiness, and common sense.
15 True saving money and consolidation are important goals. But
16 nothing is saved by closing March. First and most
17 importantly, we must look at the service people's safety.
18 Second, I want to address the potential savings
19 that the public may expect from our closure or realignment.
20 Before we make what will certainly be drastic changes to our
21 military readiness, there must be an accurate study. Of
22 course there was a study, but in my view, it was a faulty

1 one. Mr. -- tough name -- Mr. Nemfako's data analysis
2 ignored boys in the field that risked lives on the military
3 effectiveness and operational safety concerns.
4 In truth, it is the Marine proposal that saves the
5 country money. Finally, I want to reemphasize the
6 redirecting the Marines to March is also important to our
7 national defense. March is -- has a high military value.
8 The Marine redeployment would be better positioned to the
9 Marines for combat, and put them closer to their training
10 centers. It is -- it is a fine -- it is fine for honorable
11 people to disagree, but let's get this right.
12 There is no turning back for a potential disaster
13 in this. In summary, the Marine proposal is safer, cheaper,
14 more efficient by efficient choice. By adopting the marine
15 proposal, this Commission can strike a blow for preserving
16 our national defense. It can strike a blow for the
17 taxpayers, it can strike a blow for operational safety.
18 Please do not shoehorn the interservice forces together at
19 Miramar. There is too much at stake for all of us, including
20 the service people, and all the Americans.
21 We rely on them for our defenses. Thank you. I
22 just wanted to come here on behalf of March Air Force Base,

1 and ask you to please give it a consideration.

2 COMMISSIONER KLING: We certainly will, and we

3 certainly thank you, Congressman.

4 REPRESENTATIVE BONO: I again thank all the members

5 of the Commission for doing a very hard job.

6 COMMISSIONER KLING: Well, thanks for coming on

7 over here at this late date. Thank you. And I think

8 another -- we'll take another very short recess.

9 (A brief recess was taken.)

10 COMMISSIONER KLING: Would you like to say

11 something? Congresswoman Clayton, thank you for coming on

12 over this afternoon. It's kind of a late -- we got you a

13 late time here. I hope it's not too late for you.

14 REPRESENTATIVE CLAYTON: No, I appreciate you

15 allowing me to present this.

16 COMMISSIONER KLING: From North Carolina --

17 REPRESENTATIVE CLAYTON: Mr. Chairman and members

18 of the Defense Closure and Realignment Commission, I want to

19 thank you again for the further opportunity to present the

20 case for relocating the Naval Wings from Cecil Fields,

21 Florida, to Cherry Point Station, in Havlock, North Carolina.

22 But my colleagues in Congress, and our governor and I

1 appeared before this Commission in Maryland, and May 4th, I
2 said at the time, and I believe also that we had a compelling
3 case.
4 Now that the facts are unfolding, we think the case
5 is even more compelling, for several reasons. First, the
6 very integrity of the base closure and the realignment
7 process is at issue here. In 1993, the decision was made
8 based upon solid factors: Cost savings, military value, land
9 use, safety, environment impact, and joint service training.
10 Cherry Point was selected.
11 This decision was careful, thoughtful,
12 dispassionate, disinterested, impartial, and calculated on
13 where best to relocate the FA-18 jets. Less than 18 months
14 later, this decision has changed. Second, the cost figures
15 upon which the Navy relied in 1993 differ by close to half a
16 billion dollars in 1995. One must seriously question the
17 accuracy of these figures. How can the Navy make a $385
18 million mistake?
19 Faulty information, inflated figures seem to be
20 driving decision to switch from Cherry Point to Oceana Naval
21 Air Station. Third, there are serious problems with the
22 Oceana location that can affect the operational readiness.

1 For more than two decades now, it has been documented that
2 Oceana, which depends heavily on Virginia Beach for its water
3 supply, does not have a sufficient water yield. This is
4 particularly true during the periods of dry weather, or
5 draught.
6 And this will remain true, even if the Lake Gaskin
7 pipe line project is finally approved by Virginia and my
8 state. The Virginia Beach area is counting on 95 million
9 gallons of water a day from Lake Gaskin. I live at Lake
10 Gaskin on the North Carolina side. This, men, has been an
11 issue for more than 10 years, and I can tell you that a
12 resolution of this additional water flow into Virginia Beach
13 is by no means certain fact. It is with grave doubt.
14 I am most distraught -- disturbed, however, Mr.
15 Chairman, because the exaggerated estimates upon which the
16 Navy seem to rely first was surfaced in three correspondence
17 from Secretary John Warner of Virginia, himself a former
18 Secretary of the Navy, and now our competitor. Surely, some
19 reservation must be raised about estimates generated by those
20 who have a direct interest in the outcome of the Commission's
21 decision.
22 Finally, it should not be overlooked, Mr. Chairman,

1 that in reliance upon the decision that was first made by
2 this Commission, and anticipation of a relocation to Cherry
3 Point, the people of North Carolina have expended
4 considerably resource money and energy in preparation for the
5 move from the Navy Wing. $40 million in housing and other
6 upgrades alone have been spent.
7 Millions more have been expended by excessive
8 planning, infrastructure improvement, bond issues, planning a
9 new school, housing development, comprehensive water and
10 sewer planning, and transportation needs. Based upon the
11 first decision to relocate to Cherry Point, the State of
12 North Carolina has been looking forward to the move, and
13 making plans to ensure that the Navy Wings was well
14 accommodated.
15 We have done our part best we know. We have been
16 making arrangement and getting ready for the nearly 5,000
17 military and civilian personnel who will come with this move.
18 To say that we have relied on -- at our detriment, on the
19 1993 decision, puts the situation mildly, at best. This
20 change, if it prevails will be felt throughout the state, and
21 will have a long term effect on the people of North Carolina.
22 One final point, Mr. Chairman and the Commission, I

1 would urge the Commission to make sure it takes a close look
2 at the environment impact that a move of the Navy will have
3 on the State of Virginia. Indications that I am aware of
4 suggest that there are significant sensitive environmental
5 concerns in the area of Virginia in which the change is
6 proposed. I urge the Commission to reconsider the decision
7 to relocate to Cherry Point, once again.
8 Cherry Point was, and remains a sound selection.
9 The rationale for changing appears to be rather shallow and
10 based upon inaccurate information. The critical water supply
11 issues are swerving around the Oceana location, and the
12 people of North Carolina rely on good faith on the original
13 decision. Moreover, the environmental concerns, which seem
14 to be paramount in Virginia and to Cherry Point. The case
15 continues, Mr. Chairman, to be compelling.
16 And I ask the Commission, I believe they --
17 reconsideration is obliged. At the very least, a fresh and
18 closer look is warranted. Thank you for hearing my
19 testimony.
20 COMMISSIONER KLING: And thank you, Congresswoman
21 Clayton. We certainly thank you for being with us. And now
22 we have that fine representative, Congressman Elton Gallegly,

1 California.

2 REPRESENTATIVE GALLEGLY: Thank you very much, Mr.
3 Chairman and members of the Commission. I appreciate this
4 opportunity to address you today. As you have heard me
5 testify previously, I am strongly opposed to the closure and
6 realignment facilities at Naval Air Warfare Center, Weapons
7 Division, Point Mugu, as proposed and considered by the
8 Commission. I believe we've come a long way in the analysis
9 of the realignment proposal since it was first presented at
10 the Adds Hearing on May 10th.

11 I would like to take this opportunity to detail for
12 you that progression -- where we started, and where we are
13 today in the evaluation of this proposal. Prior to your
14 decision to add Point Mugu for closure consideration, you
15 heard of a DOD Inspector Generals Report detailing alleged
16 potential savings that could be achieved by closure of Point
17 Mugu.

18 The IG decided that the highly valued and extremely
19 sophisticated sea range operations could be housed in
20 facilities at a nearby construction battalion base at Fort
21 Wainemee. The IG also believed the laboratory and flight
22 test functions could be transferred to China Lake because the

1 IG assumed they were duplicative of operations at China Lake.
2 Finally, the IG assumed that future tests and
3 evaluation work load targeted for performance by Point Mugu
4 and China Lake would be drastically reduced by allowing
5 substantial work force reductions at the two bases. In fact,
6 the bulk of the IG's projected savings in its report is
7 derived from personnel consolidations. Since May -- the May
8 10th Adds Hearing, the Commission has had benefit of a site
9 visit to Point Mugu, and China Lake.
10 You received detailed community testimony through
11 the regional hearing process. Finally, you have received
12 comprehensive and definitive analysis from the Navy. All of
13 these -- all these points out the fallacy of relying on the
14 IG Report, and its flawed data as justification to close
15 Point Mugu. During your site visit on May 30th, you heard
16 how critical the fleet mission was, and readiness is to
17 the -- to have the sea ranges operation located at Point
18 Mugu, immediately adjacent to the range.
19 Further, you learned that the Fort Wainemee
20 buildings suggested to the IG are as an alternate site,
21 either unavailable, or dilapidated as to their usable for
22 range operations without substantial and costly renovation.

1 You were advised that, although both Point Mugu and China
2 Lake performed test evaluation functions, the weapon systems
3 of which each is devoted are completely different. Each
4 requires a unique laboratory and engineering capability.
5 As a result, functions -- as a result, functions,
6 but not capabilities, are duplicated at each site. The
7 Commission was briefed on the concept of DBOF, the Defense
8 Business Operations Fund, and advised all laboratory
9 engineering functions at Point Mugu and China Lake are DBOF
10 functions. That means they must pay for themselves from user
11 customers. DBOF requires that workload dictates personnel
12 levels.
13 You were shown that -- how wrong the IG was in the
14 estimate projected work load is compared to actual levels.
15 Consequently, there are no excess personnel at China Lake
16 that could perform the Point Mugu work. Therefore, the IG
17 assumption about savings derived from consolidation is wholly
18 invalid. Finally, you heard how the Navy has consolidated
19 activities at Mugu over the last two years, reducing
20 personnel and achieving a 20 year savings of $2.8 billion.
21 Although we tried to communicate these points to
22 the Commission prior to the Adds Hearing, I understand and

1 appreciate that the proof had to be presented by factual
2 testimony, empirical evidence at site visits, and detailed
3 economic analysis provided by the Navy. I am confident that
4 that strong definitive case has now been made. The
5 Commission proposed scenario suggests retaining the Sea Range
6 operation, but closing the runways and transferring
7 laboratory and engineering functions to China Lake.
8 At the site visit and the regional hearings,
9 Commissioners were informed by the commander of the pacific
10 fleet and the director of the Navy's weapons test and
11 evaluations -- just show how important it is for the missions
12 capability and fleet readiness -- to have the collocation of
13 the laboratory and engineering capabilities with a range.
14 You were shown the incredible inefficiencies that would
15 result from the closure of the air field, and the transfer of
16 range targets operations to a point 160 miles away.
17 Not only would this be a ridiculous from
18 operational perspective, it would also add significant costs.
19 The Commission has shown the negative impact this scenario,
20 and have the Air National Guard and operations of the nearby
21 Surface Warfare Center. Finally, you were shown that the one
22 time closure estimated at $800 million, and reoccurring

1 annual costs, were so high as to preclude any reasonable
2 return on investment for at least 64 years.
3 Members of the Commission, I can understand why
4 superficially, Mugu may have appeared a tempting target for
5 closure. I can only hope that now you have had a chance to
6 explore the matter in depth. You will agree that closing or
7 further realignment of Mugu simply does not make sense.
8 Given these facts just outlined, I ask you to
9 please delete Mugu from the closure and realignment list that
10 allowed this important Navy facility to continue its vital
11 functions in the service of our country's national defense.
12 Thank you very much.
13 COMMISSIONER KLING: Congressman, we thank you so
14 much for being with us for those fine comments. Thank you,
15 sir. And we will wait -- I believe we have -- one more
16 Congressman is on his way. He'll be here in a couple
17 minutes, so we'll just hold a recess for couple minutes.
18 (A brief recess was taken.)
19 COMMISSIONER KLING: How do you do, Senator.
20 Welcome, Senator.
21 SENATOR MOSELEY-BRAUN: Thank you very much.
22 COMMISSIONER KLING: And we have with us Senator

1 Carol Moseley-Braun. Braun.

2 SENATOR MOSELEY-BRAUN: Thank you very much. I can
3 see this. Commission Kling, Chairman Dixon, members of the
4 committee -- Commission, I am delighted to have a chance to
5 talk -- to testify before you this afternoon. We thought, as
6 a matter of fact, there were votes scheduled, and that would
7 have precluded this. But, to specifically talk about where
8 the BRAC is now is part of the process.

9 I have a written statement, and I'll just try to
10 synopsize parts of the testimony there. I've testified
11 before this Commission on the first of March, with regard to
12 the Charles Melvin Price Support Center and Savanna, at Army
13 Depot, and then again on the 10th of May, with regard to your
14 decisions the 10th of May, when the Commission decided to add
15 O'Hare Reserve Station to the base closure list. The Base
16 Realignment and Closure Commission ensures that the base
17 closure process is fair.

18 Under BRAC's guidelines, the Commission uses three
19 categories of criteria to evaluate the Secretary's
20 recommendations. First the Commission assesses the military
21 value of each base, and determines the extent of which
22 closing the base will impair the current and future mission

1 requirements, and the operational readiness, on the
2 Department of Defense's total force.
3 Second, the Commission measures the return on
4 investment of closing the base, and the extent and timing of
5 potential costs and savings. And finally, the Commission
6 evaluates both the economic and environmental impact of the
7 base closure on the community. The responsibility falls to
8 the commissioners to confirm that these criteria have been
9 met, and that the facts support the decisions made.
10 I submit, as I have submitted previously, that in
11 the case of the Charles Melvin Price Support Center and the
12 Savanna Army Depot, that the facts do not support the closure
13 of those bases, and the criteria of the BRAC process have not
14 been met. Charles Melvin Price Support Center provides
15 administrative and logistical support services to the
16 Department of Defense, and other federal government agencies
17 in the St. Louis area.
18 It is home to some 436 jobs. The Department of
19 Defense's recommendation to close Price is related to its
20 decision to relocate the ADCOM Command from St. Louis.
21 During your visit to Price, you heard that ADCOM is not the
22 primary user of Price. ADCOM soldiers occupy only 17 percent

1 of the military family housing at price, and constitutes only
2 4 percent of the transportation workload. ADCOM occupies
3 only 21 percent of the administrative space on the
4 installation.
5 And it occupies almost none of the warehouse space,
6 or open storage facilities. The Department of Defense's
7 expected savings from closing the base did not take into
8 consideration long term costs. The Army, I believe
9 overestimated the total savings from closing down the
10 military housing units at Price by -- in the area of $30
11 million, because most of the residents of this housing are
12 not connected to ADCOM, and will not be transferred out of
13 the area.
14 Instead, they will require housing subsidies if
15 they are required to move off the base. More than half the
16 housing units at Price were completed 5 years ago. In light
17 of Secretary Perry's recent comments about the inadequacy of
18 the military's housing stock, and its negative impact on
19 retaining good people, I believe that the recommendation to
20 close Price is ill advised indeed.
21 I also believe that it is misguided to close the
22 Savanna Army Depot, which stores ammunition and is home to

1 the U.S. Army Defense Ammunition Center and school. It
2 employs 400 people. Savanna is being recommended for closure
3 because it has been characterized by the Army as a Tier 3
4 caretaker depot, which stores unserviceable ammunition that
5 is slated to be demilitarized, or disassembled. The
6 Secretary recommended that all Tier 3 depots close.
7 However, the most recent worldwide Ammunition
8 Storage Program Report prepared for the Joint Logistical
9 Commanders stated that all depots are full, and, in fact,
10 there's ammunition being stored outside. And so, the Army's
11 budget for demilitarizing unserviceable ammunition will drop
12 dramatically over the next few years, while the Army will
13 continue to generate about 100,000 short terms -- to short
14 tons of ammunition for each year of demilitarization.
15 In addition, there are hundreds of thousands of
16 tons of unserviceable ammunition positioned overseas that
17 must be brought back to the United States to be disassembled.
18 The Army simply will not be able to disassemble this
19 ammunition fast enough to keep up with the storage
20 requirements for the amounts of ammunition designated for
21 demilitarization. The storage facilities at Savanna,
22 therefore, are critical.

1 I also would like to stress that the environmental
2 clean up costs to clean up Savanna will be astronomical. An
3 environmental impact report recently released stated that it
4 will cost some $260 million to clean up the base, and an
5 additional $50 million for ground water treatment. Although
6 the Department of Defense says that it is obligated for the
7 cost to clean up all the bases, and does not factor
8 environmental costs in the decision to close a base.
9 In reality, Savanna may never be able to house a
10 commercial tenant. Finally, commissioners, the Commission
11 has decided to add the O'Hare Air Reserve Station to the list
12 of base closures under review. More than 3,000 men and women
13 belong to the 928 Airlift group, and the 126th Air Refueling
14 Wing at O'Hare. The 928 has one of the highest percentages
15 of minority representation in the Reserves, and is one of the
16 safest flying units in the Air Force.
17 The 928th and the 126th have served in Somalia,
18 Turkey, Iraq, Haiti, and Bosnia. These units benefit from
19 the talented and diverse recruiting environment of the
20 Chicago metropolitan area. The Air Force wants to be in this
21 area to take advantage of the unique resources that the large
22 metropolitan area, and the biggest air transportation hub in

1 the country can provide.

2 I recognize, on the one hand, the economic

3 development potential for the city of Chicago, at O'Hare

4 Airport. I recommend, therefore, and I support the idea that

5 moving the units now at O'Hare to other sites in Illinois, so

6 that the United States does not lose the ability to take

7 advantage of the very talented and able aviation community in

8 the Chicago metropolitan area, that that is the direction

9 that would make sense to head.

10 Disbanding the units, or moving them to locations

11 where the current and future reservists and guardsmen reside

12 in Northern Illinois could not participate would represent a

13 real loss to our nation, and to our national defense. Mr.

14 Chairman, I believe that every part of our federal budget,

15 including our defense budget, needs to be reviewed. The BRAC

16 Commission plays an important role in that review.

17 As we move forward into the 21st century, the

18 United States military must become more efficient, and more

19 capable of responding to political and military situations

20 worldwide. Price and Savanna -- and Savanna perform very

21 necessary duties to integrate into the larger mission of the

22 United States military. The success of the military is that

1 the whole is greater than the sum of its parts.

2 This is a synergy between the different bases,

3 personnel, supplies, and other parts of the military system.

4 Price and Savanna, I believe, are essential to maintaining

5 that synergy -- that efficiency, if you will, in a

6 restructured military. And we also need to find a way to

7 ensure that the United States does not lose access to the

8 skills and capabilities of the largest commercial aviation

9 community in the United States.

10 Finally in closing, Mr. Chairman, I'd like to say,

11 when I came in the door, I was sworn in. And I don't know

12 if, since we've been sworn in before, I don't know if that

13 was in response to a recent ruling to suggest the testimony

14 before Congress or related bodies may be different than

15 testimonies before the Executive, or why it was necessary,

16 but I did it anyway. It was fine. I had no problem.

17 And so, in the context of having just taken the

18 oath to tell the truth here, let me add what may sound like a

19 more partisan and parochial comment that's not part of my

20 formal statement. And that has to do with the notion that

21 Illinois really has paid its fair share in terms of base

22 closures.

1 There's not question but that while you have to
2 review the situation nationally, and while you have to take
3 into account the parochial and the immediate needs of
4 communities all over these United States as part of your
5 decision making, that I hope that this Commission will see
6 its way clear to take into account the overall picture, and
7 the history. The past really is prologue in decisions like
8 this as well.
9 And Illinois, certainly, has paid its price, has
10 contributed and stepped to the plate -- has contributed its
11 sacrifice, and done its share as part of this downsizing
12 challenge. And so, having said that, again, there's a lot to
13 be gained I believe, by keeping Price and Savanna open, and
14 by allowing the Reserve units at O'Hare to stay in the State
15 of Illinois. Thank you.
16 COMMISSIONER KLING: And we thank you, Senator
17 Braun, for being with us. Thank you for your good comments.
18 And now, we'd like to have Congressman Ed Royce from
19 California. Welcome, Congressman.
20 REPRESENTATIVE ROYCE: Thank you, Mr. Chairman, and
21 I want to thank the members of the Commission as well for the
22 opportunity to appear before you today to speak of a matter

1 of vital importance to our nation, and certainly to Southern
2 California, and that is the future of the Long Beach Naval
3 Shipyard.
4 My colleague, Steve Horn, and others have addressed
5 many of the economic and technical and legal issues involved
6 in this debate, and they've discussed the deviation from base
7 closure law criteria, the disparities in the Navy's
8 application of those criteria, errors in excluding workman's
9 comp benefits associated with the closure of Long Beach, and
10 the economic impact on the Long Beach, Los Angeles area of
11 closing Long Beach, worth an estimated three quarters of a
12 billion dollars annually.
13 They've also mentioned the outstanding record of
14 Long Beach as the only public shipyard operating in the
15 black, and returning money to the taxpayers the last 6 years
16 in a row. Accordingly, I would like to focus on another
17 perspective, and that is the essential contributions that
18 Long Beach Naval Shipyard makes to America's military
19 capability, and to America's security presence in Asia and
20 the pacific.
21 Our economic well being for the 21st century is
22 tied to Asia, and the pacific realm. So is our national

1 security. Current and incipient military trade and regional
2 disputes involving Russia, and China, and Japan, Taiwan, the
3 Koreas, the Philippines, Philasia, Indonesia, Vietnam, India,
4 Pakistan, and the Persian Gulf, and Eastern Africa, all argue
5 for a stout and reliable force projection from the west coast
6 of America. Please note that three of the nations that I
7 named are nuclear powers.
8 The pacific and its adjacent waters have become, in
9 this century, America's ocean. And they need to be secure
10 for American commerce, and American sea power. Long Beach
11 Naval Shipyard is an essential element of that formulation.
12 For example, the overall Chinese defense budget increased by
13 22 percent last year, and is going up by another 25 percent
14 this year. No other country in the world comes close to
15 these levels of growth in military spending.
16 A large portion of this increased defense spending
17 is going to the Chinese Navy. Earlier this year, the Chinese
18 bought two submarines from Russia as the first part of a
19 package deal, in which they'll buy more than a dozen more.
20 The expanding forward presence of Chinese ships in the seas
21 of Southeast Asia is another example. The Chinese Navy
22 already has tried to occupy islands in the South China sea

1 that are claimed by other Asian countries.

2 These are but some of the ways in which communist

3 China has sought to develop a bigger and more powerful blue

4 water navy with nuclear and ballistic missile capability. In

5 fact, no other area of the world has witnessed a greater arms

6 race in recent years, than the countries of South and East

7 Asia. All of this is taking place while the United States

8 has been shrinking its own Naval force.

9 Our ability to project force abroad when necessary

10 depends on readiness, and on capacity, and on balance of

11 power. And Long Beach contributes immeasurably in each of

12 these three factors. No other port facility provides the

13 services to Naval fleets in a single location as does Long

14 Beach, including a carrier capable dry dock, large overhaul

15 capacity, surface and conventional ship servicing capacity,

16 and a tremendously skilled work force.

17 Losing such a valuable shipyard would deal a

18 tremendous blow to an American Navy which already has seen a

19 sharp decline in available funds for routine maintenance.

20 The advantage of Long Beach's central geographic mainland

21 location allows it to serve as a funnel point for projecting

22 American military power for the rest of the United States to

1 the Pacific in ways that the Puget Sound, or Pearl Harbor
2 cannot duplicate.
3 Long Beach also stands as one of only two west
4 coast bases with dry docks capable of servicing aircraft
5 carriers. If Long Beach were to close, our future capability
6 to service our carriers -- a weapon with unparalled
7 capability to convey American power would be severely
8 compromised. We know that foreign ports cannot substitute
9 for the reliability and the range of services found in the
10 Long Beach shipyard.
11 We also know that we cannot depend on foreign ports
12 to provide essential services and access to our Navy.
13 Already, China's military buildup and influence in the region
14 have led nations such as the Philippines, Thailand, and
15 Indonesia, to deny or request to float pre-positioned
16 American equipment and supplies for our use in future global
17 emergencies.
18 The only way that we can be certain of having a top
19 quality Naval facility available when we need it in the
20 future, is to maintain the facility ourselves, and we already
21 have it in Long Beach. In sum, when future regional or
22 global crisis occur, as inevitably they will, and when such

1 crisis calls for action by the United States Navy, we will
2 require the continued presence of the Long Beach Naval
3 Shipyard to project America's strength abroad.
4 So I urge you not to deprive us of that capability,
5 and I thank you very much for the opportunity to testify here
6 today, Mr. Chairman.
7 COMMISSIONER KLING: Thank you, Congressman Royce.
8 And with that conclusion, we'll have two announcements. One,
9 I would like everybody to know what a tough ship our Chairman
10 runs. He had this set for adjournment at 6:10, and it is now
11 exactly 6:10. Pretty good. And, second of all, the -- we're
12 going to stand in adjournment now until 8:30 tomorrow, when
13 the Congressional Hearings will continue, and they will take
14 place on the Senate side in the Hart Senate Office Building,
15 Room 216. And with that, we stand in adjournment.
16 Thank you, all.
17 (Whereupon, at 6:10 p.m., the Hearing was
18 adjourned.)